

**VCGLR'S ANSWERS TO QUESTIONS 1 TO 137 AND 147 TO 184 OF
CONFIDENTIAL SCHEDULE 1**

We refer to questions 1 to 184 of the document headed “*Confidential Schedule 1*” that was provided by Counsel Assisting the Royal Commission into the Casino Operator and Licence. The VCGLR’s answers to questions 1 to 137 and 147 to 184 are set out below. The VCGLR’s answers to questions 138 to 146 are contained in document VCG.0001.0002.3262.

A glossary of terms defined in the VCGLR’s answers is contained in **Annexure A** to these answers.

In this document, ‘VCGLR’ and ‘Commission’ are used interchangeably.

GENERAL MATTERS

Question 1

1 Please list each of the people who had the conduct or carriage of the Sixth Review of the Casino Operator and Licence June 2018 (Sixth Review) for the VCGLR, or who otherwise worked on the investigations in relation to, the preparation and/or drafting of the Sixth Review. The list should include employees of the VCGLR, and any other consultants engaged by the VCGLR (“the Reviewers”).

1. A review team (**Review Team**) was established within the VCGLR to conduct the Sixth Review pursuant to section 25 of the *Casino Control Act 1991* (Vic) (**Casino Control Act**).

Review Team

2. The Review Team reported to a Steering Committee of VCGLR executives led by the CEO, and then on to the Commission.
3. The Review Team (**Table 1**) was responsible for undertaking the investigation, including assessing information collected, drafting the report for the Commission’s consideration and ensuring all other project requirements were met. The Review Team was led by the Director, Casino Licence Review Project, who was responsible for the day-to-day management of the project team and reported to the CEO.
4. The Review Team comprised fixed-term staff and staff seconded from elsewhere in the VCGLR. At times, the Review Team drew on the expertise of internal and external Subject Matter Experts (**SMEs**) to support the delivery of the project. External consultants also supported the work of the team (for example, providing probity advice and financial advisory services). The work plan and process undertaken by the team is explained on pages 21 - 23 of the Sixth Review.
5. The Director who led the project was responsible for leading the review including managing the team, liaising with Crown, stakeholder management (such as consultation with other regulators and agencies such as AUSTRAC) and delivering the review report. The team also comprised of:
 - a. A Principal Legal Adviser who provided legal advice and analysis. Responsibilities included providing advice on the legal arrangements that govern the casino and contributing to the writing of the final report, and responsible gambling matters.

- b. A Principal Major Licence Officer who examined and analysed the regulatory, commercial and governance operations of Crown. Responsibilities included the preparation of project documentation, liaising with Crown and other bodies relevant to the review and contributing to the writing of the final report.
 - c. A Senior Project Officer who oversaw project management and aspects of appropriate governance for the review team such as probity processes. Responsibilities included maintaining project management systems and processes, preparing project papers, maintaining document management processes and providing secretariat support.
 - d. A Policy Analyst responsible for conducting research and analysis, identifying and analysing emerging trends and issues involving complex and sensitive issues in gambling regulation.
6. In addition to the above, VCGLR staff that were seconded to the review team included a Product and Systems Analyst who provided technical advice on Crown’s systems and a Gambling and Liquor Inspector.

Table 1 – Sixth Review project team

Name	Position on Sixth Review	Current employer
Robert Chappell	Director, Casino Licence Review Project	Manager, Practitioner Discipline, Victorian Building Authority; resides in South Australia.
Rowan Harris	Principal Major Licence Officer	VCGLR
Garry Ferris	Policy Analyst	Unknown
Miriam Holmes	Senior Legal Policy Officer	Director, Office of General Counsel, Department of Premier and Cabinet (<i>source: DPC organisational chart March 2021</i>)
Paul Noblett	Product and Systems Analyst	VCGLR
Zoe Holmes	Senior Project Officer	Election Procedures and Instructional Products Coordinator, Victorian Electoral Commission
Simone Alesich	Policy Analyst	Senior Policy Adviser, Social and Economic Inclusion, Department of Jobs, Precincts and Regions (<i>Source: LinkedIn</i>)
Luisa Bianchin	Gambling and Liquor Inspector	Team Leader, Integrity and Corruption Investigations, Department of Justice and Community Safety (<i>Source: LinkedIn</i>)

Steering Committee

7. The Steering Committee (**Table 2**) acted as the authorising committee, responsible for the overall direction and management of the project. It provided strategic oversight of the project and ensured it was delivering against the stated scope, within the approved budget and timeframes. The Steering Committee provided regular progress reports (verbal or written) to the Commission on progress against the schedule, key risks and mitigations and significant stakeholder engagement. The Director, Casino Licence Review Project and senior review team members would attend Commission meetings to provide updates.

8. The Steering Committee considered and reviewed the findings presented, which were then considered and reviewed by the Commission before they were approved and the Chairperson and the CEO signed-off the final report.

Table 2 – Sixth Review Steering Committee

Name	Job title	Current employer
Catherine Myers	Chief Executive Officer	VCGLR
Michael Everett	Director Corporate Services and Chief Finance Officer	VCGLR
Stephen Berriman	Director Compliance	Retired
Alan Stone (until July 2018)	Director Legal Services and General Counsel	Corporate Counsel, Glen Eira City Council
Scott May (July 2018 until conclusion)		VCGLR
Alex Fitzpatrick	Director Licensing	VCGLR
Nitsa Karahalios	Director Research and Engagement	Project Lead Regulatory Practice Agriculture Victoria

9. The Commissioners during the Sixth Review are set out in Table 3.

Table 3 – Commissioners during Sixth Review

Name	Job title	Current employer
Ross Kennedy	Chairperson	VCGLR Chairperson
Helen Versey	Deputy Chair	VCGLR Deputy Chair
Deidre O'Donnell	Deputy Chair	VCGLR Deputy Chair
Des Powell	Member	VCGLR Sessional Commissioner
Dina McMillan	Member	Principal / Managing Director, McMillan Consulting Group (<i>Source: LinkedIn</i>)

Question 2

- 2 Please list each of the people from either Crown Melbourne or Crown Resorts with whom any Reviewer had interactions in the course of undertaking the Sixth Review. The list should specify:
- the name of the Reviewer;*
 - the person from either Crown Melbourne or Crown Resorts with whom the Reviewer interacted;*
 - the purpose of the interaction and the relevance of the interaction to the Sixth Review;*
 - the form of interaction (letter, email, telephone conversation, interview etc);*
 - the date of the interaction.*

Name of the Reviewer	Crown Melbourne Limited people with whom Reviewer had interaction	Purpose of the interaction	Crown Resorts Limited people with whom Reviewer had interaction	Purpose of the interaction
Robert Chappell	<ul style="list-style-type: none"> • Barry Felstead • Xavier Walsh • Joshua Preston • Michelle Fielding • Sonja Bauer • Craig Walsh • Sean Knights • Mark McKay 	<ul style="list-style-type: none"> • Interview • Interview and Gaming and Interstate Gaming presentation • Interview, investigations and presentations (Gaming and Interstate Gaming; International (VIP Gaming) and Responsible Service of Alcohol) • Investigations and all presentations • Investigations and Responsible Service of Gaming presentation • Investigations and Surveillance and Security Services presentation • Gaming and Interstate Gaming presentation • Gaming and Interstate Gaming presentation 	<ul style="list-style-type: none"> • John Alexander • Prof. John Horvath • Mary Manos • Ken Barton and Lauren Harris 	<ul style="list-style-type: none"> • Interview • Interview • Investigations • Presentation (corporate structure)
Miriam Holmes	<ul style="list-style-type: none"> • Joshua Preston • Barry Felstead • Xavier Walsh • Michelle Fielding • Sonja Bauer • Craig Walsh • Personal Information (RGLO) • Personal (Responsible Service of Alcohol) • Personal (Electronic 	<ul style="list-style-type: none"> • Investigations, interview presentations (Gaming and Interstate Gaming; International (VIP Gaming and Responsible Service of Alcohol) • Interview • Interview • Investigations and all presentations • Investigations and Responsible Service of Gaming presentation • Investigations and Surveillance and Security Services presentation • Interview • Interview • Interview 	<ul style="list-style-type: none"> • John Alexander • Prof. John Horvath • Mary Manos 	<ul style="list-style-type: none"> • Interview • Interview • Investigations

Name of the Reviewer	Crown Melbourne Limited people with whom Reviewer had interaction	Purpose of the interaction	Crown Resorts Limited people with whom Reviewer had interaction	Purpose of the interaction
	<ul style="list-style-type: none"> Gaming Machine (EGM) attendant • Personal [REDACTED] (Security Officer) • Sean Knights • Mark McKay 	<ul style="list-style-type: none"> • Interview • Gaming and Interstate Gaming presentation • Gaming and Interstate Gaming presentation 		
Rowan Harris	<ul style="list-style-type: none"> • Joshua Preston • Michelle Fielding • Sonja Bauer • Craig Walsh • Personal [REDACTED] (Cage) • Personal [REDACTED] (Table Games Dealer) • Sean Knights • Mark McKay 	<ul style="list-style-type: none"> • Investigations, presentations (Gaming and Interstate Gaming; International (VIP Gaming and Responsible Service of Alcohol) • Investigations and all presentations • Investigations and Responsible Service of Gaming presentation • Investigations and Surveillance and Security Services presentation • Interview • Interview • Gaming and Interstate Gaming presentation • Gaming and Interstate Gaming presentation 		
Simone Alesich	<ul style="list-style-type: none"> • Joshua Preston • Michelle Fielding • Sonja Bauer • Personal Information [REDACTED] (Responsible Gaming Liaison Officer) • Personal [REDACTED] (Responsible Service of Alcohol Officer) 	<ul style="list-style-type: none"> • Investigations, presentations (Gaming and Interstate Gaming; International (VIP Gaming and Responsible Service of Alcohol) • Investigations and all presentations • Investigations and Responsible Service of Gaming presentation • Interview • Interview 		

Name of the Reviewer	Crown Melbourne Limited people with whom Reviewer had interaction	Purpose of the interaction	Crown Resorts Limited people with whom Reviewer had interaction	Purpose of the interaction
	<ul style="list-style-type: none"> • Personal [REDACTED] (EGM attendant) • Personal [REDACTED] (Security Officer) • Sean Knights • Mark McKay 	<ul style="list-style-type: none"> • Interview • Interview • Gaming and Interstate Gaming presentation • Gaming and Interstate Gaming presentation 		
Garry Ferris		Attended some Crown presentations		
Zoe Holmes		Attended all presentations		
Luisa Bianchin		Attended some Crown presentations		
Paul Noblett	<ul style="list-style-type: none"> • Personal [REDACTED] (Security Officer) • Personal [REDACTED] (Table Games Dealer) 	<ul style="list-style-type: none"> • Interview • Interview • Attended all presentations 		

Question 3

- 3 Please list each of the people who have had the carriage or conduct of supervising the implementation by Crown Melbourne or Crown Resorts of the recommendations made in the Sixth Review (“the Supervisors”).
10. Licence Management and Audit (LMA) in the Licensing Division was allocated the responsibility for assessing Crown’s implementation of the Sixth Review recommendations by Alex Fitzpatrick, Director Licensing.
11. The VCGLR staff members within LMA who worked on the implementation of the recommendations were Rowan Harris (Principal Major Licence Officer), Steven Thurston (Licence Manager) and Jason Cremona (Manager of LMA). They worked as a team.
12. They shared the following roles and responsibilities:
- engaging with Crown on recommending appropriate action required to ensure the requirements of each recommendation were implemented by Crown and the recommendations met;
 - assessing the adequacy of Crown’s implementation, and its formal submission/s, in relation to addressing each of the Sixth Review recommendations;
 - consulting with other agencies in relation to recommendations specific to the accountabilities of those agencies, e.g.; AUSTRAC in relation to Recommendation 17 and the Victorian Responsible Gambling Foundation (VRGF) in relation to responsible gambling recommendations;

- d. providing views, in the form of Commission papers to the Commission and memorandums to the Director Licensing in relation to Crown's implementation of the recommendations;
- e. monitoring any follow up or additional actions required by Crown in relation to the recommendations. This would be as a result of a request from the Commission post its consideration of a recommendation as being implemented, or to assist the Commission in reaching a decision about implementation.

Question 4

4 Please list each of the people from either Crown Melbourne or Crown Resorts with whom any Supervisor has had interactions in the course of supervising the implementation of the recommendations contained in the Sixth Review. The list should specify:

- a. the name of the Supervisor;
- b. the person from either Crown Melbourne or Crown Resorts with whom the Supervisor interacted;
- c. the purpose of the interaction and the relevance of the interaction to the implementation of the recommendations of the Sixth Review;
- d. the form of interaction (letter, email, telephone conversation, interview etc);
- e. the date of the interaction.

Supervisor	Crown Staff	Purpose of Interaction	Form of Interaction	Date of Interaction
Alex Fitzpatrick, Jason Cremona, Steve Thurston & Rowan Harris	Michelle Fielding, Group Executive General Manager – Regulatory and Compliance Crown Resorts Limited (Crown Resorts)	Primary Crown staff member involved in discussion with the VCGLR on the implementation of all Sixth Review recommendations	All forms	Various through the whole process
Jason Cremona, Steve Thurston & Rowan Harris	Sonja Bauer, Group General Manager Responsible Gaming Crown Resorts	Key staff member involved in implementation of all Sixth Review recommendations linked to responsible gambling. Attended planning meetings, tripartite meetings Crown/VCGLR/VRGF, and corresponded with VCGLR in relation to the responsible gambling recommendations.	All forms	Various through the whole process

Supervisor	Crown Staff	Purpose of Interaction	Form of Interaction	Date of Interaction
Jason Cremona, Steve Thurston & Rowan Harris	Kate Earl, Responsible Gambling Psychologist, Crown Melbourne Ltd	Attended discussions in relation to responsible gambling recommendations	Attendee at meetings	Various through the whole process
Alex Fitzpatrick, Jason Cremona, Steve Thurston & Rowan Harris	Joshua Preston, Chief Legal Officer – Australian Resorts Crown Resorts	Discussions regarding Recommendation 17, in particular Crown joint AML/CTF program and requirements to engage with AUSTRAC re suitability of ICS's Was signatory and addressee for some high level Sixth Review letters from or to Crown.	Attendee at meetings, telephone conversations and emails	Various interactions set out in the Jason Cremona statement

Question 5

- 5 *Please list and provide any document passing between a Reviewer or Supervisor and/or Crown Melbourne referred to above.*
13. The VCGLR is in the process of gathering all documents between a Reviewer or Supervisor and/or Crown Melbourne Limited (**Crown Melbourne**).
14. In the interim, the best answer that the VCGLR can presently give to this question is to refer to the Sixth Review file it has produced and the Jason Cremona statement.

SPECIFIC INCIDENTS

Question 6

- 6 *Page 85 of the Sixth Review refers to information provided by the Victorian Coroner's Court. What was the information provided?*
15. On 13 October 2017, Alex Fitzpatrick of the VCGLR sent a letter to Judge Sara Hinchey (the then Victorian State Coroner) regarding the Sixth Review, and stated that as part of the review, the VCGLR would like to consult with the Coroners Court of Victoria about Crown Melbourne and its associates, including in relation to:
- the number of reportable deaths reported to the Coroner that relate directly or indirectly to the Crown Casino complex;
 - any findings, investigations or other actions taken by the Coroners Court of Victoria (**CCOV**) concerning Crown Melbourne and its associates;

- c. any other information the CCOV may consider relevant to our review.¹
16. The information provided by the Victorian Coroner’s Court referred to on page 85 of the Sixth Review is a letter and memorandum dated 24 April 2018 from Judge Sara Hinchey, which was provided in response to the VCGLR’s letter dated 13 October 2017.² The letter and memorandum stated, amongst other things:
- a. that the CCOV “*did not identify any deaths of people at Crown Casino or at the comparison locations during the 2017 calendar year*”;³
 - b. that the CCOV “*did not identify any findings containing recommendations directly relevant to Crown Casino*”;⁴
 - c. that three findings in respect of the death of individuals were identified with recommendations in which Crown Casino was mentioned, and the CCOV provided information regarding those findings;⁵
 - d. other potentially relevant information relating to deaths at Crown Casino and deaths potentially linked to Crown Casino but which occurred elsewhere.⁶

Question 7

- 7 *Page 87 of the Sixth Review makes references to Crown Melbourne having taken steps since 2013 to enhance its responsible gaming strategies. Please describe those strategies, and the steps taken by Crown Melbourne. In describing those steps, please specify the dates on which steps were taken.*
17. The responsible gaming strategies referred to on page 87 of the Sixth Review are strategies in the general sense, rather than specific strategies. The steps taken by Crown since 2013 and as at the date of the Sixth Review are described on page 87 of the Sixth Review. They include the following.
- a. As part of the agreement for the Tenth Deed of Variation to the Management Agreement dated 3 September 2014 and the passage of the *Casino and Gambling Legislation Amendment Act 2014*, Crown recruited an additional two full-time Responsible Gaming Liaison Officers, in December 2014 and June 2015, as well as one additional part time psychologist.
 - b. In accordance with State law voluntary pre-commitment scheme requirements,⁷ Crown implemented “*YourPlay*” pre-commitment technology, updated customer information (including updating stickers on all gaming machines and electronic table games), introduced responsible gambling messages on automated teller machines, and revised brochures, website and internal television commercials.

¹ VCG.0001.0001.1487.

² VCG.0001.0001.1506.

³ VCG.0001.0001.1506 (internal page 3).

⁴ VCG.0001.0001.1506 (internal page 3).

⁵ VCG.0001.0001.1506 (internals page 3 and 4).

⁶ VCG.0001.0001.1506 (internals page 4 and 5).

⁷ Part 8A of the Gambling Regulation Act.

- c. In response to the Fifth Review Recommendation 4, Crown included the issue of responsible gambling as a regular agenda item on the Crown Melbourne board meeting agenda⁸ and the board received the minutes of the Crown Resorts board Responsible Gaming Committee meetings.
- d. In response to the Fifth Review Recommendation 5, Crown developed a trial model for player data analysis. Crown completed the trial in or around early 2016.⁹
- e. In response to the Fifth Review Recommendation 6, Crown introduced identification procedures at the Teak Room and the Mahogany Room.¹⁰ Mr Rowan Harris of the VCGLR conducted a casino site visit on behalf of the Casino Licence Review Project team on Saturday 30 September 2017 from 8.30pm to 10.30pm, and made the following observation in his File Note dated 3 October 2017 regarding the Fifth Review Recommendation 6:¹¹

“I observed VIP members (and their guests) accessing the Teak and Mahogany Rooms. All persons were identified before allowing entry as required in accordance with Recommendation 6 of the Fifth Casino Review”.

- f. In response to the Fifth Review Recommendation 7, Crown introduced procedures to request prospective loyalty members to disclose if they have been subject to any type of exclusion order in any Australian jurisdiction.¹²
 - g. In response to the Fifth Review Recommendation 8, Crown trialled facial recognition technology at the entry of the Teak Room and the Riverside Lounge.¹³
 - h. In response to the Fifth Review Recommendation 9, Crown introduced procedures where a person’s voluntary exclusion order had been revoked to ensure the person was not sent advertising or other promotional material, and formalised the process of contacting the person around three months after the exclusion order has been revoked.¹⁴
 - i. Crown established a process for voluntary exclusion from the Melbourne Casino and Perth Casino, and added an opt-out clause following an incident in 2017. Regarding this incident, please refer to the VCGLR’s response to question 8 below.
 - j. Crown introduced a trial of the “*Time Out*” scheme (short form informal exclusion).
 - k. Crown introduced the concept of the remote voluntary exclusion order, under which a person could seek exclusion without having to attend the casino.
18. It is also noted that the Sixth Review made recommendations in relation to Responsible Gaming Strategies in Recommendations 6, 7, 8 and 9, which other than Recommendation 9 have been implemented by Crown (see the Commission papers for those recommendations).¹⁵

⁸ See also VCG.0001.0001.1841.

⁹ See also VCG.0001.0001.1715, VCG.0001.0001.1841.

¹⁰ See also VCG.0001.0001.1841.

¹¹ VCG.0001.0001.1012.

¹² See also VCG.0001.0001.1841.

¹³ See also VCG.0001.0001.1841.

¹⁴ See also VCG.0001.0001.1841.

¹⁵ VCG.0001.0001.0080 (Recommendation 6); VCG.0001.0001.0088 (Recommendations 7, 8 and 9); VCG.0001.0001.0090 (extension of Recommendation 9).

Question 8

- 8 *The first bullet point on page 88 of the Sixth Report refers to “an incident in 2017”. What was that incident?*
19. The incident in 2017 was an incident reported by the media in October 2017 concerning Mr Mark Robley.¹⁶ This incident was also referred to by Mr Joshua Preston of Crown during the interview of Prof. John Horvath as follows:¹⁷
- “MR CHAPPELL: Have there been any matters that have come up at audit or compliance where we can talk about a robust discussion on a gaming compliance issue or a gaming customer company interaction that was less than ideal?*
- PROFESSOR HORVATH: Certainly around - - -*
- MR PRESTON: If I can add one.*
- PROFESSOR HORVATH: Yeah.*
- MR PRESTON: The Mark Robley experience came up from a compliance perspective at the same time as a RSG perspective, which was the gentleman who was excluded in Perth and Melbourne, wasn’t excluded, not excluded in Perth so that generated a lot of debate around the RSG but it was certainly brought back in terms of the compliance side of it, the Compliance Committee as I recall.”*
20. As reported in the media, Mr Robley, although listed on Crown Perth’s “self-exclusion” list, was allowed to enter Crown Melbourne, gamble on its main floor, and was offered access to Crown Melbourne’s VIP rooms. According to Mr Robley, even when Crown Melbourne staff became aware of his self-exclusion, they allowed him to continue gambling.

STRUCTURE OF COMMITTEES DEALING WITH THE RESPONSIBLE SERVICE OF GAMBLING**Question 9**

- 9 *Please list all committees and sub-committees of Crown Resorts and Crown Melbourne that deal with the responsible service of gaming, and that have dealt with the responsible service of gaming over the last five years.*
21. In response to the Fifth Review undertaken in 2013, Crown Melbourne has included the issue of responsible gambling as a standing agenda item on its board meeting agenda. In addition, the following committees deal with the responsible service of gaming, and have dealt with the responsible service of gaming over the last five years:
- a. Responsible Gaming Management Committee;
 - b. Responsible Gaming Operational Management Committee;

¹⁶ <https://www.abc.net.au/news/2017-10-23/crown-accused-of-not-following-responsible-gambling-guidelines/9071132>.

¹⁷ VCG.0001.0001.1006, internal page 21.

- c. Self-exclusion Revocation Committee;
 - d. RG VIP Committee; and
 - e. Third Party Exclusions Committee.
22. Also in response to the Fifth Review, Crown Resorts established the Responsible Gaming Committee to deal with the responsible service of gaming.

Questions 10 and 11

- 10 *Pages 88 and 89 of the Sixth Casino Review contrast the information collected and provided to:*
- a. *the Crown Melbourne RSA Steering Committee with the information collected and provided to the Responsible Gaming Committee and the Responsible Gaming Operational Management Committee; and*
 - b. *the Crown Melbourne RSA Steering Committee with the information collected and provided to the Crown Resorts Responsible Gaming Committee.*
- 11 *Do you have any insight which might explain why the information collected in relation to the responsible service of gaming appears to be inadequate?*
23. The RSA Steering Committee took the problem seriously. Crown had an existential problem with its liquor licence (i.e. Crown was on its second demerit, with three demerit points there would be 24 hours suspension of alcohol) and was determined to resolve it through, for example, groups of observers on the floor which solved the problem. There was no cross-pollination of the thinking in the RSG space. Crown regarded RSA as a real problem. The RSG was phoning it in that was going through a process without a real commitment or challenge. The people in RSA and RSG were in separate silos and did not seem to exchange ideas and notes.
24. The Sixth Review observed generally that the Crown Melbourne RSA Steering Committee collected more detailed statistical information than the Responsible Gaming Committee. The purpose of this observation was to draw Crown Melbourne's attention to potential improvements to the quality of the data it collects in relation to the issue of responsible service of gambling. While the VCGLR is not aware and cannot comment on why Crown Melbourne did not collect statistical data on the operations of its Responsible Gaming Support Centre (RGSC) and its staff, it notes that the responsible service of alcohol is subject to more stringent regulation (demerit points) than is the case with responsible gambling. For example, the late night general licence (Liquor Licence No. 31951050) held by Crown Melbourne has in the past been the subject of the following two demerit points that are now expired (and so removed from the Demerit Register). The offences that caused the demerit points to be accrued were two counts under s 108(4)(a) of the *Liquor Control Reform Act 1998* (Vic).¹⁸ The demerit points expired on the 7 October 2020 (three years after they were incurred).

¹⁸ Section 108(4)(a) provides: "A licensee or permittee ... must not supply liquor to a person who is in a state of intoxication".

Licence Number	Licence category	Date of offence	Date demerit point incurred	Date recorded in Demerits Register	Premises	Licensee	Current demerit points
31951050	Late night (General)	02/06/2017 02/06/2017	06/10/2017 06/10/2017	25/10/2017 25/10/2017	Crown Entertainment Complex	Crown Melbourne Limited	0

Question 12

- 12 *Page 88 of the Sixth Review refers to Professor Horvath’s statements regarding the “detailed discussions” that occur at the Responsible Gaming Committee’s meetings. What substantiation was provided to the Reviewers supporting those statements?*
25. The Sixth Review noted Professor Horvath’s statements regarding the “detailed discussions” that occur at the Responsible Gaming Committee’s meetings.
26. However, the VCGLR observes that:
- a. it interviewed Professor Horvath and questioned him about what occurred at the meetings, observing that the minutes generally noted reports without recording any substantive discussion;¹⁹
 - b. it noted Professor Horvath’s comments about the “detailed discussions” in the Sixth Review Report;
 - c. it conducted a review of the Responsible Gaming Committee’s minutes of meeting. On the basis of this review, the VCGLR noted in the Sixth Review Report that those minutes referred to responsible gaming activities generally, but did not reflect the apparent depth of discussions about those matters; and
 - d. the Responsible Gaming Committee’s average meeting duration was 45 minutes (total of 1065 minutes across 24 meetings).²⁰

Question 13

- 13 *Page 89 of the Sixth Review sets out two examples of situations where responsible service of gambling initiatives (the “Time Out” initiative and the second trial of the player data analytics model) were implemented without those matters first being raised with the Responsible Gaming Committee.*
- a. *Who approved those initiatives?*
 - b. *What, if any, explanation was provided by Crown Melbourne and / or Crown Resorts as to why those initiatives were not first raised with the Responsible Gaming Committee?*

¹⁹ See transcript of interview - VCG.0001.0001.1006 at pages 4-13. Similar questions were put to John Alexander - VCG.0001.0001.1005, pages 12-17; and Barry Felstead - VCG.0001.0001.1004, pages 4-8.

²⁰ See file note of Inspection of Crown Resorts Pty Ltd Responsible Gaming Committee Agendas, papers and Minutes - VCG.0001.0001.1216.

27. The VCGLR does not know who at Crown approved the “*Time Out*” initiative and the second trial of the player data analytics model, and why they were implemented without first being raised with the Responsible Gaming Committee.
28. The observations in relation to these matters on page 89 of the Sixth Review arose from the VCGLR’s inspection of the Responsible Gaming Committee Agendas, papers and minutes that the VCGLR obtained from Crown during the review.²¹
29. The real decision making does not appear to have been with the Responsible Gaming Committee. By this observation, the VCGLR called out the failure to approve as typical of Crown’s approach to governance. It demonstrated there was an official and unofficial structure in governance at Crown and the VCGLR called out the highly scripted nature of all of the minutes of meetings including that of the Responsible Gaming Committee.
30. John Horvath in effect said in interviews with the VCGLR that there was a robust discussion at the Responsible Gaming Committee. However, this matter showed that approval of responsible service of gambling initiatives was retrospective.
31. The purpose of these observations in the Sixth Review was to make clear that it appeared that Crown’s responsible gaming initiatives were not always approved by the governance committee established for that purpose. This was a concern that the VCGLR had at the time of the Sixth Review. The governance committee that was established by Crown to approve the responsible gaming initiatives did not know about those initiatives, and the VCGLR wished to draw Crown’s attention to this issue to encourage Crown to reconsider its approach to governance and for Crown to resolve the issue.

Question 14

14. *Page 89 of the Sixth Review explains that there are no papers for the Responsible Gaming Management Committee or the Responsible Gaming VIP Committee.*
 - a. *What explanation was provided by Crown Melbourne for that state of affairs?*
 - b. *If no papers are provided to the Responsible Gaming VIP Committee, how did that committee receive and consider information regarding loyalty program players who have displayed behavior that may be indicative of harm from gambling (Sixth Report, page 101)?*
32. The VCGLR understood that meetings of the Responsible Gaming Operational Management Committee and the Responsible Gaming VIP Committee were more in the nature of operational “*team meetings*” for which there would not necessarily be an expectation of papers.
33. The VCGLR notes that the minutes of meetings of the Responsible Gaming VIP Committee contain references to loyalty program players displaying behaviour that may be indicative of harm from gambling.²²

²¹ VCG.0001.0001.1216.

²² VCG.0001.0001.2379.

Question 15

15. *Page 101 of the Sixth Review says the Responsible Gaming VIP Committee meets regularly. How often is regularly?*
34. On the basis of its review of the minutes of meetings of the Responsible Gaming VIP Committee, the VCGLR understands that the Committee meets monthly or more frequently as required.²³

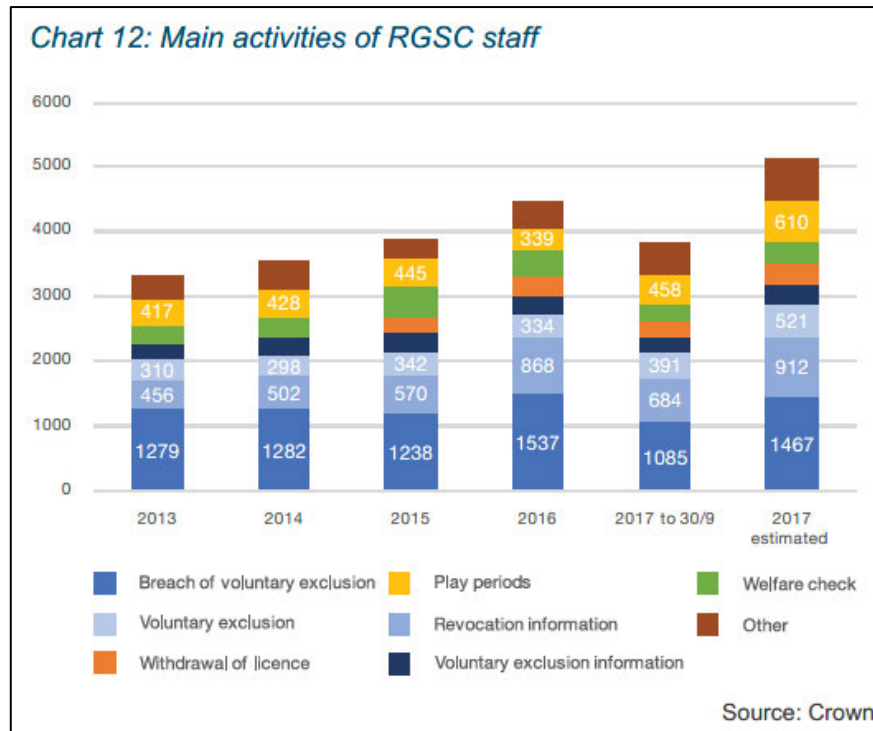
RESPONSIBLE GAMING SUPPORT CENTRE**Question 16**

16. *Page 89 of the Sixth Review sets out the stated objectives of the Responsible Gaming Support Centre (RGSC). At the time of the Sixth Review, was the RGCS achieving its stated objectives? Please explain the reasons for your answer having regard to the level of resources and staffing available to the RGSC at the time of the Sixth Review. Is the RCGS currently achieving its stated objectives?*
35. Crown only had the capacity of seeing one or two persons at a time all the time and did not have capacity to do much more. Given the traffic at the casino this was a limited number of people.
36. The RGSC is the manner through which Crown has proceeded to acquit its responsibilities regarding RSG. The RGSC is an initiative independently established by Crown which is not required by legislation. The stated objectives of the RGSC are matters for Crown. The VCGLR would not regulate whether the RGSC achieves its own objectives, rather, how it complies with regulatory requirements. In any event, as noted on page 90 of the Sixth Review, there was no quantified key performance measures for the RGSC.
37. Nevertheless, based on the RGSC data received by the VCGLR from Crown during the Sixth Review, the Sixth Review project team made the following assessment in the Sixth Review which suggested that the RGSC was unlikely to be achieving its stated objectives:
- a. *“In 2016, approximately 134 persons per week made contact with or were referred to the RGSC, which is less than one person per hour, in a casino complex operating 24 hours a day with 21 million persons visiting per annum”.*²⁴
 - b. The following data indicated that the RGAs (then RGLOs) were most often called to act when a voluntarily excluded person has been detected in the casino, or to provide information regarding revocation of a voluntary exclusion order, and that a majority of their role is focused on managing voluntary exclusions.²⁵

²³ VCG.0001.0001.2379.

²⁴ Sixth Review, page 90.

²⁵ Sixth Review, page 91.



c. *“The VCGLR ...is concerned that [the RGSC’s] level of staffing means RGLOs are under-resourced and only able to address limited responsible gambling issues beyond managing the voluntary exclusion process. Crown Melbourne should review its RGSC resources to allow broader and more proactive harm minimisation initiatives for the benefit of all patrons, not just those who self-identify. Crown should also include in any key performance indicators for the RGSC measures of how many patrons experiencing harm have been assisted, and the outcomes”.*²⁶

38. The concern raised in the Sixth Review in relation to the RGSC corresponded to under-resourcing of Responsible Gaming Liaison Officers (RGLOs). This issue and the suggestion that Crown include key performance measures for the RGSC were dealt with by Recommendation 6, and in further detail in the VCGLR’s response to Question 17 below.
39. Further, as part of the Sixth Review process, the VCGLR wrote to Crown Melbourne on 16 October 2017 to request whether Crown Melbourne had engaged external advisers or consultants to evaluate the effectiveness of their responsible gambling policies or practices, and to provide the reports or audits in relation to this work.²⁷ Crown Melbourne confirmed in their response to the VCGLR dated 20 October 2017 that they had not engaged external advisers or consultants in relation to evaluating its responsible gaming policies or practices, but that:²⁸
- Responsible Gaming department employees attend conferences, seminars and thinktanks that focus on matters relating to responsible gaming and problem gambling;
 - Crown Melbourne maintains regular contact with the VRGF, including attendance at industry forums, seminars and general discussions;

²⁶ Sixth Review, page 92.

²⁷ VCG.0001.0001.2395, VCG.0001.0001.2399, VCG.0001.0001.2397 (internal page 10).

²⁸ VCG.0001.0001.2411.

- c. close links are established with Gambler’s Help;
 - d. an annual review of Crown Melbourne’s Responsible Gambling Code of Conduct is undertaken by the Responsible Gaming Department and submitted to the VCGLR;
 - e. Crown Melbourne employs three Responsible Gaming Psychologists;
 - f. information sessions and discussions are conducted by Crown Melbourne with a number of interested parties in fields including industry, community, academia and government, in relation to responsible gaming programs and services; and
 - g. the Crown Resorts Limited Responsible Gaming Board Committee regularly reviews and scans national and international Responsible Service of Gaming media reports, practices and policies, assessing them on applicability for Crown Melbourne and its operations, as best practice guidance.²⁹
40. The VCGLR also takes steps to satisfy itself that Crown Melbourne is compliant with the Responsible Gambling Code of Conduct (being a condition of Crown Melbourne’s licence) by undertaking periodic Code of Conduct audits (as described further in the answer to Question 21 below). VCG.0001.0002.6523 is an example of a report on the findings of one such audit. The content of what must be in the Responsible Gambling Code of Conduct is set by a Ministerial Direction.³⁰

Question 17

- 17 *At pages 87, 90, and 92, the Sixth Review records the number of Responsible Gaming Liaison Officers (RGLO) and psychologists working at the RGSC, and the utilization rates of those services. Recommendation 6 is directed to a review of the allocation of staff with a view to increasing the number of work hours actually available to responsible gambling, and suggests possible approaches.*
- a. *What level of staffing and training is considered best operating practice in casinos of a similar size and nature to the casino operated by Crown Melbourne?*
 - b. *At the time of the Sixth Review, how did Crown Melbourne’s operations compare with the standard set out in sub-paragraph (a)?*
 - c. *Recommendation 6 requires action by 1 January 2020. What progress did Crown make by that date?*
41. As a general statement, it is not possible to comment upon the broad question of what level of staffing and training is considered to be best operating practice in casinos of a similar size and nature to the casino operated by Crown Melbourne.³¹ In turn, it is not possible to address how Crown Melbourne’s operations compared to such a standard, save as to say that at the time of the Sixth Review, the VCGLR was not confident that Crown had sufficient staffing to proactively intervene early and offer assistance to persons at potential risk of gambling harm

²⁹ VCG.0001.0001.2411, page 6.

³⁰ “Self-exclusion program”, Ministerial Direction No. S 430 of 17 September 2018 pursuant to s 10.6.1 of the Gambling Regulation Act.

³¹ The Casino Control Act sets out compulsory training for special employees in relation to gaming machines at section 58A.

given the staffing level of the RGSC and the observations made about the apparent higher staffing levels for RSA.³²

42. Recommendation 6 sought an increase in the time available for Crown to dedicate to responsible gambling and patron intervention efforts (as distinct from a recommendation for Crown to determine the right amount of resources to meet demand). This distinction is drawn in Attachment 6 to the Commission Paper for Recommendation 6.³³
43. By 1 January 2021 the VCGLR formed the view that Crown had adequately implemented the Recommendation.³⁴ The VCGLR reached this conclusion by reference to Crown's confirmation, by letter dated 23 December 2019,³⁵ that Crown had carried out a review of its allocation of staffing resources and staff training, and adoption of the following measures:
- a. Crown employed an additional five Responsible Gaming Advisors which increased the weekly number of hours actually available to responsible gaming and patron intervention by 200 hours or 71.4%; and
 - b. Crown enhanced its responsible gaming training for all operational staff, as well as introducing advanced level training to an additional 330 Table Game Area Managers.
44. A detailed summary of the matters considered by the VCGLR in determining that Crown had implemented Recommendation 6 is set out in paragraph 64 below, including the VCGLR's assessment of the impact of the additional RGAs (for example, the VCGLR considered that there was "*a clear increase in the number of touch points for players at risk of harm and opportunities for player intervention by available Crown staff*").

Question 18

- 18 *Page 95 of the Sixth Review states that the VCGLR is not confident, on the information provided, that Crown Melbourne has sufficient staffing to proactively intervene early and offer assistance to persons at potential risk of harm.*
- a. *What information was provided?*
 - b. *What information was thought to be lacking, if any?*
 - c. *On the information provided, how many more (appropriately trained) staff would be required to give the VCGLR confidence?*
 - d. *Alternatively, what else could Crown Melbourne do to give the VCGLR the confidence that there would be proactive intervention at an early stage, and people at risk of harm would be offered assistance?*
45. VCGLR looked at the information provided in respect of the Responsible Service of Alcohol which contained a more detailed analysis in comparison to the documents provided in respect of Responsible Gambling. The impression was that the focus was on Responsible Service of Alcohol because there was a demerits system in play and the licence was potentially suspended. The VCGLR Sixth Review team compared the details, analysis, documentation and

³² Sixth Review and VCG.0001.0001.0080.

³³ VCG.0001.0001.0079.

³⁴ VCG.0001.0001.0080.

³⁵ VCG.0001.0001.0074.

- attention on these two types of harms. When the RSG meeting minutes were reviewed, there was a general absence of discussion, no papers and no internal KPIs or performance criteria to assess performance.
46. VCGLR also obtained this information from Crown’s explanation of the resourcing of the RSGC. Once administrative overhead was removed there was no capacity to do anything proactive or consistent with problem gambling. The VCGLR was not satisfied that floor staff could address this.
 47. A few floor staff were interviewed by the VCGLR. Their interviews did not contradict the thinking that they had a long list of tasks to do all the time and other tasks were prioritised. They were not focussed on looking for problem gambling signs. For example:
 - a. VCG.0001.0001.1201 - the RGLO described her floor presence as doing “*laps of the floor*” wearing her uniform and a badge that had her name and that said she was a RGLO. She looked out for excluded patrons, and also looked at the demeanour of patrons to check for observable signs. Usually she did not approach patrons, just observed them. She spent a lot of time walking and observing. She spoke to staff members on the floor informally to develop relationships and build rapport, and to make them comfortable to approach her if they have any queries (p 2). There was no indication of how much time was spent doing “*laps of the floor*” relative to other tasks.
 - b. VCG.0001.0001.1218 - in an interview with a customer service attendant, she understood her key performance indicator to be customer service. While she had undergone RG training at the start of her employment, she did not state ensuring RG to be a key responsibility of her role (p 2). She stated that “*she would contact a RGLO when a patron attends the booth and requests to speak someone about their gambling or requests to self-exclude*”. She observed that it was “*a big thing for a person to ask for help*”, so she would speak with them whilst waiting for the RGLO to arrive (p 3). She said that she would refer a patron displaying signs of problem gambling to an area manager.
 - c. VCG.0001.0001.1278 - in an interview with a dealer, the dealer described his role as providing a safe and entertaining gaming environment (p 2). He had done online training about RG, but had not participated in refresher training (p 2). When asked to describe how he would deal with a patron who displays signs of problem gambling, the dealer said he would refer the matter to the area manager (p 2).
 - d. VCG.0001.0001.1272 - in an interview with a cage cashier, the cashier said that he could not recall when he had completed the RSG training course (but he had done the training), and that if he saw a person displaying signs of problem gambling, he would consult his manager (p 3).
 48. The observation reflected that Crown’s aim was that if there was a problem a RGLO would talk to the person. The then existing arrangements absorbed all of Crown’s resources. If interested in finding problem gamblers, they would be found on the floor not in the RGSC. If Crown wanted proactive engagement with problem gamblers, it needed more staff on the floor to act on the problem gambling signs. This could be supplemented by monitoring on surveillance. Crown ought to have at least two to three teams of two on the floor to properly tackle this issue.
 49. In respect of question 18(d), please refer to paragraph 43 above.
 50. The VCGLR does not consider additional staff resourcing to be the sole metric by which Crown can provide the VCGLR with confidence that Crown can proactively intervene early and offer assistance to persons at potential risk of harm (see also response to Question 17 above). As set

out in Recommendation 7 and Recommendation 8, the VCGLR recommended that in conjunction with observable signs, Crown continue to develop and implement comprehensive data analytics tools. Although observable signs are an accepted and important part of a harm minimisation strategy, reliance on a policy of observable signs may not be the only effective approach to assisting patrons at risk of harm. In other words, a simple increase in staff resourcing may not be sufficient to proactively intervene. Rather, Crown should also use other harm minimisation measures to identify problem gamblers such as player data analytics.³⁶

51. In respect of Crown's use of data analytic tools in response to Recommendation 7 and Recommendation 8, the VCGLR accepted that those Recommendations have been implemented but notes that the effectiveness will be assessed in February 2022 by an external evaluation.³⁷

Question 19

- 19 *Page 90 of the Sixth Review refers to Crown Melbourne's Responsible Gambling Register. Is the register properly maintained? Please explain the reasons for your answer, and in so doing please explain why it was necessary to make recommendations about the Register at page 121 of the Sixth Review.*
52. Crown's Responsible Service of Gaming (**RSG**) Code states that responsible gambling interactions are recorded in Crown Melbourne's Responsible Gambling Register (**Register**). The VCGLR conducted and conducts regular audits of the Register. VCGLR's audits indicate that the Register records contact and interactions with patrons regarding problem gambling. VCG.0001.0001.1919 is one such example of an audit checklist completed 4 December 2017.
53. With respect to the comment at page 121 of the Sixth Review that "*Any interactions with patrons should continue to be recorded in the Responsible Gambling Register*", the VCGLR notes that the comment is best described as an observation rather than a recommendation.

Question 20

- 20 *The Sixth Review states on page 90 that in 2016, approximately 134 persons per week made contact with or were referred to the RGSC, which is less than one person per hour, in a casino complex operating 24 hours a day with 21 million persons visiting per annum.*
54. The VCGLR notes that Question 20 is an observation, and relates to questions 21 and 22.

Question 21

- 21 *Is there a reliable way to ascertain what percentage of people contacted the RGSC voluntarily, and what percentage of people were referred to the RGSC in each of the last five years? If there is, please provide that data. If there is not, why is that the case?*
55. It is not a regulatory requirement for the VCGLR to audit the percentage of people who contacted the RGSC voluntarily, and the percentage of people who were referred to the RGSC. Hence, VCGLR does not hold this data.

³⁶ VCG.0001.0001.0088.

³⁷ VCG.0001.0001.0088.

56. From its Code of Conduct audits and as stated on page 90 of the Sixth Review Report³⁸, the VCGLR is aware that Crown has this data on SEER (regarding SEER, please see paragraph 99 below). VCGLR receives extracts of reports from SEER.
57. Whilst the VCGLR does not hold the specific data requested in Question 21, the VCGLR does, pursuant to its Code of Conduct audit process, hold certain contact data provided by Crown. By way of illustration, as part of the February 2020 audit process, the VCGLR was provided with material by Crown including, relevantly (for the audit period):³⁹
- a. an incident register titled “*RGA Contact*” which contained details of specific referrals for the relevant audit period;⁴⁰
 - b. referrals made to the chaplaincy and psychologists;⁴¹
 - c. details of unattended children incidents and referrals;⁴² and
 - d. a worksheet providing a numerical count for each of the 47 categories of “*service*” provided (from which a total of 2474 contacts could be derived).⁴³

Question 22

- 22 *What inferences can be drawn from the number of people contacting the RGSC as to whether or not it is achieving its stated objectives? Please explain the reasons for your answer, including by reference to the fact that 17 per cent of regular gamblers are considered to have a gambling problem (Sixth Review, page 85).*
58. For the reasons set out in the VCGLR’s response to Question 16, the VCGLR cannot draw inferences on whether the stated objective is being achieved. The VRGF may be able to assist the Royal Commission.

Question 23

- 23 *In each of the last five years, what percentage of people gambling at the casino operated by Crown Melbourne are regular gamblers?*
59. As stated in paragraph 12 of the letter dated 1 April 2021 from DLA Piper Australia to Corrs Chambers Westgarth, solicitors assisting the Royal Commission, the VCGLR does not hold data responsive to Question 23.

Question 24

- 24 *Chart 13, on page 91 of the Sixth Review, refers to “no referral”, “internal referral” and “external referral”. Please explain all possible internal referrals that can be made by the RGSC, and all possible external referrals that can be made by the RGSC. What explanation was given by Crown Melbourne (if any) for the increases in no referrals between 2013 to 2017?*

³⁸ Also see page 5 of VCG.0001.0001.2411.

³⁹ VCG.0001.0002.6523, paragraph 7; VCG.0001.0002.6521.

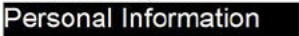
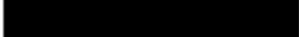
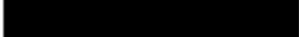
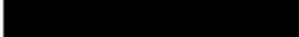
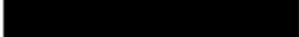
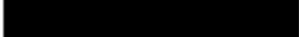

⁴⁰ VCG.0001.0002.6523.

⁴¹ VCG.0001.0002.6525.

⁴² VCG.0001.0002.6520.

⁴³ VCG.0001.0002.6517.

60. According to a document provided by Crown to the VCGLR on 20 October 2017 (see paragraph 130 below), in the period 2013-2017, the RGSC had the option to make referrals internally to any of the following persons:⁴⁴

- Crown employees, including:
 - i. Leon Pillai;
 - ii.  Personal Information
 - iii. 
 - iv. 
 - v. 
 - vi. 
 - vii. 
 - viii. 
- Crown security;
- The chaplaincy arranged by Crown Melbourne;
- Responsible Gaming Support Centre;
- Responsible gambling psychologists engaged by Crown Melbourne for counselling;
- Gaming Psychologists;
- Gaming Machines;
- Table games;
- Responsible gaming liaison officer;
- Mahogany host;
- Riverside host; and
- Teak host.

61. In the same period, referrals could be made by the RGSC to the following external service providers:⁴⁵

- Gamblers' Help Counselling Service;
- Gamblers' Help Telephone Service;
- Multicultural Gambler's Help;
- Gamblers Anonymous;
- Chinese Peer Connection (East);
- Mental Health Service;
- General practitioners;
- Melbourne City;
- Salvation Army;
- TAB/AHA;
- Gamblers' Help Western;
- Gamblers' Help Southern;
- Gamblers' Help Eastern;
- Gamblers' Help Northern;
- Emergency Services/CAT (Crisis Assessment Team);
- Study Melbourne;
- Victoria Police;
- Financial services counselling services;
- VCGLR; and

⁴⁴ VCG.0001.0001.1233, VCG.0001.0001.2351.

⁴⁵ VCG.0001.0001.1233.

- ‘Other counselling Services’.

62. As to the question of “*What explanation was given by Crown Melbourne (if any) for the increases in no referrals between 2013 to 2017*”, The VCGLR does not know why there were increases in no referrals between 2013 and 2017. The VCGLR does not know if Crown analysed these statistics, or how Crown deployed this data or challenged it. The RGSC may take a variety of actions including referrals to support services. The figures were contained in the draft report which was provided by the VCGLR to Crown for comment, and Crown did not provide any specific explanation to the VCGLR regarding this matter.

Question 25

25. *Page 92 of the Sixth Review says that the figures in Table 6 “include data from 47 different types of activity by RGSC staff”. What are the 47 different activity types?*

63. The 47 different activity types include the following, with descriptions slightly differing to that in Appendix 5 to the Sixth Review Report:⁴⁶

- Revocation information;
- Request for revocation;
- Revocation application;
- Revocation follow up;
- Revocation paperwork received;
- Revocation cancelled;
- Revocation pending committee;
- Revocation approved;
- Revocation declined;
- Illegal act;
- Self exclusion;
- Self exclusion alleged breach;
- Breach of self exclusion;
- Self exclusion information;
- Self exclusion follow up;
- Exclusion order served;
- Sig.club/previous exclusion;
- Time out;
- Welfare;
- Self harm/suicide/deceased;
- Self harm/suicide;
- Mental health information;
- Chaplaincy;
- Counselling;
- Counselling information;
- Counselling no show;
- Observable signs;
- Seeking financial assistance/advice;
- GRIP session;

⁴⁶ VCG.0001.0001.1233.

- GRIP SE (Gambling Resumption Information Pack facilitated after successfully revoking self exclusion)
- GRIP TO;
- Domestic;
- Missing persons;
- Exclusion recommendation to SIMU;
- Play periods;
- Gaming equipment damage;
- Unattended child;
- 3rd party assistance/inquiry;
- 3rd party SE inquiry;
- Unpaid parking;
- Change of address;
- Seeking other assistance;
- Report writer contact – RGP;
- WOL (withdrawal of licence);
- VCGR appeal;
- VCGR appeal declined;
- CrownBet.

For completeness, we note that a 48th activity type “*Other*” is included in the schedule.

Questions 26 and 27

26 *Page 92 of the Sixth Review says the following:*

Given the range of data used to compile these statistics the VCGLR has concerns that these figures are sufficient to demonstrate an increased focus on training in the potential signs of gambling harm.

27 *Please elaborate on the concerns of the VCGLR. Have those concerns been addressed by Crown Melbourne?*

64. The VCGLR refers to its paper on Recommendation 6.⁴⁷ The paper states as follows:

“Background

2. *At its meeting on 28 June 2018 the Commission adopted the findings and opinions set out in the final draft of the Sixth Casino Review report (the Review Report). The Review Report contained 20 recommendations with corresponding deadlines for Crown Melbourne Limited (Crown) to implement. All recommendations in the Review Report were accepted by Crown.*
3. *The Licensing Division has responsibility for monitoring and assessing Crown’s progress in relation to each of the recommendations, and providing regular updates to the Commission in relation to the adequacy of the progress.*
4. *Recommendation 6 provides:*

⁴⁷ VCG.0001.0001.0080.

The VCGLR recommends that, by 1 January 2020, Crown Melbourne review its allocation of staffing resources to increase the number of work hours actually available to responsible gambling and intervention with patrons. This might be achieved by training more gaming staff to undertake assessments and then approach patrons identified as at risk, without the need to contact a RGLO⁴⁸. However, this will only be effective if those staff have sufficient time aside from their gaming duties.

5. *The Review Report observed:*

The VCGLR was not confident, on the information provided that Crown had sufficient staffing to proactively intervene early and offer assistance to persons at potential risk of gambling harm. Having more staff skilled in identifying and communicating with at-risk patrons in appropriate circumstances would enhance the ability of Crown to engage in proactive harm minimisation for more patrons in a timely and effective manner.

6. *Crown's initial response to the recommendations in the draft Review Report, as received on 2 July 2018, advised that in relation to recommendation 6:*

Crown has already commenced the process of employing an additional five Responsible Gaming staff members. Additionally, there will be a review of training for gaming and other related staff.

7. *A submission in respect of recommendation 6 was received by the due date of 1 January 2020 (Attachment 1).^[49]*

Issues/Comments

8. *Upon assessment of the initial submission, Licensing noted that, to address recommendation 6, Crown has:*

a) *completed a review of the allocation of staff resourcing of the Responsible Gambling Department and increased the number of full-time Responsible Gaming Advisors (RGAs) from seven to 12. As full-time employees, the additional five RGAs have added 200 hours per week⁵⁰ to the number of hours available for RGAs to assist patrons.⁵¹*

b) *considered and reviewed training provided to operational staff in the context of this recommendation as well as increasing the number of gaming staff receiving advanced training. Post the review of training Crown has:*

- *commenced delivery in March 2020 of advanced level 'Senior Manager Training' (advanced level training) to the 'Table Games' Area Managers (Area Managers), (330 additional staff) which will take up to 12 months to complete. This adds to the existing training of the gaming teams as described in Appendix B of Crown's*

⁴⁸ Responsible Gambling Liaison Officer. The title has since changed to "Responsible Gaming Advisor".

⁴⁹ VCG.0001.0001.0074.

⁵⁰ Crown's 23 December 2019 submission advised "over 120 hours per week". LMA's analysis determined that correct number of additional hours per week is 200. Crown has confirmed the correction.

⁵¹ Recommendation 6 of the Review Report does not provide any guidance on what is an acceptable benchmark in relation to the expected increase in the number of work hours actually available to responsible gambling and intervention with patrons.

submission. Crown has advised “this advanced training will assist in ensuring Table Games’ Area Managers are well equipped with additional competencies and skills to deliver Crown’s responsible gaming services and programs.” Historically, this training has only been offered in Table Games at the level of Assistant Casino Manager⁵² and above.

- *enhanced and refreshed responsible gambling training for all operational staff and incorporated significant additional competencies⁵³ that must be met by Gaming Machine staff in order to deliver on Crown’s responsible gaming culture and harm minimisation. Crown believes the training will significantly increase the responsible gaming capacity of Gaming Machine staff – specifically Customer Service Attendants and Managers.*
- *updated and added training competencies by providing tools for the assessment of patrons who may be experiencing difficulties with their gaming behaviours, without the need to contact an RGA.*

Impact of the additional five RGAs

9. *Post the initial assessment of Crown’s 23 December 2019 submission, Licensing requested additional information⁵⁴ from Crown to validate the increase in the number of work hours actually available to responsible gambling and intervention with patrons showing observable signs of potential problem gambling as determined by Crown.*
10. *Crown provided the following RGA rosters⁵⁵ as requested by Licensing (**Attachment 2**):^[56]*
 - *19 March 2018 to 15 April 2018 when there were seven RGAs employed*

⁵² The posit[i]on of Assistant Casino Manager is directly above the position of Table Games Area Manager.

⁵³ “The significant additional competencies are provided in the August 2019 Commission approved training modules which are:

(a) *Understand and communicate:*

- *the nature of gambling and gambling harm, such as gambling myths, and responsible gambling (including benefits), how gaming machines work and potential risks associated with gaming machine products*
- *responsible gambling practices and policies such as Crown’s Responsible Gaming Centre programs and services, the Responsible Gambling Code of Conduct’, YourPlay and Player Activity Statements*
- *roles and responsibilities relating to responsible gambling, and how to identify and respond to potential gambling harm*
- *regulatory requirements relating to financial transactions such as limitations relating to cash facilities*
- *regulatory requirements relating to brochures, signage and advertising, and*

(b) *Demonstrate Responsible Service of Gaming knowledge and skills and have the ability to refer back to training course content through assessments and course evaluation.”*

⁵⁴ Additional information included but was not limited to RGA rosters, total weekly RGA work hours before and after employment of the additional five RGAs, duties of the additional five RGAs, weekly patron interventions and responsible gambling policy matters.

⁵⁵ Crown advised that RGAs are rostered in teams and work 40 hours per week in eight and 12 hour shifts.

⁵⁶ VCG.0001.0001.0075.

- 30 April 2018 to 27 May 2018 when there were six RGAs employed⁵⁷
- 29 October 2018 to 25 November 2018, and 25 November 2019 to 22 December 2019 with the current 12 RGAs on duty.

11. Licensing analysed the RGA rosters and determined that:

- a) prior to employing the additional five RGAs, 280 weekly hours were available for responsible gambling and patron intervention with seven RGAs (7 RGAs x 40 hours per week = 280)
- b) as a result of employing the additional five RGAs, Crown has increased the total number of weekly hours available to responsible gambling and intervention with patrons by 200 hours to 480 hours per week (12 RGAs x 40 hours per week = 480)
- c) based the above there has an overall weekly increase of RGA time available for responsible gambling and player intervention of 71.4 per cent.

12. With a larger pool of 12 RGAs, and an increase in the number of RGAs on duty, there has been a clear increase in the number of touch points for players at risk of harm and opportunities for player intervention by available Crown staff. Dependent on planned and personal leave, on average there are now two or three RGAs rostered on duty during the day and night. This includes late evening and early morning shifts. Prior to employing the additional five RGAs, only one RGA was rostered per day and night shift, which was evident in the rosters provided by Crown to support its submission (**Attachment 2**).^[58]

13. A more recent RGA roster was also obtained from Crown for the period 25 November 2019 to 22 December 2019 which confirmed that the number of day and night shifts for 12 RGAs was consistent with the earlier 29 October 2018 to 25 November 2018 roster with 12 RGAs (see **Attachment 2**).^[59]

14. Crown also advised that the additional five RGAs perform the same responsible gaming tasks as the other seven RGAs but in addition to assisting patrons directly, also undertake tasks as required by the Review Report, including:

- a) analysis and innovation work
- b) “Play Periods”⁶⁰ and Crown Model⁶¹ work and alerts

⁵⁷ The RGA roster for the period 30 April 2018 to 27 May 2018 shows six RGAs as an RGA departed the team between 16 April 2018 and 29 April 2018. Crown advised it took approximately six months to hire and train the five additional RGAs plus the replacement RGA.

⁵⁸ VCG.0001.0001.0075.

⁵⁹ VCG.0001.0001.0075.

⁶⁰ Play Periods is Crown’s real-time monitoring program that identifies continuous ratings without appropriate breaks during a 24-hour period.

⁶¹ The Crown Model is Crown’s near real-time data analytics predictive data-modelling tool for carded play to identify opportunities for intervention with Crown Rewards Club members who may be at risk of harm from their gambling. The Crown Model is currently in use in concert with observable signs of problem gambling.

- c) *self-exclusion breaches, attempted breaches and patron interaction/support as a result of the introduction of facial recognition technology (FRT).*
15. *In relation to paragraph 14(c) above, the introduction of FRT should mean RGAs will be spending less time on self-exclusion breach patron interaction and support, and more time on intervention with patrons. Attachment 3^[62] shows the ‘drop-off’ in self-exclusion breaches since the introduction of FRT on the main gaming floor in January 2018. Self-exclusion breaches decreased from 984 in the second quarter of March 2018 to 401 in the fourth quarter of 2019 or 59.3 per cent.*
16. *Licensing also notes that the number of weekly patron interventions by RGAs has increased since increasing the number of RGAs from five to 12. Crown has advised that “the additional tasks that were required and implemented following the Sixth Review [referred to in paragraph 14 above], in conjunction with additional RGA work hours have resulted in an uplift in patron contacts by 38.38%.*
17. *Attachment 4^[63] shows the 38.38 per cent uplift in number of weekly patron interventions one month before (April/May 2018) and one month after (October/November 2018) the addition of the five RGAs. Licensing also requested the number of weekly patron interventions for a more recent period to assess ongoing impact. The number of weekly patron interventions for December/January 2020 increased by 595 interventions or 39.2 per cent over the October/November 2018 period (Attachment 4).^[64]*

Crown’s responsible gaming training, advanced training and information sessions

18. *Further to employing the additional five RGAs to increase the number of work hours actually available to responsible gambling and intervention with patrons, Crown determined that “the most appropriate and effective way to address the whole of the recommendation was to enhance and refresh its responsible gaming training, in terms of content and delivery, as well as increasing the number of gaming staff receiving advanced training”.⁶⁵*
19. *As part of Crown’s responsible gaming training, all gaming staff are trained in “observable signs”. Gaming staff include, for example, security staff, cage staff, gaming machine staff and table games staff.*
20. *Crown believes that increasing the number of gaming staff receiving advanced level training “supports the recommendation’s objective by providing gaming staff with the skills and tools to identify and engage with patrons who may be experiencing issues with their gaming. If necessary, the gaming staff can then refer to the larger pool of RGAs”.⁶⁶*
21. *The Review Report observed that:*

When a staff member identifies that a person is displaying observable signs of harm from gambling, staff may interact with the customer and encourage them to take a break from gambling, or offer them a non-alcoholic refreshment in a lounge area or the Responsible

62 VCG.0001.0001.0076.

63 VCG.0001.0001.0077.

64 VCG.0001.0001.0077.

65 VCG.0001.0001.0074, page 1.

66 VCG.0001.0001.0074, pages 1-2.

Gambling Support Centre (RGSC). The Responsible Gambling Code of Conduct states that staff will refer persons displaying observable signs of harm from gambling to RGAs or senior management. When concerning behaviour is recorded, an email is forwarded to the RGSC. RGAs are tasked to observe the customer when they next visit and, if they consider it necessary, to approach the customer and offer information or referral options.

22. *In respect of the adequacy of staff training in relation to responsible gambling and player intervention, in response to recommendation 6, Crown:*
- a) *reviewed and enhanced existing training for all operational staff, including the advanced training to all Area Managers, and*
 - b) *expanded its offering of advanced Area Manager training to an additional 330 staff, being Table Game Area Managers, who were previously not offered this training.*
23. *Crown's review of its training did not identify the need to change the duties of Area Managers to formally allocate more time to responsible gambling matters. Crown has advised Area Managers' responsibilities have always included the identification of problem gambling behaviours, as well as potential interaction with a patron at risk, when warranted and appropriate. Area Managers will continue to advise RGAs or their manager of any potential problem gambling behaviours and interactions, for recording in the Responsible Gaming Register and future patron management.*
24. *As noted above, and notwithstanding Crown not identifying the need to change Area Managers' duties, Crown has also commenced delivering advanced level training to the 'Table Game' Area Managers, some 330 additional staff. This advanced level training is designed to assist Area Managers to develop a greater understanding of responsible gaming and their role in supporting staff in their responsibilities. This training is expected to be completed by February 2021.*
25. *Licensing is of the opinion that Crown's enhancement and refresh of responsible gambling training for all operational staff, as well as delivering advanced level training to the Table Game Area Managers, will assist in the assessment of patrons who may be experiencing difficulties with their gaming behaviours and when to interact with patrons. Further Crown in requiring all Area Managers to undertake advanced level training will lead to a broader set of staff skilled in identifying responsible gaming issues that can lead to direct engagement between Area Managers and patrons. The Commission approved responsible service of gaming training modules⁶⁷ should also see an increase in the responsible gaming capacity of gaming machine staff.*

Consultation

26. *Licensing sought the Victorian Responsible Gambling Foundation's (VRGF's) views on the initiatives taken by Crown in relation to addressing recommendation 6 notwithstanding there is no requirement for consultation with the VRGF in recommendation 6. The VRGF provided its advice on 6 April 2020 (Attachment 5).^[68]*

⁶⁷ The Commission on 22 August 2019 approved the initial, advanced, and refresher RSG training modules for Crown special employees incorporating the intended participants, delivery modes, aims, training competencies, topics to be covered, and assessments.

⁶⁸ VCG.0001.0001.0078.

27. *The VRGF put forward five main reasons why it did not consider Crown's response to recommendation 6 to be adequate. Licensing considers the VRGF's reasons are outside the scope of recommendation 6, which is limited in requiring that Crown "review its allocation of staffing resources to increase the number of work hours actually available to responsible gambling and intervention with patrons".*
28. *Licensing's response to each of the five reasons put forward by the VRGF is provided at Attachment 6⁶⁹] and notes that there is merit in some of the points raised. Licensing therefore intends to further engage with the VRGF and Crown to discuss these matters, including ongoing evaluation of the adequacy of RGA numbers.^{170]}*

Conclusion

29. *Licensing is of the view that Crown has implemented recommendation 6 in that it has reviewed its allocation of staffing resources to increase the number of work hours actually available to responsible gambling and intervention with patrons and in doing so has:*
- a) *employed an additional five RGAs which has significantly increased the weekly number of hours actually available to responsible gaming and patron intervention by 200 hours or 71.4%.*
 - b) *enhanced its responsible gaming training for all operational staff, as well as introducing advanced level training to an additional 330 Table Game Area Managers."*
65. The VCGLR also refers to a letter from Crown to the VCGLR dated 23 December 2019 regarding the implementation of Recommendation 6⁷¹ and an email chain between Crown and the VCGLR dated 24 February 2020, in which the VCGLR requested and obtained details of RGA resourcing from Crown.⁷²

Question 28

- 28 *Page 92 of the Sixth Review refers to the performance evaluation plan for RGLOs. Has that plan been updated since the Sixth Review? Is the current plan adequate?*
66. The VCGLR is not aware whether Crown has updated its performance evaluation plan for RGLOs.

RESPONSIBLE GAMBLING BUDGET

Question 29(a)

- 29 *Putting to one side expenditure on the YourPlay system, pages 92 to 93 of the Sixth Review records that expenditure on Crown Melbourne's responsible service of gambling responsibilities were between \$2.5 million in 2013 and \$3.2 million in 2017.*

⁶⁹ VCG.0001.0001.0079.

⁷⁰ The VCGLR has not yet engaged with the VRGF and Crown to discuss the adequacy of RGA numbers. However, it intends to once all Sixth Review recommendations are complete.

⁷¹ VCG.0001.0003.2076 and attachment VCG.0001.0003.2077.

⁷² VCG.0001.0003.0053.

a. *What amount did Crown Melbourne spend on its responsible service of gambling responsibilities in 2018, 2019 and 2020?*

67. The VCGLR has been unable to locate details of Crown's expenditure on responsible service of gambling responsibilities in the period 2018 to 2020. The VCGLR considers this is likely due to the fact that this period falls outside the scope of the Sixth Review period.

Question 29(b)

29 *Putting to one side expenditure on the YourPlay system, pages 92 to 93 of the Sixth Review records that expenditure on Crown Melbourne's responsible service of gambling responsibilities were between \$2.5 million in 2013 and \$3.2 million in 2017.*

b. *For each year since 2013, what was the expenditure on the responsible service of gambling as a percentage of Crown Melbourne's revenue from gambling?*

68. Crown Melbourne's expenditure on the responsible service of gambling in the period 2013 to 2017, expressed as a percentage of Crown Melbourne's revenue from gambling, is as follows:

	Actual spend (AUD)⁷³	Crown revenue from gambling (AUD)	Actual spend as a percentage of Crown revenue
FY13	\$2,490,793.34	\$1,525,958,000.00	0.16%
FY14	\$3,194,746.20	\$1,556,771,486.00	0.2%
FY15	\$7,649,009.69	\$1,864,388,061.00	0.4%
FY16	\$5,838,583.44	\$1,851,694,372.00	0.3%
FY17	\$3,260,269.25	\$1,556,268,185.24	0.2%

TRAINING OF STAFF AND OBSERVABLE SIGNS

Question 30

30 *Page 93 of the Sixth Review says that the RGSC arranges:*

- a. *responsible gaming training, including inductions and additional training by gaming managers, new gaming employees and RGLOs;*
- b. *a senior manager responsible gaming training program;*
- c. *additional training in gaming odds, financial issues for problem gamblers, trauma and problem gambling, and group study work.*

69. The VCGLR notes that Question 30 is an observation and relates to question 32.

Question 31

31 *The Sixth Review states that the VCGLR finds that the training arrangements implemented by Crown Melbourne comply with the requirements of the legislation.*

70. The VCGLR notes that Question 31 is an observation and relates to question 32.

⁷³ VCG.0001.0001.1577, pages 89 to 90.

Question 32(a)

32(a) *What are the requirements of the legislation?*

71. The VCGLR refers to the requirements of section 58A of the *Casino Control Act 1991*, which relevantly requires that a licensee who is employed by a casino operator must complete:
- a. an appropriate approved training course within a specified period; and
 - b. an approved refresher course every 3 years.

Questions 32(b)

32(b) *Leaving aside the requirements of the legislation, are the training arrangements implemented by Crown Melbourne effective / or likely to be effective in training staff in relation to Crown Melbourne's responsible gambling obligations?*

72. Recommendation 6 provided that an increase in the hours available for responsible gambling and intervention might be achieved by *“training more gaming staff to undertake assessments and then approach patrons identified as at risk, without the need to contact a RGLO.”*⁷⁴ As stated in the VCGLR's response to Question 17 above, by 1 January 2021, the VCGLR formed the view that Crown adequately implemented the Recommendation.⁷⁵ The VCGLR reached this conclusion by reference to Crown's confirmation, by letter dated 23 December 2019,⁷⁶ that , relevantly, it had carried out a review of training, and had enhanced its responsible gaming training for all operational staff, as well as introducing advanced level training to an additional 330 Table Game Area Managers. Paragraphs 24 and 25 of the Commission Paper in respect of Recommendation 6 stated as follows:

“24. As noted above, and notwithstanding Crown not identifying the need to change Area Managers' duties, Crown has also commenced delivering advanced level training to the 'Table Game' Area Managers, some 330 additional staff. This advanced level training is designed to assist Area Managers to develop a greater understanding of responsible gaming and their role in supporting staff in their responsibilities. This training is expected to be completed by February 2021.

25. Licensing is of the opinion that Crown's enhancement and refresh of responsible gambling training for all operational staff, as well as delivering advanced level training to the Table Game Area Managers, will assist in the assessment of patrons who may be experiencing difficulties with their gaming behaviours and when to interact with patrons. Further Crown in requiring all Area Managers to undertake advanced level training will lead to a broader set of staff skilled in identifying responsible gaming issues that can lead to direct engagement between Area Managers and patrons. The Commission approved responsible service of gaming training modules⁷⁷ should also see an increase in the responsible gaming capacity of gaming machine staff.”

⁷⁴ VCG.0001.0001.0080.

⁷⁵ VCG.0001.0001.0080, paragraphs 24–25.

⁷⁶ VCG.0001.0001.0074.

⁷⁷ The Commission on 22 August 2019 approved the initial, advanced, and refresher RSG training modules for Crown special employees incorporating the intended participants, delivery modes, aims, training competencies, topics to be covered, and assessments.

73. On 26 March 2020 the Commission approved Responsible Service of Gaming training courses for Crown Special Employees in accordance with sections 58B(1)(a) and 58B(1)(b) of the *Casino Control Act*.⁷⁸ The approval remains in force for five years unless sooner revoked.
74. The Commission advised Crown of this approval by letter dated 9 April 2020.⁷⁹
75. In reviewing the adequacy of the RSG training, and in particular the inclusion of observable signs for potential gambling harm, it is apparent there are some key differences in the casino operational and policy context when compared to other venues that operate electronic gaming machines. Some validated observable signs of problem gambling outlined in the 2014 report titled “*Validation study of in-venue problem gambler indicators*”⁸⁰ appeared to be less relevant given these differences and the report did not specifically address the casino environment.
76. As part of considering the approval of the RSG training, the Commission determined that it would write to the VRGF advising that it would be beneficial to undertake further research on observable signs specific to the casino context.
77. The VCGLR requested that Crown conduct an evaluation of the effectiveness of the approved training courses, conducted by an independent third party, and that the results be provided to the VCGLR after conclusion of the evaluation and completed prior to the next training course approval process. Both measures will ensure that any future RSG training approved by the VCGLR for Crown Special Employees is informed by evidence and best practice. In relation to the requested evaluation to be conducted, the VRGF has completed an evaluation of venue based RSG training and summarised its findings.⁸¹

Questions 32(c)

- 32(c) *Is there anything more that Crown Melbourne could reasonably do in training its staff over and above the requirements of the legislation to give greater confidence that staff are aware of Crown Melbourne’s responsible gambling obligations?*
78. Crown may wish to consider what RSG training it provides to its staff, over and above the minimum compulsory training for special employees in relation to gaming machines under section 58A of the *Casino Control Act*, particularly senior management.
79. Crown may also wish to ensure that RSG training content appropriately tailored to the role occupied by a particular employees.

Questions 32(d)

- 32(d) *What is the precise nature of each training program arranged by the VCGLR, including its duration?*

⁷⁸ VCG.0001.0002.8037.

⁷⁹ VCG.0001.0002.8038.

⁸⁰ VCG.0001.0002.3210.

⁸¹ Victorian Responsible Gambling Foundation 2020, Responsible Service of Gaming training evaluation summary 2017-2018, Victorian Responsible Gambling Foundation, Melbourne, Victoria. (<https://responsiblegambling.vic.gov.au/resources/publications/responsible-service-of-gaming-training-evaluation-summary-2017-2018-745/>).

80. The VCGLR does not arrange for or deliver any training program. The VCGLR approves the courses provided by Crown under section 58B of the *Casino Control Act* and those courses remain in force for 5 years, unless revoked (section 58B(3) of the *Casino Control Act*).
81. The VCGLR is aware from a letter from Crown to Rowan Harris (VCGLR) dated 20 November 2015⁸² that Crown’s training for staff in relation to responsible gambling has included:
- a. induction training on “*observable signs that may indicate a customer may be experiencing difficulties with their gambling behaviours*”;
 - b. VCGLR approved RSG training, which is delivered as a refresher every two years for relevant staff;
 - c. training to ensure that staff “*refer customers who seek assistance or who are displaying other observable signs to RGLOs, either directly or via their manager.*”; and
 - d. training for senior managers in relevant departments, including gaming, in more advanced responsible gaming training.⁸³

Question 32(e)

32(e) *In each of the last 5 years:*

- i. *what are the names and qualifications of each person who has conducted any part of a training program?*
 - ii. *what was the duration of each training program?*
 - iii. *how many people participated in each training program?*
82. Noting the answer to question 32(d) above, VCGLR does not hold records as it does not deliver training. VCGLR does not hold records detailing Crown’s delivery of its training programs.

Question 33

- 33 *Has VCGLR ever examined whether senior management or directors of the boards of either Crown Melbourne or Crown Resorts have any training of any kind in relation to the Crown Melbourne’s responsible gaming obligations?*
83. No, the VCGLR has not examined whether senior management or directors of the boards of either Crown Melbourne or Crown Resorts have training in relation to Crown Melbourne’s responsible gaming obligations. The VCGLR expects that the most senior people at Crown dealing with responsible gambling issues are properly trained and have the appropriate experience for their roles.
84. Notwithstanding the above, all staff who perform any of the functions of a special employee in relation to gaming machines are to undertake both the approved initial and refresher modules.
85. The definition of a “special employee” as outlined in the Casino Control Act includes (amongst other things) a person who “is employed or working in a casino in a managerial capacity or

⁸² VCG.0001.0003.1325.

⁸³ VCG.0001.0001.0080, page 5 (fn 14).

who is authorised to make decisions, involving the exercise of his or her discretion, that regulate operations in a casino...”. As such, directors and senior managers would undertake the initial and refresher modules.

86. The participants for the training are outlined in the session plans for the initial and refresher modules.⁸⁴
87. As part of the VCGLR’s discussions with Crown, Crown also stated that all staff (regardless of whether they are a special employee) undertake the induction course which forms part of the initial module.⁸⁵ The session plan of this initial module states that participants include “*All staff commencing employment at Crown including all staff who perform any of the functions of a special employee in relation to gaming machines*”).⁸⁶
88. For the advanced module, the VCGLR agreed on the following participants:⁸⁷
- a. All staff working in the RG work area, including Responsible Gaming Advisors;
 - b. All staff employed or working in a managerial capacity who meet all the following criteria:
 - i perform any of the functions of a special employee in relation to gaming machines;
 - ii have direct contact with customers; and
 - iii receive RSG related referrals from other staff.

Question 34

- 34 *Page 93 of the Sixth Review states that “all relevant staff” are trained in identifying observable signs. Who are “all relevant staff”?*
89. The term “*all relevant staff*” on page 93 of the Sixth Report includes:
- all operational gaming machine and table game staff;
 - gaming machine and table game interstate and international managers;
 - gaming machines and table games staff;
 - gaming machine area managers and above;
 - table game casino managers and above; and
 - customer service attendants.
90. The VCGLR notes that Crown extended its advanced Area Manager training to also include Table Game Area Managers, which is an additional 330 staff.⁸⁸

Question 35

- 35 *Page 93 of the Sixth Review states the following:*

⁸⁴ VCG.0001.0002.8026, page 2; VCG.0001.0002.8030, page 1.

⁸⁵ VCG.0001.0002.8042.

⁸⁶ VCG.0001.0002.8041, page 1.

⁸⁷ VCG.0001.0002.8033, page 1.

⁸⁸ VCG.0001.0001.0080, paragraph 22.

... When a staff member identifies that a patron is displaying observable signs of harm from gambling, staff may interact with the customer and encourage them to take a break from gambling, or offer them a non-alcoholic refreshment in a lounge area or the RGSC.

91. The VCGLR notes that Question 35 is an observation, and relates to question 36.

Question 36 and 37

- 36 *What data is collected by Crown Melbourne about the matters raised in the previous paragraph?*
- 37 *In the period of the Sixth Review, how many times was a patron who was displaying observable signs of harm from gambling, encouraged to take a break from gambling or offered to take a break from gambling, or offered a non-alcoholic refreshment in a lounge area or the RGSC?*
92. The VCGLR's records show that on 20 October 2017, Crown provided the VCGLR with data for each year from 1 January 2013, relating to:⁸⁹
- a. the number of times that dealers, area managers or any other gaming staff intervened or made a referral to RGLOs when a customer displayed any observable signs of distress or unacceptable behaviour identified on page 19 of Crown Melbourne's Responsible Gambling Code of Conduct; and
 - b. the number of times that RGLOs, dealers or area managers (any gaming staff) intervened to stop intoxicated patrons from gambling.

Question 38

- 38 *Page 93 of the Sixth Review states the following:*

The Responsible Gambling Code of Conduct states that staff will refer persons displaying these observable signs to RGLOs or senior management. Staff record notes in the customer database in relation to: responsible service of gaming and responsible service of alcohol, aggressive, argumentative or unusual behaviour, begging or misaligned occupation, and information regarding spend in the transaction monitoring program. When concerning behaviour is recorded, an email is forwarded to the Responsible Gaming Department. RGLOs are tasked to observe the customer when they next visit and, if they consider necessary, to approach the customer and offer information or referral options. The loyalty program data may also be reviewed if a RGLO interacts with a customer who has displayed observable signs associated with problem gambling. There is no regulatory requirement for a RGLO or other casino staff member to intervene when a person displays observable signs indicative of gambling harm.

93. The VCGLR notes that Question 38 is an observation from the Sixth Review Report and relates to Questions 39 to 42.

Question 39

- 39 *What data is collected by Crown Melbourne about the matters raised in the previous paragraph (as to which, please note the Sixth Review, page 95)?*

⁸⁹ VCG.0001.0001.2411.

94. The VCGLR refers to the answer to Questions 36 and 37 and the “RGA Contact” incident register described in the answer to Question 21.
95. More particularly, the VCGLR notes that with respect to any instances of persons displaying “observable signs”, Crown Melbourne records those incidents in the “RGA Contact” incident register. VCG.0001.0002.6518 is one such example of a RGA Contact spreadsheet.
96. The data collected by Crown Melbourne for persons displaying observable signs include:
- the date and time of the incident; and
 - the given name and surname of the individual.
97. A Person ID is assigned to every individual, and some individuals will also have a SYCO Number recorded. Additionally, if the person is a member, there is a record of their membership type. The RGA Contact spreadsheet will also record the referral location and record the RGLO identification number.

Question 40

- 40 *In each year since 2013:*
- how many emails were forwarded to the Responsible Gaming Department regarding concerning behavior?*
 - how many of those emails related to the responsible service of gaming, and how many of those emails led to an RGLO observing the customer on a subsequent occasion?*
 - how many persons were offered information or referral options by a RGLO?*
 - how many persons had their loyalty program data reviewed by a RGLO because the person was displaying observable signs?*
98. The VCGLR does not hold records which are responsive to question 40(a) to (d). Whilst some responsive records may be incidentally obtained during an audit (which are retained), they are not the comprehensive materials sought by this question.

Question 41

- 41 *What is the customer database referred to in the extract set out in paragraph 38 above? Did the VCGLR review the database for the purpose of the Sixth Review? Is such a database consistent with best operating practice in casinos of a similar size and nature to the casino operated by Crown Melbourne? Is the database well maintained and fit for purpose?*
99. “SEER” (which stands for Surveillance Event Entry Register) is the customer database referred to in question 38 above. The VCGLR did not review SEER and is not in a position to comment on whether or not it is well maintained and fit for purpose. The VCGLR was focussing on Crown’s functions rather than the tools Crown was using.
100. The VCGLR cannot comment on whether the database is consistent with best operating practice. The VCGLR in conducting audits does not examine the database(s). Rather it obtains extracts from the databases. The extracts the VCGLR has obtained from the database from Crown contains all the information requested by the VCGLR during an audit and to that extent is fit for purpose.

Question 42

42. *Notwithstanding the apparent absence of a regulatory requirement for a RGLO or other casino staff member to intervene when a person displays observable signs indicative of gambling harm, is there anything preventing staff or RGLOs from intervening? How effective are these interventions in minimising the risk of harm? Are there any other comparable casinos which utilize interventions of this kind?*
101. There is nothing in the casino regulation legislative framework which prevents staff or RGLOs from intervening when a person displays observable signs indicative of gambling harm.
102. The issue is what the intervention is measured against. As to how effective interventions are in minimising the risk of harm, the VCGLR believes that any intervention is important by just the fact of an intervention. With the right intervention, a problem gambler might not return to the casino. The intervention could result in a referral and removal from the gambling area. Crown was careful about how it did the intervention. Crown's interventions appeared to have a big effect on individuals. Whilst Crown had good quality interventions, it absorbed limited resources. SkyCity has a similar intervention process with a similar resource commitment to Crown with a smaller casino.
103. The VRGF is best placed to comment on how effective these interventions are in minimising the risk of harm and if there are any other comparable casinos which utilise interventions of this kind. In this regard, the VCGLR refers to the VRGF confidential submission to the Sixth Review of the Casino Operator and Licence, which suggested that Crown improve interventions with patrons exhibiting visible signs of distress from gambling and the take-up and policing of its Self-Exclusion Program⁹⁰;
104. The VCGLR has located records including:
- a. a file note of a meeting with Crown Melbourne dated 15 November 2017 which records discussion of topics including the extent to which a proposed player data analytical model devised by Crown Melbourne would be effective in minimising the risk of harm;⁹¹
 - b. various academic material relevant to the question of the effectiveness of intervention strategies. By way of illustration, a research paper titled "*Responsible gambling codes of conduct: lack of harm minimisation intervention in the context of venue self-regulation*";⁹² and
 - c. an email from the VCGLR to Crown dated 14 May 2015 attaching a VCGLR report on a concurrent gaming trial, which includes observations on the effectiveness of player interventions.⁹³
105. As to the question of "Are there any other comparable casinos which utilize interventions of this kind?", the VCGLR notes:⁹⁴

⁹⁰ VCG.0001.0001.1788.

⁹¹ VCG.0001.0001.1236.

⁹² VCG.0001.0001.2296.

⁹³ VCG.0001.0003.0444, and attachment VCG.0001.0003.0445.

⁹⁴ VCG.0001.0001.1229, page 5.

- a. In responding to a request from the VCGLR in the Fifth Review, Crown developed an in-house data analytics trial, which they indicated was unsuccessful. 95% of customers identified in the model said they had no concerns with their gambling behaviour.
 - b. As at 12 February 2018, Crown’s trial had progressed to a second model, developed using the historical player data of customers who have self-excluded.
106. By way of comparison, South Australia introduced automated risk monitoring (**ARM**) and pre-commitment systems in the Adelaide Casino in 2014 as a requirement for the introduction of cashless gaming:⁹⁵
- a. The ARM monitors length of play and ‘hot player’ activity to identify potential problem gambling behaviour, and sends alerts to casino staff when particular thresholds are reached.
 - b. The pre-commitment system allows participants to set time and expenditure limits. Pre-commitment breaches also trigger alerts, usually at lower levels than the ARM, such that casino staff may conduct observational rather than more interventionist responses.

Question 43

43 *What are the Crown Melbourne records referred to in the first paragraph of page 95 of the Sixth Review?*

107. The Crown Melbourne records referred to in the first paragraph of page 95 of the Sixth Review are stored primarily on the SEER customer database. Some records are also contained in the SYCO database.

Question 44

44 *Page 95 of the Sixth Review states:*

The VCGLR notes that other types of activities recorded by Crown Melbourne may indicate that a patron has displayed an observable sign, for example “unattended children” or “gaming equipment damage”, which have been listed as other activity types.

108. Question 44 is an observation in the Sixth Review Report and relates to Question 45.

Question 45

45 *What activity types (other than “unattended children” or “gaming equipment damage”) are listed as other activity types but are also an observable sign? Where are these matters recorded in Crown Melbourne’s records?*

109. The activity types (in addition to “unattended children” or “gaming equipment damage”) listed as other activity types but also as an observable sign are set out below. These matters are recorded in Crown Melbourne’s SEER:⁹⁶

- 3rd party Assistance / Inquiry
- Attempted Breach

⁹⁵ VCG.0001.0001.1229, page 3.

⁹⁶ See also VCG.0001.0002.6517.

- Breach of Self Exclusion
- Card Misuse
- Chaplaincy
- Counselling
- Counselling Information
- Crown Rewards / Previous exclusion
- Data Follow up
- Domestic
- Exclusion Order Served
- Gaming Equipment Damage
- GM/TG/Staff & FATG focus
- GRIP SE
- GRIP TO
- Illegal Act
- Mail Suspension
- Medical
- Missing Persons
- Mistaken Identity
- Observable Signs
- Other
- Play Periods
- Report Writer Contact – RGP
- Request for revocation
- Revocation Application
- Revocation Approved
- Revocation Declined
- Revocation Follow Up
- Revocation Information
- RG WOL
- Seeking other Assistance
- Self Exclusion
- Self Exclusion Alleged Breach
- Self Exclusion follow up
- Self Exclusion Information
- Unattended Child
- Unpaid Parking
- Website Enquiry
- Welfare
- WOL

110. Crown has provided information relating to observable signs in a document sent to the VCGLR in about 2016⁹⁷ and also in its Responsible Gambling Code of Conduct⁹⁸ and Crown’s RSG training.⁹⁹

Question 46

- 46 *Page 95 of the Sixth Review says the following:*

The VCGLR considers that monitoring observable signs is accepted practice as part of a harm minimisation strategy. However, the VCGLR is concerned that the primary reliance on a policy of observable signs with the current service delivery model may not be the most effective approach to assisting patrons at risk of harm.

111. Question 46 is an observation in the Sixth Review Report and relates to Question 47.

Question 47

- 47 *Please expand on the VCGLR’s concerns. Were those concerns raised with Crown Melbourne? If so, how were they raised (orally, or in writing)? What was Crown Melbourne’s response? Who were the people from the VCGLR and Crown Melbourne involved in any communications regarding those concerns?*
112. Those concerns were raised with Crown through Recommendation 7 of the Sixth Review. Recommendation 7 provided that “The VCGLR further recommends that Crown Melbourne use observable signs in conjunction with other harm minimisation measures such as data analytics to identify customers at risk of being harmed from gambling”.¹⁰⁰
113. Recommendation 7 was discussed in meetings between Crown and VCGLR personnel on 31 October 2018¹⁰¹ and 20 August 2020¹⁰² respectively.
114. VCGLR further addressed this issue with Crown by way of letters dated 19 August 2020¹⁰³ and 15 October 2020,¹⁰⁴ email dated 24 June 2020 from Rowan Harris to Michelle Fielding¹⁰⁵, and email dated 27 March 2020 from Rowan Harris to Sonja Bauer.¹⁰⁶

⁹⁷ VCG.0001.0002.8047.

⁹⁸ See pages 15 and 16 of *Crown’s Responsible Gambling Code of Conduct*, which details 13 observable signs (available at <https://www.crownmelbourne.com.au/getmedia/8867c94a-1bf2-48e1-92cd-8082bcf45f5b/Crown-Melbourne-Gaming-Responsible-Service-Of-Gaming-Code-Of-Conduct-Brochure.pdf.aspx>).

⁹⁹ VCG.0001.0002.8042, pages 4–6; VCG.0001.0002.8043, page 11; VCG.0001.0002.8027, page 8; VCG.0001.0002.8029, page 11.

¹⁰⁰ VCG.0001.0002.8045.

¹⁰¹ VCG.0001.0003.2345.

¹⁰² VCG.0001.0003.0929.

¹⁰³ VCG.0001.0001.2127.

¹⁰⁴ VCG.0001.0002.3093.

¹⁰⁵ VCG.0001.0002.3132.

¹⁰⁶ VCG.0001.0002.3174.

115. Crown addressed Recommendation 7 in its letters of 4 June 2018¹⁰⁷, 2 July 2018,¹⁰⁸ and 30 December 2019¹⁰⁹ and by way of emails dated 18 January 2019¹¹⁰ and 26 June 2020 from Michelle Fielding to Rowan Harris.¹¹¹
116. The Licensing Division assessed Crown’s submission, and also consulted with the VRGF.
117. The VCGLR sought the VRGF’s views on the use of observable signs in conjunction with data analytics to identify patrons at risk of being harmed from gambling.¹¹²
118. The VRGF provided the VCGLR with the VRGF views on the Crown response to Recommendations 7 and 8 of the Sixth Review dated 16 June 2020.¹¹³
119. A Commission Paper was prepared by Rowan Harris, and reviewed and signed by Alex Fitzpatrick, in respect of Recommendation 7.¹¹⁴ The paper stated as follows in respect of Recommendation 7:

“Issues/Comments

11. *On 30 December 2019, Crown provided a submission in relation to recommendations 7 and parts of recommendation 8 of the Review (Attachment 2). Licensing assessed Crown’s submission, and also consulted with the Victorian Responsible Gambling Foundation (VRGF) (Attachment 3). The VRGF’s response to the consultation is at Attachment 4.*
12. *Recommendation 7 provides:*
- The VCGLR recommends that Crown Melbourne use observable signs in conjunction with other harm minimisation measures such as data analytics to identify patrons at risk of being harmed from gambling.*
13. *The Review observes Crown’s approach to harm minimisation (apart from its processes for exclusion orders) relies almost entirely on patrons seeking assistance or casino staff identifying patrons who display observable signs of potential harm from gambling (‘observable signs’).*
14. *The Review states that the VCGLR considers that monitoring observable signs is an accepted practice as part of a harm minimisation strategy. However, the Review raised a concern that the primary reliance on a policy of observable signs with the current service delivery model may not be the most effective approach to assisting patrons at risk of harm. Therefore, the Commission recommended Crown also use other harm minimisation measures to identify problem gamblers such as player data analytics.*

¹⁰⁷ VCG.0001.0001.1804.

¹⁰⁸ VCG.0001.0001.0096.

¹⁰⁹ VCG.0001.0001.0082.

¹¹⁰ VCG.0001.0002.6037 and attachments VCG.0001.0002.6038, VCG.0001.0002.6039.

¹¹¹ VCG.0001.0002.3133.

¹¹² VCG.0001.0001.0083.

¹¹³ VCG.0001.0001.0084.

¹¹⁴ VCG.0001.0001.0088 and attachments: VCG.0001.0001.0081, VCG.0001.0001.0082, VCG.0001.0001.0083, VCG.0001.0001.0084 VCG.0001.0001.0085, VCG.0001.0001.0086, VCG.0001.0001.0087.

15. *In assessing Crown's submission, evidence was sought that new harm minimisation measures had been introduced, and that Crown continued to use observable signs to identify potential problem gamblers.*
16. *As outlined in Crown's submission, Crown has introduced player data analytics tools to address recommendation 7 these are referred to as the Crown model' and play periods monitoring' tool. These are discussed briefly below and in further detail in relation to part (a) of recommendation 8,*
17. *The Play Periods monitoring tool is a program that continuously monitors the periods of time that Crown patrons have played gaming machines or table games (while using their loyalty cards), without a specified minimum break' If the time exceeds the defined period of play without a minimum break, responsible gaming advisors (RGAs) and/or gaming staff will receive an alert from the Play Periods monitoring tool to indicate that intervention or observation may be required to assess and/or minimise potential player harm.*
18. *Once an alert is received after a specified period of play is exceeded, Crown staff will approach the identified patron, interact with the patron, and remind them to take a break from gaming. Crown staff will also continue to review the patron for any observable signs of problem gambling.*
19. *If the Play Periods monitoring tool indicates that the patron has been gambling over a 24-hour period (regardless of breaks), the RGA will request that the patron leave the casino. The next time the patron visits the casino and uses their loyalty card, a RGA will be alerted to this and will conduct a follow-up conversation with the patron*
20. *The Crown model is Crown's data analytics predictive data-modelling tool developed by in-house specialist data analytics staff in Crown's Customer Analytics Team*
21. *The Crown model periodically generates a list of names of loyalty members who may benefit from a responsible gaming interaction based on an algorithms applied to the assessment of historical play data and some player demographic It compares patterns in this data and information for current loyalty members with patterns in the data of previously self-excluded loyalty members (that is, players known to have experienced problems with their gambling). RGAs then check these names in the Responsible Gaming Register to identify if there have been previous interactions. They then conduct a further assessment of the gambling history of the player to identify the specific concerns that the Crown model has raised,*
22. *In addition to the above, patrons displaying observable signs of problem gambling continue to be referred by gaming staff to RGAs and interactions are recorded in the Responsible Gaming Register. Statistics regarding the continual use of observable signs are provided in Attachment 5.*
23. *Given Crown, in conjunction with the implementation of its two player data analytics tools, (the 'Crown model' and 'Play Periods monitoring' tool) continues to use observable signs to identify potential problem gambling, as evidenced in its submission and attachment 5, Licensing considers Crown has implemented recommendation 7 “*

BREAKS IN PLAY**Question 48**

48. Page 96 of the Sixth Review refers to shortfalls in Crown Melbourne's Responsible Gambling Code of Conduct on the issues of breaks in play. What, if any, communications have the VCGLR had with Crown Melbourne about that matter? If there have been communications, have they been oral or in writing, and which natural people from the VCGLR and Crown Melbourne were involved in those communications (if any)?
120. Since 2007, legislative provisions have existed in the Gambling Regulation Act 2003 (Vic) (**Gambling Regulation Act**) and the *Casino Control Act* that impose obligations on relevant industry persons, including the casino operator,¹¹⁵ to implement a responsible gambling code of conduct (**Code of Conduct**). The initial framework that was established enabled the Minister to issue directions to the VCGLR under section 10.6.6 of the *Gambling Regulation Act*, setting out the standards and requirements in which an approved Code of Conduct must meet. The VCGLR was then required to approve a Code of Conduct where it was satisfied that the Code of Conduct met the standards and requirements outlined in the ministerial direction, as well as other requirements specified in the legislation.
121. The *Gambling Regulation Act* was subsequently amended by the *Gambling Regulation Amendment (Gaming Machine Arrangements) Act 2017* (**Amending Act**), which removed the role of the VCGLR in approving a Code of Conduct. The current legislative framework now requires relevant industry persons to implement a Code of Conduct that complies with directions issued by the Minister under the amended section 10.6.6.
122. The Minister issued a direction under the amended section 10.6.6 in September 2018.¹¹⁶ This direction outlined the standards and requirements that a Code of Conduct implemented by a relevant industry person must meet, which were similar to the requirements contained in the previous direction issued to the VCGLR. The 2018 direction therefore preserved Codes of Conduct that were already implemented by industry prior to the Amending Act. The purpose was to negate the need for industry to make changes to their Code of Conduct, as the Responsible Gambling Ministerial Advisory Council (**RGMAC**) was at that time, in the process of conducting a comprehensive review into Code of Conduct requirements. Upon completion of the RGMAC review, the intent is for the Minister to issue further directions containing new standards and requirements in relation to a Code of Conduct. Relevant industry persons would then be required to update their Code of Conduct to comply with these new requirements.
123. RGMAC has since completed its review relating to venue operators and a new ministerial direction was issued in February 2020 in relation to the requirements of a Code of Conduct implemented by a venue operator.¹¹⁷ However, as RGMAC has yet to complete its review regarding other industry participants, including the casino operator, the Code of Conduct implemented by these industry sectors must continue to comply with the requirements contained in the 2018 ministerial direction.

¹¹⁵ See section 69 of the *Casino Control Act*.

¹¹⁶ https://www.vcglr.vic.gov.au/sites/default/files/ministerial_direction_-_responsible_gambling_code_of_conduct.pdf.

¹¹⁷ https://www.vcglr.vic.gov.au/sites/default/files/ministerial_direction_-_responsible_gambling_code_of_conduct_for_venue_operators_21_february_2020.pdf.

124. While it is unclear whether RGMAC will complete a review into the Code of Conduct requirements relating to the casino operator and if so, when such a review will be completed, it is possible that any subsequent ministerial direction issued following a review by RGMAC may contain requirements associated with breaks in play. For example, under the 2020 direction issued in relation to venue operators, a Code of Conduct implemented by a venue operator must now contain provisions that specify that the venue operator is expected to ask a patron to take a break away from the gaming machine area in certain circumstances. It is therefore possible that similar requirements may also be included in any subsequent direction that is issued by the Minister in respect of the casino operator.
125. On 30 December 2019, the VCGLR received Crown’s written submissions to Recommendation 7 and 8 of the Sixth Review, including on the issues of breaks in play.¹¹⁸ The submissions were issued by Barry Felstead (then Chief Executive Officer – Australian Resorts) on behalf of Crown, and addressed to Catherine Myers (Chief Executive Officer) of the VCGLR.
126. There was some interaction with Crown during the Code of Conduct audit about the issue of breaks in play to ensure Crown is reporting breaks in play and dealing with those customers and the policy is adhered to by a notation in the SEER register. In the latest audit conducted in February 2020 (the report for which was prepared in March 2020),¹¹⁹ it was noted that due to the coronavirus pandemic, some aspects of the audit, such as face-to-face interactions with Crown staff about their knowledge of observable signs of problem gambling, were not able to be completed.
127. Notwithstanding the above, on 6 March 2020 an email was forwarded to **Personal Information** Responsible Gaming Liaison Co-ordinator, Crown Melbourne seeking information and reports.¹²⁰ On 11 March 2020, an email was received providing an Excel Spreadsheet titled ‘RGA Contact’ for the month of February 2020 with a worksheet providing a numerical count for each of the 47 categories of ‘service’ provided.¹²¹ In total for the month of February, there were 2474 ‘contacts’ recorded.
128. On 13 March 2020 a meeting was convened with **Personal** and Ms Sonja Bauer, Group General Manager, Responsible Gaming at Crown Melbourne. Ms Bauer attended to assist in the completion of this audit following the sudden departure of Mr Leon Pillai, Responsible Gaming Operations Manager. Ms Bauer advised that Mr Pillai’s role has since been advertised and Crown would to commence interviewing shortly with the successful candidate announced shortly thereafter.¹²²
129. In relation to breaks in play, it was observed in the data provided by Crown for the February 2020 audit that:¹²³
- a. By far the biggest category of the ‘contacts’ is ‘**Play Period**’, accounting for 1255 entries – just over 50% of all ‘contact’ entries. These entries are as a result of an automated notification of Crown Loyalty Program members using their card for a lengthy period without an appropriate break, and a RGA attending and making observations and/or interacting depending on the circumstances.

118 VCG.0001.0001.0082.

119 VCG.0001.0002.6523.

120 VCG.0001.0002.6523, paragraph 7.

121 VCG.0001.0002.6523, paragraph 7.

122 VCG.0001.0002.6523, paragraph 8.

123 VCG.0001.0002.6523, paragraphs 15 to 20.

- b. RGAs will check records for members with sessions of 12 hours or greater. RGAs observe or interact with customers at the 12, 16, 20 hour marks to encourage members to take a break and or offer Responsible Gaming Centre (RGC) services. This can result in multiple entries for one member.
- c. Members with continuous sessions of a 24 hour period or more without a substantial break will be approached where possible with the backing of surveillance coverage and, where possible, with the presence of appropriate gaming staff. The member will have the 'play period' policy explained to them and be directed to take a 24 hour break.
- d. Such interactions with members are documented in SEER with 'PP' as the nature of service, and an entry placed on a register maintained by the RGC.
- e. It was also noted that RGAs either responded to or detected 70 'observable' signs during the month from patrons looking tired, sleeping, exhibiting aggressive behaviour or yelling or using a raised voice at Crown staff.
- f. In February, there were four third party exclusions successfully applied.
- g. There have been no complaints made against the Code of Conduct.

Question 49

49 *Page 96 of the Sixth Review refers to RGLO documents. What are those documents?*

130. The VCGLR refers the Royal Commission to document VCG.0001.0001.2351. This document was provided by Michelle Fielding of Crown to Robert Chappell of the VCGLR on 20 October 2017,¹²⁴ in response to the following request for information made by the VCGLR on 13 October 2017 under section 26 of the *Casino Control Act*:¹²⁵

“For each year from 1 January 2013, please provide details (date, nature of intervention and resolution or referral) in an Excel spreadsheet of all interventions made by RGLOs or other staff from the Responsible Gambling Support Centre”.

Question 50

50 *Page 96 of the Sixth Review says that in the calendar years between 2013 and 2016, RGSC staff listed approximately 400 “play periods” activities per year, although the most common outcome of the activity was “no referral”. Please explain what is meant by this statement. In so doing, please explain what a play period is, what a play period activity is, and what options are available other than no referral.*

131. A “play period” relates to Crown’s real time monitoring program called Play Periods. This program is described in Crown’s submissions to Recommendations 7 and 8 of the Sixth Review dated 30 December 2019 as follows:¹²⁶

“Crown’s real time monitoring, ‘Play Periods’, is a program that identifies continuous ratings without appropriate breaks during a 24 hour period. Members, using their loyalty cards and identified via Play Periods, are approached where possible by Responsible Gaming Advisors

¹²⁴ VCG.0001.0001.2350, VCG.0001.0001.2351.

¹²⁵ VCG.0001.0001.2399, VCG.0001.0001.2397 (internal page 9).

¹²⁶ VCG.0001.0001.0082 (internal page 6).

(RGAs) or Gaming Staff and reminded to take regular breaks. This program has been in place at Crown for a number of years, and was reviewed and significantly enhanced in 2018/2019”.

132. A “play periods” activity is a reference to a play period identified by Crown’s Play Periods program. The method by which a play period is identified is described in Crown’s submissions as follows:¹²⁷
- “Historically (prior to 2018), the method of identifying Play Periods was through SYCO (the loyalty program data collection system), in the form of automatically generated reports every four hours. These reports identified members who had over 12-hours of cumulative gaming activity but failed to take into account time on-site (e.g. the report would not capture a member with 11-hours of cumulative gaming activity over (for example) a 20-hour period)”.*
133. “No referral” means that Crown members (i.e. carded players¹²⁸) who were identified by Crown’s Play Periods program were not referred by Crown to the following referral locations: Responsible Gaming Support Centre, Gambler’s Help counselling service, Security, Responsible Gambling Psychologists, Gambler’s Help telephone service, Responsible Gaming Liaison Officers, the Victoria Police, the VCGLR, Leon Pillai, the Chinese Peer Connection (East), or the Chaplaincy.¹²⁹
134. Page 96 of the Sixth Review states: “In the calendar years between 2013 and 2016, RGSC staff listed approximately 400 “play periods” activities per year, although the most common outcome of the activity was “no referral”“. This statement means that, in each of the calendar years between 2013 and 2016 (inclusive), there were approximately 400 play periods in respect of Crown members, and the most common outcome for the members was “no referral”, i.e. they were not referred by Crown to the referral locations listed above in paragraph 133.

Questions 51 & 52

51 Page 97 of the Sixth Review says:

The VCGLR notes that Crown’s policy of only intervening after 16 or 24 hours of continuous play is very conservative, and not conducive to responsible lengths of play for local players. Noting that RGSC staff receive alerts after every four hours of continuous play, it would be open to Crown to intervene with local players much earlier, to encourage the person to take a break and leave the casino premises.

- 52 *What, if any, communications has the VCGLR had with Crown Melbourne about that matter? If there have been communications, have they been oral or in writing, and which natural people from the VCGLR and Crown Melbourne were involved in those communications (if any)?*
135. The VCGLR has had the following communications with Crown Melbourne regarding this matter.
- a. On 30 December 2019, the VCGLR received Crown’s written submissions to Recommendation 7 and 8 of the Sixth Review. The submissions were issued by Barry Felstead on behalf of Crown, and addressed to Catherine Myers of the VCGLR. The section

¹²⁷ VCG.0001.0001.0082, internal page 6.

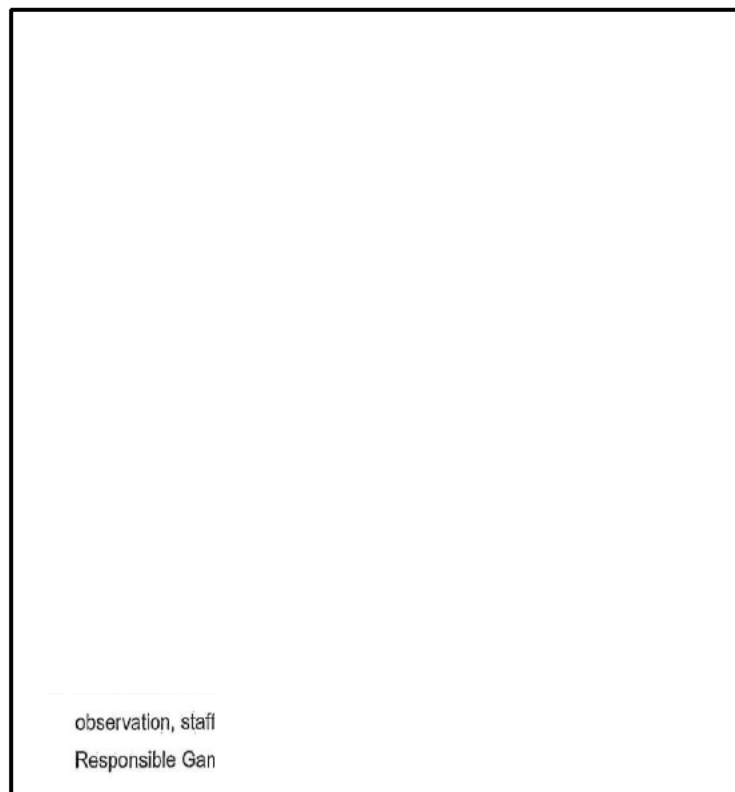
¹²⁸ VCG.0001.0001.0082, internal page 2.

¹²⁹ VCG.0001.0001.1811, internal page 4.

of the submissions that is relevant to the above matter is titled “*Play Periods Monitoring*” on internal pages 6 to 8.¹³⁰

- b. Emails between Rowan Harris of the VCGLR and Michelle Fielding of Crown dated 31 March 2020 and 20 April 2020, which were copied to Ms Sonja Bauer of Crown, and Mr Jason Cremona and Mr Steve Thurston of the VCGLR;¹³¹
- c. Emails between Mr Rowan Harris and Ms Michelle Fielding dated 24 June 2020 and 26 June 2020, which were copied to Ms Sonja Bauer of Crown, Mr Jason Cremona and Mr Steve Thurston of the VCGLR.¹³²

136. Crown’s policy as at December 2019 is as follows.¹³³ This policy was provided to the VCGLR as part of the Code of Conduct Audit.



137. Crown’s current policy as at December 2020 is as follows.¹³⁴ This policy was provided to the VCGLR as part of the Code of Conduct Audit.

¹³⁰ VCG.0001.0001.0082, internal pages 6 to 8.

¹³¹ VCG.0001.0002.3173.

¹³² VCG.0001.0002.3133.

¹³³ VCG.0001.0002.8049.

¹³⁴ VCG.0001.0002.8046.

Policy Statement

Crown Loyalty Program Members (**Members**) who have confirmed continuous ratings for a 18-hour period without appropriate breaks will not be permitted to remain on the gaming floor and will be directed to take a 24-hour break.

Members with significant continuous ratings without appropriate breaks under 18 hours will be reminded to take regular breaks.

Management may exercise its discretion in relation to break times based on the unique circumstances of the Member.

Procedures

1. Reports are generated and reviewed by the Responsible Gaming Advisor (**RGA**) group.
2. The RGA will check ratings of 12 hours or greater.
3. Gaming staff or a RGA will interact or observe as appropriate with customers at the 12, 15, and 17-hour mark to encourage Members to take a break from play.
4. If a Member is displaying any observable signs during the conversation or observation, staff will request the Member to take a break and offer all Responsible Gaming Centre (**RGC**) services.

Questions 53

- 53 *Has Crown Melbourne's practice regarding breaks in play changed since the Sixth Review? If so, please explain how the practice has changed.*
138. Yes, Crown Melbourne's practice in relation to breaks in play has changed since the Sixth Review. The changes are described in Crown's submissions to Recommendation 7 and 8 of the Sixth Review dated 30 December 2019.¹³⁵ In summary:¹³⁶
- a. Crown has developed a new real-time play period monitoring tool, which it uses to identify members who have been gambling for long continuous periods of time and are therefore at risk of harm;
 - b. prior to the Sixth Review, Crown accessed player data through SYCO which generated reports every four hours, and which required further interrogation and assessment by Crown staff. In response to Recommendation 8(a) in the Sixth Review, Crown reviewed its method of analysing its patrons' play periods and developed a new real-time play period monitoring tool;
 - c. specifically, Crown introduced 'Splunk' technology that uses an analytical dashboard as the primary method for real-time monitoring of play periods by the Responsible Gaming Advisors and/or Gaming Staff, which replaced the four hourly reports previously generated by SYCO;

¹³⁵ VCG.0001.0001.0082.

¹³⁶ VCG.0001.0001.0088, internal pages 4 and 5.

- d. Responsible Gaming Advisors are provided with ‘Splunk’ mobile phone alerts of members who have been on the gaming floor for more than 12 hours without a substantial break, based on their loyalty club use; and
- e. this new technology seeks intervention at 12 hours of continuous play without breaks of more than 2 hours; 14 hours of continuous play without breaks of more than 3 hours; 20 hours of continuous play (irrespective of breaks); and 24 hours of continuous play (irrespective of breaks).

PRE-COMMITMENT

Question 54

- 54 *Pages 97 to 99 of the Sixth Review suggest that once a time or spend limit is reached, both the Play Safe and YourPlay programs permit a patron to continue gambling. Page 99 says that when a person “reaches a limit under the YourPlay system and elects to continue playing, Crown Melbourne staff take no action and there is no regulatory obligation to do so”. Is that still the case?*
139. The VCGLR is not aware of any changes in Crown’s regulatory obligations.
140. Page 98 of the Sixth Review Report stated “Under the YourPlay scheme, when a player has set a time or spending limit and the person reaches the YourPlay set limit, the gaming machine is disabled and a message is displayed on the machine notifying the player that the player has reached the limit. A message then asks the player to choose whether to stop game play on the gaming machine or to continue play. If a person chooses to keep playing, the game play will be re-enabled on the gaming machine [in unrestricted mode] and YourPlay will continue to track the play”.
141. It is clear that a patron’s limits are identified by Crown’s gaming systems, otherwise the systems would not be able to provide the required alert to the patron or to cease the accumulation of loyalty points when the spend or time limits are reached. These limits are retrieved from the pre-commitment system operated by Intralot. Crown does not have a register of YourPlay limits set by players. Crown’s gaming systems do not hold details of player limits if they are exceeded, rather the Intralot system does this.
142. However, the VCGLR does not know if Crown’s gaming systems generates an alarm to Crown staff when this happens. The VCGLR therefore does not know whether or not any Crown staff intervention takes place when patron limits are reached.

Question 55

- 55 *Page 99 of the Sixth Review says that Crown Melbourne has indicated that it cannot reliably advise of the number of loyalty program members who have registered with YourPlay. What explanation did Crown Melbourne provided for that situation? Has this changed since the Sixth Review?*
143. As part of the process of conducting the Sixth Review and in response to a request for information by the VCGLR pursuant to section 25 of the *Casino Control Act*, the VCGLR received the following explanation from Ms Michelle Fielding of Crown on 22 January 2018

regarding its inability to advise of the number of loyalty program members who have registered with YourPlay:¹³⁷

“15. When a person is a member of the Crown Rewards loyalty scheme and using a Your Play card, the person cannot accrue any loyalty points after the limit set on the Your Play card is reached (clause 12.2.3 of Crown Rewards Rules, echoing the legislative requirement). In addition, a person must insert a card to operate an unrestricted gaming machine. This indicates that Crown’s systems do interact with the Your Play system and that records must exist which would show that a person had reached a limit (meaning that the person had set a limit). Please confirm this is correct. Please advise how many Crown loyalty card members are thereby known to be registered with Your Play.

The above statement is correct with regards to Crown’s systems interacting with the ‘Your Play System’ to facilitate YourPlay on all of Crown’s approved Electronic Gaming Machines. However, Crown’s systems only store the raw data received from the YourPlay system related to whether or not a patron has reached their set limit. This information is received by Crown from the YourPlay system upon every valid YourPlay card insertion and that information, related to whether or not that player account has reached their limit, is used to ensure patrons cannot continue to use their YourPlay player card to earn points after they have reached their limit in the event Crown’s Systems cannot contact the YourPlay system. This data is stored in raw format and is not visible through the Dacom application or any of Crown’s other systems.

The figure of known linked YourPlay and Crown Rewards cards is 8,413, however, this data is not accurate as Crown is unable to identify how many Crown Rewards members have and use a YourPlay card that hasn’t been linked or has been unlinked”.

144. Since the Sixth Review, the VCGLR is unaware of the number of loyalty program members who have registered with YourPlay, or if there have been any changes enabling Crown to reliably advise of the number of loyalty program members who have registered with YourPlay.
145. YourPlay is operated by Intralot Gaming Services Pty Ltd (ACN 136 775 673) (IGS). IGS manages the overall monitoring system for gaming machines in Victoria, as well as for managing the YourPlay system.¹³⁸ Given this, the VCGLR believes that Crown would not have complete visibility to the number of loyalty program members who have registered with YourPlay, as such information/data would be contained in IGS’s systems and not Crown’s systems.

Questions 56 and 57

56 Page 99 of the Sixth Review says:

Crown Melbourne should consider implementing policies to direct casino staff to communicate with a person when they continue playing a gaming machine without accruing loyalty points (as would be triggered by reaching a YourPlay set limit), to assess if they are at potential risk of gambling-related harm.

57 Has this occurred? If not, why not?

¹³⁷ VCG.0001.0002.6322, internals pages 7 and 8.

¹³⁸ https://www.justice.vic.gov.au/sites/default/files/embridge_cache/emshare/original/public/2020/06/71/350d63893/Evaluation-of-YourPlay-Final-Report.pdf, internal pages viii and xxxi.

146. Questions 56 and 57 relate to an observation in the Sixth Review, which may be the subject of the VCGLR's Seventh Review.
147. Nonetheless, the VCGLR remains committed to providing the Royal Commission with its full cooperation and assistance, and wishes to inform the Royal Commission in respect of this observation that the VCGLR is presently unaware of such a policy being implemented by Crown Melbourne.
148. The VCGLR is not aware of whether Crown has implemented these policies.
149. If Crown hasn't implemented such a policy, the VCGLR notes potential difficulties such as players could:
- a. remove their loyalty card; or
 - b. after reaching their YourPlay set limit, revert to a casual player card if they were gambling on an unrestricted machine.
150. The VCGLR notes it may not be possible for Crown to differentiate between a player leaving after reaching the set the YourPlay set limit, or continuing to play using one of the means described at paragraph 149 above.

Question 58

- 58 *In your opinion, if it is not already the case, should legislation mandate that a patron be suspended from play for a period once a time or spend limit is reached? Please explain the reasons for your answer.*
151. We presume this question relates to the operation of unrestricted gaming machines at the Melbourne casino.
152. To provide the Royal Commission with context regarding gaming machines in unrestricted mode, this mode is one where the normal restrictions that apply to gaming machines (bet limit, spin rate etc.) do not apply. However, this mode may only be accessed where the player is using the pre-commitment system (YourPlay) and a time and spend limit has been set.¹³⁹ Further, upon reaching one of these limits, the player can continue to play the machine, but the machine cannot operate in unrestricted mode; it will default back to its normal restricted operation.
153. Further, the existing pre-commitment system (YourPlay) is a voluntary pre-commitment system and is the responsibility of the Department of Justice and Community Safety (DJCS) not the Commission.¹⁴⁰ As a voluntary system, players are not required to use it to gamble on EGMs (except where they wish to play in unrestricted mode). In addition, the relevant conditions applying to unrestricted machines are also set by Ministerial Direction and thus also a matter for Government, not the regulator, to determine.
154. We do observe that suspending players (presumably from all play) upon reaching a limit they have set may sit somewhat inconsistently with the existing pre-commitment system, which is voluntary in nature. That is, a perceived fear of suspension could affect the desire of patrons to sign up to the voluntary pre-commitment system and/or set limits at a high level to ensure they

¹³⁹ Crown can only have 1,000 machines capable of operating in unrestricted mode at any time and they must be within the specified areas permitted by the VCGLR.

¹⁴⁰ <https://www.yourplay.com.au/web/victoria/about-us>.

are not suspended). We also note that usage of YourPlay is already very low as indicated in the Evaluation of YourPlay Final Report commissioned by DJCS dated March 2019.¹⁴¹ However, we consider that questions regarding legislative changes to the pre-commitment system are for Government.

CONCURRENT GAMING

Question 59

- 59 *Why did the VCGLR approve a trial for Crown Melbourne to implement concurrent gaming on STAGs (Sixth Review, page 99)?*
155. Concurrent gaming is the ability to play various approved electronic table games (for example, Roulette, Big Wheel, Sic Bo and Blackjack) on Semi Automated Table Games (SATGs) and Fully Automated Table Games (FATGs) simultaneously, rather than close one game before opening another, as with the current multi-gaming approval.¹⁴²
156. On 8 August 2014, Crown sought approval to turn on the concurrent gaming functionality on its SATGs and FATGs.¹⁴³
157. On 8 October 2014, the VCGLR prepared a Commission Paper recommending that it approve Crown's proposal to turn on concurrent gaming functionality on multi-gaming terminals with a condition that only up to four games may be played concurrently.¹⁴⁴ The reasons put forward in support of this approval were:
- a. There is no gambling research to suggest that concurrent gaming on SATGs and FATGs will lead to problem gambling.
 - b. Concurrent gaming intensity is considered moderate.
 - c. The Fifth Review reported that Crown generally has robust and detailed systems and processes for dealing with responsible gambling issues.
 - d. Concurrent gaming occurs on traditional table games.
 - e. Concurrent gaming on SATGs and FATGs is a better option than the current practice of patrons playing more than one traditional table at a time.
 - f. Concurrent gaming has been introduced in a number of overseas casinos with no apparent adverse consequences.
158. The paper noted that "Crown has advised that it has educated itself and is confident that concurrent gaming does not increase exposure to problem gambling and that casinos operating concurrent gaming have noted that players will generally spread their average bet across the games whilst betting concurrently, rather than place additional bets. Further, if Crown were

¹⁴¹ https://www.justice.vic.gov.au/sites/default/files/embridge_cache/emshare/original/public/2020/06/71/350d63893/Evaluation-of-YourPlay-Final-Report.pdf

¹⁴² VCG.0001.0002.8045, page 1.

¹⁴³ VCG.0001.0002.6348, pages 4-5.

¹⁴⁴ VCG.0001.0002.8045.

approved to offer concurrent gaming as a new product, it would employ Responsible Gaming harm minimisation services, processes and interactions”.

159. On 20 October 2014, the VCGLR deferred the decision to approve Crown’s request, and instead requested that Crown establish and conduct a concurrent gaming trial, subject to the VCGLR approving a framework to measure the potential impact of concurrent gaming.¹⁴⁵
160. Crown subsequently informed the VCGLR that due to software limitations, it was only able to operate concurrent gaming on SATGs, not FATGs. The SATGs therefore formed the basis of the trial.¹⁴⁶
161. In December 2014, the Licensing Division of the VCGLR prepared a paper describing Crown’s proposed trial framework, which involved four SATGs that had 47 Automated Terminal Stations (ATSs) (with concurrent gaming activated) and 61 ATSs (without concurrent gaming activated) with access to up to four Baccarat games.¹⁴⁷ Broadly speaking, the objective of the trial was to determine whether concurrent gaming substantially increases:
- a. the total amount bet by an individual,
 - b. the duration of a gambling session by an individual, and
 - c. the amounts bet per individual session,
- with a view to determining whether concurrent gaming could be harmful.¹⁴⁸
162. On 15 December 2014, the Commission considered the above paper prepared by LMA describing Crown’s proposed trial framework (DB14/8475). At that meeting the Commission approved Crown’s proposed trial framework which meant that:¹⁴⁹
- a. Crown could commence its trial on 12 January 2015 for a six week period; and
 - b. data from the trial period would be compared against data from the six week period between 1 December 2014 to 11 January 2015 (inclusive).¹⁵⁰

Question 60

- 60 *Please explain in more detail the factors that led to the approval being withdrawn, including a summary of any relevant data.*
163. On 20 April 2015, following receipt of the trial results from Crown and a report prepared by its strategy and data team (**Strategy and Data**), providing analysis of the trial data,¹⁵¹ the Commission considered this matter further. The paper summarised the results of the trial as follows:¹⁵²

¹⁴⁵ VCG.0001.0002.6348, page 17.

¹⁴⁶ VCG.0001.0002.6348, page 18.

¹⁴⁷ VCG.0001.0002.8053.

¹⁴⁸ VCG.0001.0002.6348, page 18.

¹⁴⁹ VCG.0001.0002.8052, page 5.

¹⁵⁰ VCG.0001.0002.6348, page 18.

¹⁵¹ VCG.0001.0002.6373.

¹⁵² VCG.0001.0002.6348, pages 18-19.

- a. The statistical results of the trial determined that a detrimental effect of concurrent gaming on SATGs could not be ruled out.
- b. The Strategy and Data report describes technical limitations in the way Crown conducted the trial, as well as limitations in how one can interpret the trial's data. While acknowledging these limitations will have a result on how the trial data should be interpreted, the report put forward two competing findings.
- c. On the one hand, analysis of the data supported Crown's assertion that concurrent gaming does not increase the overall amount bet. This was due to data indicating that while players bet more often, on average they place less money per bet.
- d. On the other hand, by reference to the aggregate ATS data at the terminal level, Strategy and Data concluded that concurrent gaming does lead to increases in the total amount bet. Further, analysis of the top decile (top spender) players indicated they could potentially be adversely affected by concurrent gaming. The increased betting levels can reveal the effects of concurrent gaming on arguably the most vulnerable players.
- e. Strategy and Data were of the view that increases in the total amount bet could lead to an increase of problem gambling severity. In making this finding, Strategy and Data posited 2014 research which found a direct correlation between amount bet and actual player loss. Or in other words, as a player's gambling losses are likely to be greater than his or her winnings, an increase to total amount bet constitutes an increase in problem gambling severity.

164. The paper made the following note about problem gambling:¹⁵³

- a. Prevalence studies undertaken suggest higher player expenditure increases the potential risk of problem gambling, but these studies relate to electronic gaming machines not table games. While SATG player terminals may have a similar "*look and feel*" to an electronic gaming machine, the games played are table games, such as Baccarat, Roulette and Sic Bo. These games have higher returns to players and longer betting cycles compared with gaming machines, which suggests player intensity will be less. SATG Baccarat for example allows 15 seconds to place bet and a further 10 seconds to resolve. Gaming machines have a minimum spin cycle of 2.14 seconds.
- b. The potential for problem gambling as a result of SATG concurrent gaming arises from the concern that they could be played with a similar (although slightly less) intensity to electronic gaming machines. SATGs have less face to face interaction compared with conventional gaming tables and there is less chance of dealer intervention.

165. The paper queried whether concurrent gaming on SATGs should be allowed to continue, and concluded as follows:¹⁵⁴

- a. against the above analysis, the VCGLR recognised that:
 - i should Crown seek a copy of the trial report, it may or may not expose the VCGLR to criticism on its data analysis and the report's findings.

¹⁵³ VCG.0001.0002.6348, page 19.

¹⁵⁴ VCG.0001.0002.6348, pages 19-20.

- ii Crown advised there were no incidents where gaming staff had contacted a Responsible Gaming Liaison Officer as a result of a patron displaying observable signs of distress.
 - iii The Fifth Review recognised that Crown generally has robust and detailed systems for dealing with responsible gambling issues.
 - iv Staff from the Licensing Division observed concurrent gaming at midday on Friday 30 January 2015. There were no obvious signs of abnormal player behaviour.
 - v Concurrent gaming is currently not permitted on SATGs and FATGs at the Sydney Star Casino. The New South Wales casino operator has from time to time sought approval to permit players to play concurrently on SATGs and FATGs. This restriction is from a responsible gaming perspective.
 - vi Concurrent gaming is approved in Queensland in a product called ‘Fusion Hybrid’ which offers up to four games on SATGs and FATGs, including Sic-Bo, Roulette and Mini-baccarat playable simultaneously. The policy decision in Queensland is that concurrent gaming is permissible with no such limit to be determined at this point and that it is subject to monitoring and field performance to assess whether concurrent gaming is causing problem gambling issues. The submission for Fusion Hybrid was approved in March 2015.
 - vii Crown Perth has not sought approval to introduce concurrent gaming.
- b. on the balance the Licensing Division holds the view that an appropriate course of action is to advise Crown that, as a result of the trial, the VCGLR—
- i is in no position to approve Crown’s continued operation of concurrent gaming on SATGs without restriction, but
 - ii approves Crown’s continued operation of concurrent gaming for a minimum 12 month period, with up to four games operating concurrently on around half of all player terminals. (Currently, Crown has around 300 ATGs in operation. Therefore, no more than 150 ATGs should be specified for the operation of concurrent gaming on SATGs at any time over the coming 12 months). The VCGLR will then conduct an evaluation, to be agreed upon prior to commencement, to assess whether such approval should continue.
- c. In doing so, the VCGLR acknowledges that there might be problem gambling risks associated with concurrent gaming over and above current risks inherent in SATGs, but such risks are not currently identifiable as a result of the trial.
166. On 20 April 2015, the VCGLR approved Crown’s request to operate concurrent gaming for a minimum 12 month period (**concurrent gaming evaluation period**) on no more than 150 ATGs connected to SATGs with up to four games able to be played concurrently, following which the VCGLR would conduct an evaluation to assess whether such approval should continue.¹⁵⁵

¹⁵⁵ VCG.0001.0003.0085.

167. On 4 May 2015, the VCGLR advised Crown of the VCGLR's decision at its meeting on 20 April 2015 to approve Crown's request to operate concurrent gaming for a minimum 12 month period, subject to evaluation.¹⁵⁶
168. On 15 July 2015, the VCGLR advised Crown of the evaluation criteria and the quarterly reporting requirements to apply throughout the concurrent gaming evaluation period.¹⁵⁷
169. Crown commenced the concurrent gaming evaluation period on 23 September 2015.¹⁵⁸
170. On 6 June 2016, the VCGLR prepared a Commission Paper which noted that its preliminary review of results provided in Crown's concurrent gaming evaluation reports for the first two quarters of the concurrent gaming evaluation period did not suggest that there was material differences between concurrent and non-concurrent metrics which indicates that there is no significant increase in betting intensity in relation to concurrent gaming.¹⁵⁹
171. The paper further noted:¹⁶⁰
- a. Since the commencement of the concurrent gaming evaluation period, Crown has continually advised that concurrent gaming has had relatively low patron usage and acceptance.
 - b. The LMA have observed SATG concurrent gaming at Crown during both peak and non-peak periods. Game play on the concurrent gaming enabled ATS's at these times has appeared structured and orderly. No abnormal patron behaviour has been observed with little evidence of concurrent gaming by players (i.e. rapid changing of screens between multiple games being played 'concurrently').
 - c. LMA has also assessed the 'drop' on concurrent gaming SATGs prior to and during the evaluation period. Drop refers to the amount of money transacted through the SATG table. LMA compared the drop results for the two quarters before the evaluation period with results for the two quarters post the commencement of the concurrent gaming evaluation. Of the two tables which operated for 6 months in both a non-concurrent and concurrent state either side of the trial period, the drop decreased in 3 of the 4 quarters during the period concurrent gaming was operational. Each of these tables displayed an increase in drop in the quarter leading up to the evaluation period. Disregarding any seasonal impacts on the results, the analysis would suggest that player activity was not overly impacted by the introduction of concurrent gaming on the relevant tables.
 - d. It is noted that concurrent gaming is currently approved for operation in Queensland casinos. The Treasury and Jupiters Gold Coast Casinos are approved to operate 400 concurrent gaming ATSS, and currently, there are 173 concurrent gaming ATSS in operation. In discussions with the Queensland Regulator, the policy decision in Queensland is that concurrent gaming will be subject to monitoring and field performance to assess whether concurrent gaming is causing and contributing to increased harm. The Queensland Office of Gaming and Liquor Regulation has advised that 'there has been no negative feedback or problem gambling issues to report.

¹⁵⁶ VCG.0001.0002.8048.

¹⁵⁷ VCG.0001.0003.0085.

¹⁵⁸ VCG.0001.0002.6353, page 2.

¹⁵⁹ VCG.0001.0002.6353, pages 2-3.

¹⁶⁰ VCG.0001.0002.6353, pages 3-4.

172. The VCGLR considered the 6 June 2016 Commission Paper in a meeting on 23 June 2016.¹⁶¹ At the meeting, the VCGLR determined that an independent assessment of the evaluation data was required to assist in informing the Commission's decision to approve or refuse concurrent gaming at Crown.¹⁶²
173. On 2 September 2016, Mr Wynand Goyarts of the VCGLR sent an email to Dr John Henstridge, Managing Director of Data Analysis Australia (**DAA**) seeking Dr Henstridge's input to determine whether:¹⁶³
- a. the data Crown has been asked to collect and analyse is sufficient for the Commission to understand and determine potential player harm (if any);
 - b. what other data might be collected to contribute to a more robust evaluation;
 - c. there would be a significant benefit in the Commission evaluating the raw data (or can it rely on the analysis performed by Crown);
 - d. any other aspect relating to the data, evaluation or identification of player harm that may be relevant to the matter.
174. On 14 September 2016, Dr Henstridge provided his preliminary assessment of the evaluation data provided by Crown.¹⁶⁴ Dr Henstridge advised that the data requested by the VCGLR and made available by Crown was not sufficient to determine potential player harm.
175. On 3 November 2016, the VCGLR sought the further information requested by Dr Henstridge from Crown.¹⁶⁵ The requested information was provided by Crown on 15 November 2016.¹⁶⁶
176. Dr Henstridge provided the VCGLR with a draft report on 29 December 2016,¹⁶⁷ and followed up by a final version on 16 January 2017.¹⁶⁸
177. On 10 January 2017, the VCGLR prepared a Commission Paper which noted that the results of Dr Henstridge's analysis can be considered somewhat mixed in nature, and Dr Henstridge was unable to provide a conclusive determination on whether concurrent gaming would contribute to 'problem gambling and social harm' due to the limitations of the trial data. The paper summarised the key points and findings of Dr Henstridge's report as follows:¹⁶⁹
- a. There was no apparent difference in the betting rates of concurrent and non-concurrent SATG's, i.e. 'providing the functionality does not in itself lead to heavy usage'.
 - b. Spend was 30% higher at concurrent tables, which although it raised potential for concern, was mainly attributable to the fact that premium area tables covered by the trial were

¹⁶¹ VCG.0001.0002.6375, page 1.

¹⁶² VCG.0001.0002.6375, page 1.

¹⁶³ VCG.0001.0002.6323.

¹⁶⁴ VCG.0001.0002.6380.

¹⁶⁵ VCG.0001.0002.6341.

¹⁶⁶ See page 2 of VCG.0001.0002.6352, see page 2.

¹⁶⁷ VCG.0001.0002.6336.

¹⁶⁸ VCG.0001.0002.6526, VCG.0001.0002.6527. Dr Henstridge issued a further version of his final report on 24 January 2017 with typographical and other minor amendments: VCG.0001.0002.6354, VCG.0001.0002.6355.

¹⁶⁹ VCG.0001.0002.6375, page 2.

exclusively concurrent. The higher spend on general concurrent tables was assessed by the DAA at approximately 20%.

- c. Concurrent tables resulted in longer sessions but had lesser of an effect on spend per session. Analysis of higher frequency players failed to suggest any greater spend or intensity of gambling due to concurrent offerings, rather it was suggestive of a lesser effect.
 - d. Analysis was ‘suggestive’ of an effect on players through longer sessions on concurrent gaming, but not necessarily an increase in spending intensity, which was the original concern in relation to the introduction of concurrent gaming.
 - e. Further study was recommended.
178. The paper also set out the VCGLR’s consideration of a letter from the Office of Liquor and Gaming Regulation, Victorian Department of Justice and Regulation, which raised concerns about concurrent table game terminals at Crown (**OLGR Letter**).¹⁷⁰ The VCGLR considered the points raise in the OLGR Letter in conjunction with, and in light of, Dr Henstridge’s analysis, and in the paper’s comments stated:¹⁷¹
- a. In relation to concurrent gaming there does not appear to be an indication that any of the drivers outlined in the ‘VICES framework’ (a framework developed as part of a research study by Gambling Research Australia titled *Innovation in Traditional Gambling Products (Rockloff report)* which was referred to in the OLGR Letter) readily explain the increase in time spent on concurrent machines.
 - b. Compared to non-concurrent SATGs, Dr Henstridge’s analysis, supported where applicable by VCGLR observation, **does not** lead to the conclusion that concurrent terminals:
 - i *offer an enhanced visual or auditory environment (V)*: the additional functionality of being able to bet concurrently merely provides an additional betting option to an already existing game or ‘visual/auditory’ experience;
 - ii *provide any additional illusion of control (I)*: no change compared to a non-concurrent SATG in relation to the random outcome of the game;
 - iii *offer an increase in complexity (C)*: although increased complexity is evident when negating between multiple SATGs to bet ‘concurrently’, i.e.; increased complexity in relation to the experience when betting concurrently, the game or games themselves are no different to a non-concurrent SATG or a standard table game. In relation to complexity of the concurrent offering, it should also be noted that Crown have sought approval for a new SATG which has capacity to synchronize the spinning of two linked roulette wheels, thus maximising the opportunity for concurrent gaming and somewhat reducing the complexity of the offering. By being able to set the mechanical engaging, or spinning, of the wheel, the spin of each wheel/game can be set to maximise the opportunity for the player to be able to bet concurrently across both products, thus potentially increasing intensity. As part of its determination, the Licensing Division can consider, when assessing the product under delegation, to approve with conditions that such product is not operated concurrently;

¹⁷⁰ VCG.0001.0002.6338.

¹⁷¹ VCG.0001.0002.6375, pages 2-4.

- iv *lead to expedited play (E)*: as noted above, analysis delivered by the DAA failed to support an increase in spend or expedited play on concurrent terminals, as opposed to non-concurrent (increase spend over same time frame);
- v *alter the social environment (S)*.

179. The paper concluded as follows:¹⁷²

- a. In considering the approval of concurrent gaming at Crown, the Commission should also consider that concurrent gaming offered at Crown, as part of the trial/evaluation period, has been limited to SATGs and has not been made available on fully automated table games at any stage.
- b. As a result of considering the outcomes of the evaluation and trial period, and the independent assessment performed by the DAA, it is recommended that the Commission approve concurrent gaming only on SATGs.
- c. The Commission cannot conclusively rule out any impacts on problem gambling or harm and therefore should limit concurrent gaming to SATGs where an element of physical supervision or physical conduct of the game is ordinarily required.

180. The VCGLR considered the 10 January 2017 Commission Paper at a commission meeting on 25 January 2017, and requested further information about the options available to it in order to enable it to make a decision about the ongoing availability of concurrent gaming.¹⁷³

181. Consequently, on 15 March 2017, a Commission Paper was prepared which set out:¹⁷⁴

- a. the factors that the VCGLR should consider in determining its position being:
 - i objectives of the *Casino Control Act*, particularly with respect to harm and problem gambling;
 - ii technical requirements of the *Casino Control Act* relating to player fairness and the suitability of the gaming equipment; and
 - iii procedural fairness; and
- b. the options open to the VCGLR.

182. The paper noted:¹⁷⁵

- a. The data collected by Crown during the concurrent gaming trial was inconclusive. On the one hand it showed that – on average – the availability of concurrent gaming did not lead to expedited play as anticipated by the Rockloff VICES framework. This was confirmed by the DAA report. On the other hand, through design limitation, the data was unable to identify or isolate at-risk and problem gamblers and any effect concurrent gaming may have

¹⁷² VCG.0001.0002.6375, page 4.

¹⁷³ VCG.0001.0002.6358.

¹⁷⁴ VCG.0001.0002.6344, page 1.

¹⁷⁵ VCG.0001.0002.6344, page 3.

had on those two specific groups. This latter point would require significant research and potentially include some form of intercept study.

- b. As with any application lodged with the Commission for determination, the burden of persuasion lies with Crown to show how concurrent gaming meets the objectives of the *Casino Control Act*. If there is insufficient information before the Commission for it to be satisfied that approving the application would further the objects of the *Casino Control Act*, it is open for the Commission to refuse the application. There is no obligation on the Commission to conduct exhaustive independent research in order to reach the requisite level of satisfaction.
- c. The Commission has three options open to it:
 - i provide Crown with a notice of its intention to withdraw consent for concurrent gaming under 3.1.1 of the rules in relation to SATGs, with reasons, and an opportunity for Crown to respond (procedural fairness);
 - ii confirm, without conditions, the Commission's intention to allow concurrent gaming to continue (this may lead to an expansion of the games offered);
 - iii confirm, with conditions, concurrent gaming to continue.

183. The VCGLR considered the 15 March 2017 Commission Paper at a meeting on 23 March 2017, and determined its intention to withdraw its approval for concurrent gaming at Crown.¹⁷⁶

184. On 24 April 2017, The VCGLR wrote to Crown stating:¹⁷⁷

“The object of the Commission under the Casino Control Act 1991 (the Act) is to maintain and administer systems for the licensing, supervision and control of casinos for the purpose of fostering responsible gambling in casinos (see s 140(c) of the Act). The Commission considers that, in exercising its discretion to approve concurrent gaming (as described above), the Commission must have appropriate regard to this object. If the Commission cannot be satisfied that the concurrent gaming will further the object of the Commission under the Act, it may withdraw its approval for Crown to operate concurrent gaming and, accordingly, under rule 3.1.1 of the Rules, a player would only be able to wager on one table at a time.

In the view of the Commission, the data collected during the evaluation period appears to be generally inconclusive with respect to gambling-related harm and accordingly, there remains a risk that the ability to play multiple games at the same time could increase the level of harm to at-risk and problem gamblers.

Unless the Commission is able to be satisfied that allowing the continual operation of multiple games will be consistent with its obligations under the legislative framework, its intention would be to cease the approval previously given.

However, before any decision is made, the Commission wishes to provide Crown with an adequate opportunity to provide any submissions, evidence and material it wishes to put to the Commission, including but not limited to any response or comments regarding the DAA Report, the Rockloff report or any other material Crown considers relevant”.

¹⁷⁶ VCG.0001.0002.6358.

¹⁷⁷ VCG.0001.0002.6346, pages 2-3.

185. On 15 May 2017, Crown responded to the VCGLR's 24 April 2017 letter.¹⁷⁸
186. On 8 June 2017, the VCGLR prepared a Commission Paper which concluded that Crown's response neither provided any new information other than that already considered by the VCGLR, nor did it provide further information to assist the Commission to satisfy itself that allowing the continual operation of concurrent gaming would be consistent with its obligations under the legislative framework. On this basis, the paper recommended that the VCGLR proceeded with its intention and withdraw its approval for Crown to offer concurrent gaming.¹⁷⁹

Question 61

- 61 *Since the Sixth Review, has Crown Melbourne made any application for concurrent gaming or any other application which is or may be inconsistent with their obligation for the responsible service of gaming?*
187. Since the Sixth Review, Crown Melbourne has not made any application for concurrent gaming.

LOYALTY PROGRAM

Question 62

- 62 *How many loyalty program members exist today (based on the most recent data available to the VCGLR) (Sixth Review, page 100)?*
188. The VCGLR does not hold current data in relation to the number of loyalty club players. The most recent data available to VCGLR are the figures in a letter from Crown dated 22 January 2018, which set out the total number of Loyalty Card Members for the period 1 January 2013 to 30 November 2017.¹⁸⁰ According to the letter, Crown had 551,338 Loyalty Card Members in 2017.¹⁸¹

Question 63

- 63 *How many loyalty members are currently registered with Play Safe (based on the most recent data available to the VCGLR) (Sixth Review, page 100)?*
189. The VCGLR refers to its answer to Question 62 above and further notes that it does not receive data in relation to those players who have registered with YourPlay (the successor to Play Safe).
190. As noted at page 100 of the Sixth Review Report, Play Safe was decommissioned in November 2015.

Question 64

- 64 *Are the current loyalty program categories at Crown Melbourne still silver, gold, platinum and black (Sixth Review, page 101)? What are the benefits of each category of loyalty program?*

¹⁷⁸ VCG.0001.0002.6347.

¹⁷⁹ VCG.0001.0002.6358, page 2.

¹⁸⁰ VCG.0001.0002.6322.

¹⁸¹ VCG.0001.0002.6322, page 6.

191. Yes, current loyalty program categories are still Silver, Gold, Platinum and Black. In addition, there is a fifth “*Member*” loyalty program category, representing the lowest tier from a benefits perspective.
192. Black Tier Crown Rewards membership is the highest membership tier and is acquired by invitation only.
193. The range of benefits applicable to each membership tier is outlined in the “*Five Level of Benefits*” summary sheet sourced from the Crown Melbourne website on 28 April 2021.¹⁸²

Question 65

- 65 *Page 101 of the Sixth Review states that “Crown Melbourne indicated that the overwhelming number of loyalty program members view or collect their statements”. In what way was that indication given to the VCGLR? What information and documents were provided by Crown Melbourne to the VCGLR on that topic? What does “overwhelming number” mean?*
194. In the letter to the VCGLR dated 22 January 2018 referred to in the response to Question 62 above, Crown Melbourne set out the figures for the number of Loyalty Card Members who collected or viewed their player activity statement for the period 1 January 2013 to 30 November 2017.¹⁸³ The letter also set out the figures for the total number of Loyalty Card Members, enabling calculation of the percentage figure of Members who did view their statements. In 2017, for example, 75 per cent of Members collected or viewed their player activity statement (409,328 out of 551,338 Members), suggesting that there was a basis for Crown’s assertion that the “*overwhelming number*” of loyalty program members collected or viewed their statements. Overwhelming was the way Crown described it, we have no comment on this description.

Question 66

- 66 *Pages 101 and 102 of the Sixth Review say in respect of the Responsible Gaming VIP Committee:*

The Committee assesses responsible gaming department information that may be related to observable signs of gambling harm in respect of loyalty members (for example, a loyalty member found sleeping or a family member contacting the RGSC) and may make a range of decisions, including to place an alert for the person to be monitored on their next visit to the casino, for a RGLO to undertake a “welfare check” when the patron next visits, to issue a withdrawal of licence or to take no further action. The VIP Committee considers “play periods” (discussed above) but not other types of player analytical data, e.g. changes in gambling spending patterns, that may be indicative of a risk for gambling harm.

195. The VCGLR notes that Question 66 is an observation, and relates to Question 67.

Question 67

- 67 *In each year since 2013, in respect of a person displaying observable signs, how many times did the Responsible Gaming VIP Committee:*

¹⁸² VCG.0001.0002.7018.

¹⁸³ VCG.0001.0002.6322, page 6.

- a. *place an alert for a person to be monitored?*
- b. *resolve that a RGLO would undertake a welfare check?*
- c. *resolve to issue a withdrawal of licence? and/or*
- d. *resolve to take no further action?*

196. This is not data which VCGLR collects or collates as part of its regular audit process.
197. Notwithstanding this, the VCGLR has located copies of minutes for Crown’s Responsible Gaming VIP Committee meetings.¹⁸⁴ At the outset, the VCGLR observes that these minutes are incomplete, namely, minutes for only some meetings are included and certain minutes are missing pages.
198. The table below summarises the VCGLR’s response to Questions 67(a) to (d), based on its review of the Responsible Gaming VIP Committee meeting minutes available. For the purposes of preparing the below table, the VCGLR has made the following assumptions:
- a. the VCGLR has defined “*observable signs*” by reference to the description of “*observable signs*” on page 93 and the list of “*observable signs*” on page 94 of the Sixth Review Report; and
 - b. to the extent that it is ambiguous, on the face of the minutes, as to whether further action was taken by Crown’s Responsible Gaming VIP Committee (such as where it is stated “*RGLO will follow up if required*” or “*FYT*”), the VCGLR has assumed that no further action was taken.

Yearly Totals					
Year	Date	Alert/Monitor	Welfare Check	Withdrawal of License	No further Action
2013	Totals 2013	12	4	2	20
2014	Totals 2014	-	-	-	-
2015	Totals 2015	4	4	4	23
2016	Totals 2016	0	6	2	9
2017	Totals 2017	3	10	6	33

Question 68

68. *Are there any documents that record the decisions of the Responsible Gaming VIP Committee? If so, what are those documents?*
199. Crown’s Responsible Gaming VIP Committee generally held meetings fortnightly.¹⁸⁵ The VCGLR is aware that Responsible Gaming VIP Committee decisions are recorded in meeting minutes. Document VCG.0001.0001.2379 contains copies of minutes for approximately 25 committee meetings in the period 2013 to 2017. Since the Sixth Review, the VCGLR has not received copies of Responsible Gaming VIP Committee meeting minutes. This is not data which VCGLR collects or collates as part of its regular audit process.

¹⁸⁴ VCG.0001.0001.2379.

¹⁸⁵ VCG.0001.0001.1007, page 47.

Question 69

- 69 *Does the Responsible Gaming VIP Committee currently consider any other types of player analytical data other than play periods?*
200. VCGLR has been provided with a selection of minutes from Crown’s Responsible Gaming VIP Committee.¹⁸⁶ A review of this sample prepared by VCGLR staff on 5 February 2018¹⁸⁷ observed that the Committee discussions included focus on interactions with specific named VIP individuals, including problem gambling behaviour, hitting machines, and unattended children. The minutes also make note of Crown using customer data to monitor play by reference to the terms “*system check*”, “*consistent rating*” and “*high spike in play*”.

Question 70

- 70 *What is the responsible gaming department information referred to in the extract set out in paragraph 66 above?*
201. Based on the sample of minutes provided by Crown,¹⁸⁸ VCGLR considers it probable that the “*responsible gaming department information*” referred to in paragraph 66 is from Crown’s daily and monthly “*Responsible Gaming Daily Operations Report*” (which is likely to be the same as the “*RGA Contacts*” report), which VCGLR understands is populated whenever there is an incident involving Crown’s Responsible Gaming Department.¹⁸⁹

Questions 71 and 72

- 71 *Page 102 of the Sixth Review states:*
- The VCGLR ... encourages Crown Melbourne to closely monitor the gambling activity of its loyalty program members, using both observable signs and player data, to identify persons at potential risk of harm and to follow an early intervention strategy to minimise the risk of harm.*
- 72 *Has that suggestion been implemented by Crown Melbourne since the Sixth Review? Was that suggestion the subject of communications between the VCGLR and Crown Melbourne after the Sixth Review, and if yes, were the communications oral, or in writing? What was Crown Melbourne’s position? Who were the natural people from the VCGLR and Crown Melbourne involved in any communications regarding that suggestion?*
202. The VCGLR notes that this suggestion relates to Recommendations 7, 8 and 9.
203. On 30 December 2019, Barry Felstead sent a letter to Catherine Myers of VCGLR detailing the measures Crown had taken in relation to Recommendations 7 and 8.¹⁹⁰ The letter concluded that Crown had undertaken “*significant work*” to address the Recommendations. In summary:¹⁹¹
- a. In relation to Recommendation 7, Crown continued to employ observable signs as part of its everyday responsible gaming practices; had developed and refined the ‘Crown Model’ (Crown’s data analytics predictive data-modelling tool, developed in-house) over a 12

¹⁸⁶ VCG.0001.0001.2379.

¹⁸⁷ VCG.0001.0001.1227.

¹⁸⁸ VCG.0001.0001.2379.

¹⁸⁹ A 2020 example of the Report is in VCG.0001.0002.6518.

¹⁹⁰ VCG.0001.0001.0082.

¹⁹¹ VCG.0001.0001.0082, page 10.

month comprehensive trial; and used the Crown Model in the same manner as during its trial and in conjunction with observable signs.

- b. In relation to Recommendation 8:
 - i The Crown Model and improved Play Periods monitoring tools had been developed and/or enhanced and implemented.
 - ii The Crown Model utilised historical data, and Play Periods involved real time monitoring.
 - iii Research had been conducted on models in other jurisdictions but had not identified any suitable products.
 - iv Crown had consulted with Focal Research (external data analytics experts), about how they were using data, which informed Crown's progress with the Crown Model.
 - c. In relation to Recommendation 8(a), Crown is currently conducting real time monitoring on member Play Periods. This complements the operation of the Crown Model which, given the need to run algorithms based on historical data in order to identify a member at risk, was not real time.
 - d. In relation to Recommendation 8(b):
 - i The study of options for real time play data analytics tools for uncarded players commenced by 1 January 2019.
 - ii Crown reported outcomes of its study in an attachment to the letter. It concluded that a suitable tool had not been identified but that Crown would continue to monitor the issue.
 - iii The implementation of tools by 1 July 2022 would be dependent on the ability to source an appropriate and effective tool prior to that date.
204. On 18 February 2020, Rowan Harris emailed Michelle Fielding with follow up questions in relation to Recommendations 7 and 8 arising from Crown's December submission, requesting a response by 25 February 2020.¹⁹² Michelle Fielding responded on 24 February 2020.¹⁹³
205. On 19 February 2020, Rowan Harris emailed Michelle Fielding and requested that she provide, by 28 February 2020, the number of occasions when Responsible Gaming Department staff have acted where there have been observable signs of problem gambling (as defined in the Responsible Gambling Code of Conduct) for 2018 and 2019, and to update 2017 figures, in order to assist the preparation of the Commission paper on Recommendation 7.¹⁹⁴ Sonja Bauer provided these figures by email on 26 February 2020.¹⁹⁵ Rowan Harris replied to this email on

¹⁹² VCG.0001.0002.3173.

¹⁹³ VCG.0001.0002.3173.

¹⁹⁴ VCG.0001.0002.3174.

¹⁹⁵ VCG.0001.0002.3174.

- 27 March 2020, requesting the reason(s) for the 226% increase in the number of observable signs between 2018 and 2019.¹⁹⁶
206. On 31 March 2020, Rowan Harris sent a further set of follow up questions to his email of 18 February 2020.¹⁹⁷ Michelle Fielding responded on 20 April 2020, in which she indicated that Sonja Bauer would telephone Rowan Harris the next day in relation to the research question.¹⁹⁸
207. On 29 April 2020, the VCGLR prepared a summary¹⁹⁹ of the key actions and initiatives taken by Crown in its submissions in relation to implementing Recommendations 7 and 8, and sought the Victorian Responsible Gambling Foundation's views on:²⁰⁰
- a. the use of observable signs in conjunction with data analytics to identify patrons at risk of being harmed from gambling;
 - b. ongoing development and implementation of data analytics tools utilising both historical data, and real-time monitoring of play periods; and
 - c. legal, technical and methodological issues regarding the practical options for a real-time data analytics tool for un-carded play.
208. On 24 June 2020, Rowan Harris sent an email to Michelle Fielding with follow up questions regarding Recommendations 7 and 8 and requesting a copy of the expert report relied upon by Crown in its submission.²⁰¹ Michelle Fielding responded to these queries on 26 June 2020, with the exception of the request for the expert report, over which she claimed legal professional privilege.²⁰²
209. A Commission paper prepared by Rowan Harris and reviewed and signed by Alex Fitzpatrick on 16 July 2020 recommended that the Commission agree that Crown Melbourne had implemented:²⁰³
- a. Recommendation 7 of the Sixth Review Report by using observable signs in conjunction with data analytics to identify patrons at risk of harm from gambling;
 - b. Part (a) of Recommendation 8 of the Review as the result of having a comprehensive real-time player data analytics tool in operation by 1 January 2020; and
 - c. Part (b) of Recommendation 8 by reporting in detail its comprehensive study of all the practical options for a real-time player data analytics tool for un-carded play by 1 January 2020.
210. The Commission agreed in those terms at its meeting on 30 July 2020.²⁰⁴

¹⁹⁶ VCG.0001.0002.3174.
¹⁹⁷ VCG.0001.0002.3173.
¹⁹⁸ VCG.0001.0002.3173.
¹⁹⁹ VCG.0001.0001.0083.
²⁰⁰ VCG.0001.0002.3234.
²⁰¹ VCG.0001.0002.3133.
²⁰² VCG.0001.0002.3133.
²⁰³ VCG.0001.0001.0088.
²⁰⁴ VCG.0001.0001.0093.

211. On 8 October 2020, Crown wrote a letter to the VCGLR requesting an extension to complete implementation of Recommendation 9 due to Crown ceasing gaming operations from 23 March 2020 as a result of the COVID-19 pandemic.²⁰⁵
212. The Commission paper prepared by Rowan Harris and review and signed by Alex Fitzpatrick on 12 October 2020 recommended that the Commission approve Crown Melbourne's request to extend the completion date for Recommendation 9 until 15 months after recommencement of gaming post COVID-19 shutdown.²⁰⁶

Questions 73 and 74

73 *Page 102 of the Sixth Review says:*

Further, the VCGLR encourages Crown Melbourne to extend this approach to patrons whose play is not tracked through a loyalty card. This could be achieved, for example, by developing an algorithm that would identify a player's sessions of play using buy-in and ticket-in ticket-out data.

74 *Has that suggestion been implemented by Crown Melbourne since the Sixth Review?*

Was that suggestion the subject of communications between the VCGLR and Crown Melbourne after the Sixth Review, and if yes, were the communications oral, or in writing? What was Crown Melbourne's position? Who were the natural people from the VCGLR and Crown Melbourne involved in any communications regarding that suggestion?

213. The VCGLR refers to its answer to Question 72 above, insofar as it concerns Recommendation 8(b).
214. More particularly, Recommendation 8(b) required Crown to conduct a comprehensive study into real time player data analytics for un-carded play and provide a report to the Commission.
215. The Commission paper prepared by Rowan Harris and reviewed and signed by Alex Fitzpatrick on 16 July 2020 observed, relevantly:²⁰⁷
- a. In addressing Recommendation 8(b), Crown had reported in detail (including legal, technical and methodological issues), all the practical options for a real-time player data analytics tool for un-carded play.
 - b. Following Crown's commencement of a comprehensive study of all the practical options for a real-time player data analytics tool for un-carded play by 1 January 2019, Crown provided a report on all the practical options for player data analytics for un-carded play.²⁰⁸
 - c. Crown's legal advice confirmed that there does not appear to be any legal barrier to monitoring un-carded play on gaming machines. However, Crown raised a concern about potential issues that may arise when some members of the public discover their un-carded play is being tracked. Crown was also concerned about potential complaints from patrons about being identified as potentially having a gambling problem.

²⁰⁵ VCG.0001.0001.0089.

²⁰⁶ VCG.0001.0001.0090.

²⁰⁷ VCG.0001.0001.0088.

²⁰⁸ VCG.0001.0001.0082.

- d. As to potential technical and methodological issues associated with tracking un-carded play, Crown advised it had reviewed how existing technology in use as part of casino operating systems such as Dacom could be used to overlay a real-time data analytics tool as part of the technical solution. Crown advised its current use of Splunk technology would be interrogated to establish whether this technology could be used in a similar manner for un-carded play.
- e. Crown was of the view that there may not be an entirely suitable product which satisfies Crown's requirements for a model but it would continue to investigate both internally and externally available options. Crown noted this may impact implementation of a monitoring tool for un-carded play by 1 July 2022.

216. The VCGLR Licensing Division considered that the abovementioned actions provided support for the view that Crown had implemented Recommendation 8(b).²⁰⁹

PLAYER DATA ANALYTICS

Question 75(a)

75(a) *Please explain the player data analytics tools that were available to casino operators (including Crown Melbourne) from 2008 up to the conclusion of the Sixth Review.*

217. For the purpose of the Sixth Review, the VCGLR considered what data analytics tools were being used by casino operators other than Crown. The information that it was able to obtain is summarised on page 103 of the Sixth Review, and in a note prepared by a VCGLR policy analyst dated 12 February 2018 (**2018 Data Analytics Note**).²¹⁰

218. The 2018 Data Analytics Note observed:

“A range of private companies now offer data analytics as a service to gambling operators to address problem gambling, mostly focused on internet gambling. These include Focal Research (Canada), iView Systems (Canada), BetBuddy (UK), Featurespace (UK) and Hi-IS (Finland). Other systems have been developed in-house by casino operators in particular locations, such as Playscan (Sweden) and PlaySmart (Ontario, Canada). Technologies allowing customers to track their play and set limits have been introduced in casinos in several countries in the world, starting in 2009.

Some venues have implemented responsible gambling measures alongside data analytics in “smart systems” which allow customers to set limits and track their spending, along with gathering data about customer behaviour to detect patterns that may indicate problem gambling (SA Centre for Economic Studies 2015). These have been implemented in Canada, New Zealand, the USA, Sweden, Norway and Finland.

International Examples

Canada: Saskatchewan introduced the Intelligent Player Care program (“iCare”) in 2006 to track customer behaviour in casinos and identify potential at-risk players (Taylor 2006). The Independent Gambling Authority in Nova Scotia has worked with Focal Research to develop algorithms to assess customer risk for developing problem gambling (Focal Research 2015).

²⁰⁹ VCG.0001.0001.0088.

²¹⁰ VCG.0001.0001.1229.

The Ontario Lottery and Gaming Corporation launched PlaySmart in early 2016 to allow players to set limits on online slot machines (Gaming Intelligence 2016, Cision 2016).

New Zealand: SKYCITY Casino in Auckland has also used the Focal Research model to develop an analytical model for loyalty data (the “Focal Model”) to assist them in identifying customers who may have potential problem gambling behaviours (SKYCITY 2017; Parliamentary Counsel Office 2013). They currently offer a voluntary pre-commitment scheme allowing players to set time and spend limits. SKYCITY staff are alerted once limits are breached, increased or disabled, as these actions are considered indicators of potential problem gambling behaviour (SKYCITY 2017).

UK: In 2014, the Responsible Gambling Trust initiated one of the largest studies on the use of data analytics, employing private firm Featurespace to analyse data provided by five of the UK’s largest bookmakers (Betfred, Coral, Ladbrokes, Paddy Power and William Hill). The research project examined the bets of 333,000 customers over a 10 month period and identified fifteen “potential markers of harm,” which can be used as early warning signs (PricewaterhouseCoopers 2016). As a result, a ‘customer awareness system’ was implemented at all licenced premises in Great Britain during 2015. It tracks the behaviour of all customers who have loyalty cards and initiates responsible gambling interactions when customers are considered ‘at risk’.

USA: After gambling was legalised in Massachusetts, USA in 2011, the Massachusetts Gaming Commission developed the PlayMyWay pre-commitment system to allow individuals gambling at casinos to set limits and receive feedback in real time. This was introduced at Plainridge Park Casino in 2016 (Murphy 2016). Nearly 13,000 gamblers had enrolled in the system by June 2017 (Associated Press 2017). PlayMyWay is the first initiative of its kind in the USA.

Scandinavia: The ‘smart system’ Playscan was introduced in Sweden in 2006 as a behavioural analysis tool to provide information to participants on their internet gambling habits and associated risks (Playscan 2015). By 2015, 65,000 players had voluntarily registered with Playscan (Wood and Wohl 2015). Norway introduced a card-only system for electronic gaming in 2009 that placed a cap on gambling expenditure as well as a mandatory break after one hour of play (Engebø 2010). Finland’s state-owned national lottery Veikkaus has used data analytics to identify responsible gambling behaviour since early 2017 (Marr 2017). Veikkaus has also used data analytics to drive its marketing and increase sales (Pentaho 2016).

Australian example

South Australia introduced automated risk monitoring (ARM) and pre-commitment systems in the Adelaide Casino in 2014 as a requirement for the introduction of cashless gaming. The ARM monitors length of play and ‘hot player’ activity to identify potential problem gambling behaviour, and sends alerts to casino staff when particular thresholds are reached (O’Neil and Cebulla 2017). The pre-commitment system allows participants to set time and expenditure limits. It “is voluntary and not widely used,” with 691 players agreeing to pre-commitment limits by March 2017 (O’Neil and Cebulla 2017). Pre-commitment breaches also trigger alerts, usually at lower levels than the ARM, and as a result casino staff may conduct observational rather than more interventionist responses. The two systems are separate and “cannot currently be linked” (O’Neil and Cebulla 2017). The system will be rolled out state-wide by the end of December 2018”.

Question 75(b)

75(b) Please explain the player data analytics tools that were available to casino operators (including Crown Melbourne) from the conclusion of the Sixth Review until today

219. The VCGLR does not have this information as it is not something that it is actively considering.

Question 75(c)

75(c) *What information was player data analytics able to collect from 2008, including whether there have been advances in technology since 2008 (and if so when and what advances) and how those advances might have further augmented the information available to a casino operator and/or regulator.*

220. The limited information that the VCGLR has to it to respond to this question is contained in the 2018 Data Analytics Note²¹¹ and the summary on page 103 of the Sixth Review.

221. The 2018 Data Analytics Note observed that:²¹²

“Data analytics can isolate certain types of behaviour that may indicate problem gambling. These are based on behavioural information from existing problem gamblers, and include frequency of play and expenditure (PricewaterhouseCoopers 2016)... A European study demonstrated that even an analysis of the payment data of gamblers can indicate problem gambling tendencies (Haeusler 2016).

...

Academic research and information in media articles indicates that data analytics programs are not usually successful in themselves at predicting problem gambling behaviour, however they can help improve the identification of players with gambling issues (Focal Research 2015). Thus, any identification of problem gambling behaviour by data analytics usually need to be verified by appropriately trained staff observing the identified patrons (and responding accordingly). The programs tend to have a higher success rate when they observe a player over a period of time in order to learn their individual gaming patterns (Burn-Murdoch 2013). Systems are also more successful depending on the algorithms developed, and if they are modified and updated for the context in which they are used (SA Centre for Economic Studies 2015, Focal Research Consultants 2016).”

Question 75(d)

75(d) *Please set out any justification or explanation furnished by Crown Melbourne for not adopting or embracing player data analytics up to the introduction of its “first player analytics model” (defined in paragraph 77 below).*

222. In the Fifth Review, the VCGLR stated that:²¹³

“In relation to the use of player data for responsible gambling purposes, Crown Melbourne Limited has advised the VCGLR that:

“In the absence of information relating to a person’s assets, income and financial commitment, together with information relating to their time obligations and commitments (e.g. work, study, home), it is impossible to be definitive on the appropriateness of a person’s expenditure, (both time and money) on gaming and therefore make a judgement on whether their gambling is a

²¹¹ VCG.0001.0001.1229.

²¹² VCG.0001.0001.1229, page 2.

²¹³ See page 97 ff of the Fifth Review, available at: https://www.vcglr.vic.gov.au/sites/default/files/report_fifth%2Bcasinoreview_finalreport.pdf.

problem for them, in terms of producing harm. Data on their play history alone will not be sufficient to make such an assessment.”

...

*The VCGLR notes that the Crown Limited Responsible Gaming Committee considered the paper *Intelligent Design: How to model gambler risk assessment by using loyalty tracking data* (Schellinck and Schrans, 2011), which discusses how loyalty data could be used to assist in identifying problem or at-risk gamblers.*

...

The VCGLR notes that Crown Melbourne Limited and Crown Limited consider that the program described in the paper has not been peer reviewed and is in limited use. Neither Crown Melbourne Limited nor Crown Limited endorse the paper.

...

Crown Melbourne Limited advised the VCGLR that it is concerned that if players perceive their data is being used as a trigger for intervention, it is more likely they will choose to play anonymously.”

Question 76

- 76 *Page 103 of the Sixth Review provides a summary of the use of data analytics in overseas jurisdictions at the time of the review in 2018. What is the current position on the use of data analytics in overseas jurisdictions and Australian casinos operated by persons other than Crown Resorts and its subsidiaries?*
223. The VCGLR has not considered the use of data analytics in overseas jurisdictions and Australian casinos operated by persons other than Crown, since its 2018 review, but it is something that the VCGLR will consider looking into during the Seventh Review.

Question 77

- 77 *Page 104 of the Sixth Review explains that Crown Melbourne developed an in-house historical player analytics model which identified seven parameters that may be indicative of harms from gambling, which were used to identify problem gamblers (first player data model). What were the seven parameters used in the first player data model?*
224. In Crown’s 20 November 2015 submission to the VCGLR about Recommendation 5 of the Fifth Review, it stated:²¹⁴
- “The parameter (**flags**) used to identify players for interview and interaction were as follows:*
- 1. Visitation frequency (five times per week up to daily) combined with levels of expenditure on gaming machines (\$500+ lost per session) over a period of time (intensity) (over one month)*
 - 2. Multiple increases or disabling of pre-commitment limits (intensity) (over three months)*

²¹⁴ VCG.0001.0002.7024, page 8-9.

3. *Change in expenditure over six months (by a factor of three up or down) (intensity)*
4. *Gambles for five or more hours without a break of 15 minutes or longer (duration) (one month)*
5. *Gambles every day of the week over a period of time (frequency) (over one month)*
6. *Levels of expenditure on gaming machines (\$500+ lost per session) over a period of time (intensity) (one month)*
7. *Levels of expenditure on table games (\$500+ lost per session) over a period of time (intensity) (one month)*".

Question 78 and 78(a)

78 *Page 104 of the Sixth Review says the outcome of the first player data model was delivered to the VCGLR in November 2015, that the VCGLR raised a number of queries, and that as a result a second plater analytical model was trialed, that Crown provided limited details to the VCGLR in relation to this second model, and that by the time of publication of the Sixth Review, Crown had indicated that it had commenced a further (live) trial.*

(a) Please provide details (including all communications) of all VCGLRs interactions with Crown Melbourne on the implementation of player data analytics between 2008 and the completion of the Sixth Review.

225. In the time available, the VCGLR has only been able to retrieve and review its records from 2014.

226. The following table sets out the key communications from and after 2015 that the VCGLR was able to locate between the VCGLR and Crown about the implementation of data analytics, and a summary of the communications.

Date	Document	Summary	Document ID
23/07/2014	Draft minutes of VCGLR/Crown Licence Management Meeting	The VCGLR and Crown discussed the following in relation to Recommendation 5 of the Fifth Review: <ul style="list-style-type: none"> • <i>“Some data analytics have been prepared by Sonia Bauer, General Manager - Crown Responsible Gambling and are ready to present at executive level. Crown is planning to update the Compliance Committee and Board in November 2014. The VCGLR advised that the Victorian Responsible Gambling Foundation (VRGF) and OLGR may be advised of the subject matter as the VCGLR may not have the expertise in this area and may lead to involving the VRGF.</i> • <i>Crown expressed the sensitivity of the Player Data Analysis Report and commercial-in-confidence nature of the data information. The VCGLR advised that it would consult Crown first. Crown has already conducted some trials.”</i> 	VCG.0001.0003.1271 VCG.0001.0003.1270
20/08/2015	Draft minutes of VCGLR/Crown Regular	The meeting notes reviewed the following action item: <i>“item 2 – Crown to advise timing re completion of Recommendation 5. Closed. Crown</i>	VCG.0001.0003.1337 VCG.0001.0003.1335

Date	Document	Summary	Document ID
	Operational Liaison Meeting	<i>did not provide a date but advised it is on track in accordance with VCGLR requirements.”</i>	
16/11/2015	Draft minutes of VCGLR/Crown Operations Meeting	Crown advised that a report on its trial of player data analytics has been considered by the Crown Melbourne Limited Board and Crown Resorts Limited Responsible Gambling Committee and will be provided to the VCGLR within the next couple of days.	VCG.0001.0003.2526
20/11/2015	Letter from Debra Tegoni (Crown) to Rowan Harris (VCGLR)	Crown provided the VCGLR with an update about Recommendation 5 of the Fifth Review and copies of: <ul style="list-style-type: none"> • Report on its trial of player data analytics as an initial indicator to identify players who may be having problems with their gambling. • Written Circular Resolution of the directors of the Crown Melbourne Limited Board dated 4 November 2015 and minutes of the meeting of Crown Resorts Limited Responsible Gaming Committee dated 12 November 2015 evidencing consideration of the effectiveness of the trial. 	VCG.0001.0003.1324 VCG.0001.0003.1325
11/04/2016	Letter from Catherine Myers (VCGLR) to Debra Tegoni (Crown)	The VCGLR identified matters that it would like to explore at Crown’s upcoming presentation on their assessment of the effectiveness of the use of player data to assist in identifying problem gamblers.	VCG.0001.0002.7024 – page 26.
28/04/2016	Crown presentation to the VCGLR	Sonja Bauer, Joseph Bufalino and Debra Tegoni of Crown presented Crown’s assessment of the effectiveness of the use of player data to assist in identifying problem gamblers.	VCG.0001.0002.7024 – see page 28, and slides from page 29.
03/05/2016	Letter from Debra Tegoni (Crown) to Catherine Myers (VCGLR)	Crown provided the VCGLR with a copy of the slides from the 28 April 2016 presentation.	VCG.0001.0002.7024 – from page 28.
25/05/2016	Draft Minutes of VCGLR/ Crown Operations Meeting	The VCGLR advised Crown that the Commission has requested that dialogue continue with Crown about Recommendation 5 of the Fifth Review as the VCGLR considered there is further work which could be done to continue to assess how player data could be useful in identifying problem gambling.	VCG.0001.0003.2487 VCG.0001.0003.2488
01/06/2016	Letter from Catherine Myers (VCGLR) to Debra Tegoni (Crown)	Further to the 28 April 2016 presentation, the VCGLR sought further information from Crown about: <ul style="list-style-type: none"> • “whether any conclusions could be drawn by analysing data concerning the 348 individuals not contacted by Crown; • in relation to the 102 patrons who excluded themselves in the relevant period, whether analysis could occur from that data set to determine whether there are any common parameters/flags existing; • whether further sensitivity analysis could occur, for example, concerning the impact of increasing or decreasing the existing parameters/flags by 10% on the number of customers identified” 	VCG.0001.0002.7024 – page 45.

Date	Document	Summary	Document ID
22/06/2016	Letter from Debra Tegoni (Crown) to Catherine Myers (VCGLR)	Crown responded to the VCGLR's 1 June 2016 letter.	VCG.0001.0002.7024 – page 47.
29/06/2016	Agreed Minutes of VCGLR/ Crown Licence Management Meeting	<p>The VCGLR noted that point 2 of Crown's 22 June 2016 letter confirms Crown's ongoing work and advised that the Commission still wants to seek Crown's view on the effectiveness of the use of player data analytics. Crown considers that its responses to the VCGLR's three questions were appropriate. Crown will review its past self-exclusion data to determine whether there is any value in using this data proactively in any way. Crown advised that the Recommendation 5 Report had been released to the Greens via the Gaming Minister but that it was aware no further media interest occurring in consequence.</p> <p>Crown advised that it is continuing work on the analysis of its data and on the setting of the parameters and the matter is a work in progress. While it is aware of third party supplier offered solutions, it remains difficult to assess their validity and usefulness due to their commercial proprietary nature.</p>	<p>Final agreed minutes: VCG.0001.0003.0565</p> <p>Correspondence about amendments to minutes:</p> <p>VCG.0001.0003.0568 VCG.0001.0003.0569 VCG.0001.0003.1294 VCG.0001.0003.1295 VCG.0001.0003.1296 VCG.0001.0003.0564 VCG.0001.0003.0565</p>
21/07/2016	Draft Minutes of VCGLR/ Crown Operations Meeting	The VCGLR advised Crown that a paper on Recommendation 5 of the Fifth Review will be considered by the Commissioner at the VCGLR's commission meeting on 28 July 2016	VCG.0001.0003.2474 VCG.0001.0003.2475
15/09/2016	Letter from Bruce Cohen (VCGLR) to Debra Tegoni (Crown)	<p>The VCGLR advised Crown about its determination that Recommendation 5 of the Fifth Review had been completed subject to establishing that Crown mechanisms to undertake ongoing work with respect to the use of player data in the identification of problem gambling. The VCGLR requested that:</p> <ul style="list-style-type: none"> • Crown continue to review the use of player data for persons who self-exclude, to determine whether meaningful or common themes can be identified; and • A standing agenda item be included at the quarterly licence management meetings to allow for discussion in relation to ongoing work with respect to the identification of problem gambling. 	VCG.0001.0001.0081
28/09/2016	Draft Minutes of VCGLR/ Crown Licence Management Meeting	<p>Crown and the VCGLR discussed:</p> <ul style="list-style-type: none"> • review of the use of player data for persons who self-exclude arising from Crown Presentation to the VCGLR; and • ongoing work with respect to the identification of problem gambling. 	VCG.0001.0003.0516 VCG.0001.0003.0517
07/06/2017	Minutes of VCGLR/Crown Licence Management Meeting	<p>Crown provided the VCGLR with an update on:</p> <ul style="list-style-type: none"> • review of the use of player data for persons who self-exclude arising from Crown Presentation to the VCGLR; • ongoing work with respect to the identification of problem gambling; and 	VCG.0001.0003.0556 VCG.0001.0003.0557

Date	Document	Summary	Document ID
		<ul style="list-style-type: none"> other initiatives implemented by Crown to proactively detect problem gambling, include enhancement to gambling staff training programs 	
07/09/2017	Minutes of VCGLR/Crown Licence Management Meeting	Crown noted that the VCGLR was yet to respond to arranging a meeting regarding the Player Data Analytics Model. It was agreed that Steve Berriman (VCGLR Director of Compliance) would contact Crown to arrange a meeting to review the work performed by Crown to date on the Player Data Analytics model.	VCG.0001.0003.0552 VCG.0001.0003.0553
2/10/2017	Email from Rowan Harris (VCGLR) to Michelle Fielding (Crown) attaching Sixth Review Document Inspection and Request for Documents Table	The VCGLR requested for a Crown presentation on responsible services of gaming and noted: <i>“Presentation points would include details on development of a player data analytics model”</i> .	VCG.0001.0003.1610 VCG.0001.0003.1611
27/10/2017 – 03/11/2017	Emails between Joyce Krashow (VCGLR) and Sonja Bauer (Crown)	The VCGLR corresponded with Crown to arrange a meeting to discuss in more detail the work performed on Crown’s Player Data Analytics model.	VCG.0001.0002.8158
15/11/2017	Meeting invitation from Sonja Bauer (Crown) to Joshua Preston and Kevin Hong of Crown, and Joyce Krashow, Jarrod Wolfe and Steve Thurston of VCGLR	Meeting about Player Data Analytics model.	VCG.0001.0003.0266
29/11/2017	Crown’s responsible gaming presentation slides	The slides provide high level information about the Crown Model.	VCG.0001.0001.1318 – page 24 ff.
22/12/2017	Letter from Robert Chappell (VCGLR) to Michelle Feilding (Crown): Response to consolidated information request.	The VCGLR referred to Crown’s resumed responsible gaming presentation on 12 December 2017 and requested particulars about the further live trial of the Crown Model (player data analytics model) that Crown advised on 12 December 2017 that it would be undertaking, including anticipated start date.	VCG.0001.0003.1558 – page 4 VCG.0001.0003.1557
28/02/2018	Draft minutes of VCGLR/Crown Licence Management Meeting	Joshua Preston of Crown noted that the player data analytics model is being evaluated and Crown is looking to implement the model by the end of this financial year.	VCG.0001.0003.0072 VCG.0001.0003.0071
06/04/2018	Letter from Robert Chappell (VCGLR) to	The letter attached a document setting out areas for the interviews including:	VCG.0001.0003.1542 VCG.0001.0003.1543 VCG.0001.0003.1544

Date	Document	Summary	Document ID
	Joshua Preston (Crown) about interview with Crown executives	<p>“8. Data analytics</p> <p>Mr Alexander, Mr Felstead, Professor Horvath and Mr Walsh</p> <p><i>Data analytics, while a subset of responsible gambling strategy, has been identified as a standalone area for discussion, noting that it was the subject of a recommendation in the Fifth Review. We are interested in who sponsored the project within the company, and the level of engagement of directors and senior executives.</i></p> <p><i>We would like to understand what was learned from external vendors and from operators in other jurisdictions and how this has informed the project. We are interested in whether directors and senior executives regard progress to date as satisfactory, when they anticipate the next phase of development taking place, and what their appetite is for data analytics to support proactive interventions.”</i></p>	
09/04/2018	Meeting invitation from Joyce Krashow (VCGLR) to Michelle Feilding and Sonja Bauer of Crown, and Jarrod Wolfe, Jason Cremona and Steve Thurston of VCGLR	<p>Meeting about implementation of Player Data Analytics model. The meeting invitation noted that the discussion points the VCGLR would like to cover are:</p> <ol style="list-style-type: none"> 1. The methodology underpinning the latest iteration of the model; 2. Summary of the validation results; and 3. How the model will be incorporated into the existing responsible gambling practices. 	VCG.0001.0003.0262

Question 78(b)

78(b) Please provide details of any communications between VCGLR and Crown Melbourne in relation to the implementation of recommendations 8 and 9.

227. The following table sets out the key communications between the VCGLR and Crown in relation to the implementation of Recommendations 8 and 9, and a summary of each communication.

Date	Document	Summary	Document ID
02/07/2018	Letter from John Alexander (Crown) to Catherine Myers (VCGLR)	Crown agreed to implement each of the recommendations of the Sixth Review by the expected completion dates.	VCG.0001.0001.0096
31/10/2018	Minutes of VCGLR/Crown Sixth Review Recommendations Meeting	<p>The following was discussed:</p> <p>Recommendation 8:</p> <ol style="list-style-type: none"> (a) Data analytics model started its 12 month trial in June 2018. (b) Discussion was held about how soon Recommendation 9 could be addressed given that the model has already started, albeit in 	VCG.0001.0003.2314 VCG.0001.0003.2315

Date	Document	Summary	Document ID
		<p>trial mode. If the trial is successful, the model will be implemented 12 months after June 2019.</p> <p>(c) In relation to (b) Sonja Bauer (Crown) said that there have been some “<i>plug and play</i>” software solutions trialled overseas and this is something Crown might look into.</p> <p>(d) Sonja Bauer (Crown) asked whether the VCGLR had anything in mind for the uncarded play, in particular if the Review Director was aware of anything being used in South Australia, but Rowan Harris (VCGLR) confirmed this was not the case.</p> <p>Recommendation 9:</p> <p>Refer to comments above (in Recommendation 8) regarding discussion about when the “<i>implementation of tool</i>” is measured from.</p>	
24/12/2018	Letter from Barry Felstead (Crown) to Catherine Myers (VCGLR)	Crown advised the VCGLR that, in relation to Recommendation 8(b), Crown had commenced its study on exploring options available to it, and would be assessing and analysing the research and expert evidence available which supports data analytics tools on uncarded play that may enhance Crown’s responsible gaming framework.	VCG.0001.0001.0007 at pages 35-36
04/01/2019	Email between Mr Rowan Harris (VCGLR) and Michelle Fielding (Crown)	Rowan Harris (VCGLR) referred to Crown’s 24 December 2018 letter and requested for details of what the commencement of the comprehensive study has entailed to date.	VCG.0001.0003.1230
18/01/2019	Email from Michelle Fielding (Crown) to Rowan Harris (VCGLR)	Michelle Fielding (Crown) referred to Rowan Harris’ (VCGLR) email dated 4 January 2019 setting out the actions that had been taken by Crown.	VCG.0001.0003.1230
27/03/2019	Letter from Ross Kennedy (VCGLR) to Joshua Preston (Crown)	The VCGLR referred to Crown’s submission on 24 December 2018 and advised that the Commissioner has noted that in relation to Recommendation 8(b), for un-carded play, Crown has commenced a comprehensive study of all practical options for a real-time player data analytics tool.	VCG.0001.0003.0418 VCG.0001.0003.0419
03/04/2019	Minutes of VCGLR/Crown Licence Management bi-annual meeting	<p>Crown provided the following update on implementation of player data analytics:</p> <p><i>“The player data analytics six tranche trials are in progress. Data/patron identification outcomes are passed on to a number of staff, including the marketing team. 378 patrons were identified from the six tranches for observation. This equates to approximately 60 per tranche. There are regular meetings between the casino operations and analytics teams.”</i></p>	VCG.0001.0003.2145 VCG.0001.0003.2146
28/11/2019	Email from Rowan Harris (VCGLR) to Michelle Fielding and Sonja Bauer	Rowan Harris (VCGLR) brought Michelle Fielding’s and Sonja Bauer’s (Crown) attention to the VCGLR’s request for a ‘Presentation on evolution of player data analytics since the Fifth	VCG.0001.0003.2133 VCG.0001.0003.2134

Date	Document	Summary	Document ID
	(Crown) attaching agenda for 4 December 2019 meeting	Casino Review' in agenda item 6 of the draft agenda. He further stated that if Crown is unable to prepare the presentation for this meeting given the relatively short notice, the VCGLR looked forward to seeing it at the next dedicated meeting to be held early December to discuss Sixth Review Recommendations 7, 8, 10, 12 and 20.	
04/12/2019	Minutes of VCGLR/Crown Licence Management bi-annual meeting	Crown provided an update on implementation of player data analytics, and in relation to the presentation requested by the VCGLR on evolution of player data analytics since the Fifth Review, Joshua Preston (Crown) offered to present at the next Licence Management Meeting if Crown's 1 January 2020 submission does not cover it off.	VCG.0001.0003.2124 VCG.0001.0003.2125
30/12/2019	Letter from Barry Felstead (Crown) to Catherine Myers (VCGLR)	Crown submitted to the VCGLR that it had addressed Recommendation 8 to the extent possible.	VCG.0001.0001.0082
18/02/2020	Email from Rowan Harris (VCGLR) to Michelle Fielding (Crown)	The VCGLR raised a number of questions in response to Crown's 30 December 2019 submission.	VCG.0001.0003.2079
24/02/2020	Email from Michelle Fielding (Crown) to Rowan Harris (VCGLR)	Crown responded to the questions in Rowan Harris' (VCGLR) email dated 18 February 2020.	VCG.0001.0002.3173
31/03/2020	Email from Rowan Harris (VCGLR) to Michelle Fielding (Crown)	The VCGLR raised further questions about Crown's 30 December 2019 submission.	VCG.0001.0003.1159
14/04/2020	Email from Rowan Harris (VCGLR) to Michelle Fielding (Crown)	Rowan Harris (VCGLR) followed Crown up for a response to his 31 March 2020 email.	VCG.0001.0003.1446
20/04/2020	Email from Michelle Fielding (Crown) to Rowan Harris (VCGLR)	Crown responded to the questions in Rowan Harris' (VCGLR) email dated 31 March 2020.	VCG.0001.0003.2058
24/06/2020	Email from Rowan Harris (VCGLR) to Michelle Fielding (Crown)	The VCGLR raised further questions about Recommendation 8.	VCG.0001.0003.0873
26/06/2020	Email from Michelle Fielding (Crown) to Rowan Harris (VCGLR)	Crown responded to the questions in Rowan Harris' (VCGLR) email dated 24 June 2020. In response to the VCGLR's request for a copy of Professor Blaszczyński's report, Crown noted that it was continuing to review the request as the	VCG.0001.0003.1707

Date	Document	Summary	Document ID
		report was commissioned under Legal Professional Privilege.	
14/08/2020	Email from Rowan Harris (VCGLR) to Michelle Fielding (Crown)	In relation to Crown's response about Professor Blaszczynski's report in Michelle Fielding's (Crown) email dated 24 June 2020, the VCGLR requested for confirmation of maintaining legal professional privilege and reasons/information for that claim.	VCG.0001.0003.1700
19/08/2020	Letter from Ross Kennedy (VCGLR) to Joshua Preston (Crown)	<p>The VCGLR responded to Crown's 30 December 2019 submission and stated:</p> <p><i>"In noting implementation of recommendation part (a) of recommendation 8, the Commission noted some remaining questions and potential issues around the effectiveness and timeliness of Crown's player data analytics tools, but considered these matters more relevant to recommendation 9".</i></p> <p>The VCGLR set out its expectations about the scope of the independent assessment under Recommendation 9, and requested for a copy of Professor Blaszczynski's report in relation to the Crown Model.</p>	VCG.0001.0001.2127
20/08/20	Minutes of VCGLR/Crown Licence Management Meeting	<p>Recommendation 8</p> <p>Sonja Bauer (Crown) advised in relation to the third limb of part (b) of Recommendation 8 (data player analytics tool for un-carded play) that SPLUNK Technology could be used for un-carded gaming machine play.</p> <p>Recommendation 9</p> <p>Rowan Harris (VCGLR) advised Crown that a meeting will be organised late next week to discuss the matters relating to the external independent assessment under Recommendation 9.</p> <p>Michelle Fielding (Crown) advised that an extension may be required in relation to implementation of Recommendation 9 given the impact of Covid-19 and the need to have the casino open to enable a satisfactory assessment. A submission will be forthcoming.</p>	VCG.0001.0003.1687 VCG.0001.0003.1688
02/09/2020	Letter from Michelle Fielding (Crown) to Ross Kennedy (VCGLR)	Crown provided the VCGLR with a redacted copy of Professor Blaszczynski's report.	VCG.0001.0002.3085 VCG.0001.0002.3086 VCG.0001.0002.3087
08/10/2020	Letter from Michelle Fielding (Crown) to Jason Cremona (VCGLR)	Crown requested for an extension of time to complete Recommendation 9 to ensure that a useful set of data was available for analysis, stating that <i>"As a result of the COVID-19 pandemic and subsequent Federal and State government directives, Crown ceased gaming operations from 23 March 2020, and since that time the gaming floor has remained closed. The Recommendation anticipated 12 months of data to be reviewed, however, it follows that the gaming data that could be used to effect the requirements of Recommendation 9 is limited to the early</i>	VCG.0001.0001.0089

Date	Document	Summary	Document ID
		<p><i>months of 2020, just short of three months' of data."</i></p> <p>Crown also provided details about two consultants it considered suitable to conduct the Recommendation 9 assessment.</p>	
15/10/2020	Letter from Alex Fitzpatrick (VCGLR) to Michelle Fielding (Crown)	The VCGLR referred to Crown's 2 September 2020 letter and sought clarity regarding the nature of the 'additional matters' that Crown considered were outside the scope of Recommendations 7 and 8 and were redacted from Professor Blaszczyński's report.	VCG.0001.0002.3092 VCG.0001.0002.3093
29/10/2020	Letter from Michelle Fielding (Crown) to Alex Fitzpatrick (VCGLR)	Crown responded to the VCGLR's 15 October 2020 letter stating " <i>Crown Melbourne is in the process of implementing a broad suite of measures directed to improving governance, compliance and risk-management practices. As part of these measures, Crown Melbourne has waived its claim of privilege (but only as it pertains to the VCGLR), accordingly, please find attached an un-redacted version of Professor Blaszczyński's Report.</i> "	VCG.0001.0002.3092 VCG.0001.0002.3094 VCG.0001.0002.3095
14/01/2021	Email from Rowan Harris (VCGLR) to Sonja Bauer (Crown) attaching requirements re scope of independent assessment	The VCGLR provided Crown with its requirements in relation to the scope of the Recommendation 9 independent assessment for Crown's consideration.	VCG.0001.0002.8156 VCG.0001.0002.8157
14/01/2021	Minutes of VCGLR/Crown Operations Meeting	<p>Recommendation 8(b)</p> <p>Crown advised that it is unable to identify any tried and tested data analytics tool on the market.</p> <p>The VCGLR suggested Crown provide a progress update in the medium term.</p> <p>Recommendation 9</p> <p>The VCGLR advised that the requirements regarding the independent assessment was emailed to Sonja Bauer and Michelle Fielding of Crown on 14 January 2021</p>	VCG.0001.0003.0829
25/02/2021	Draft minutes of VCGLR/Crown Operations Meeting	Rowan Harris (VCGLR) enquired about when Crown's submission regarding the independent assessment would be provided to the VCGLR. The VCGLR's 'Scope of Requirements' was provided to Sonja Bauer and Michelle Fielding of Crown on 14 January 2021. Michelle Fielding advised that a draft submission has been prepared, and the VCGLR can expect Crown's submission soon.	VCG.0001.0003.0141 VCG.0001.0003.0143
23/03/2021	Crown presentation to the VCGLR	Crown provided the VCGLR with an update about Recommendations 8(b) and 9.	VCG.0001.0002.1096 at page 27 ff
28/04/2021	Agenda of VCGLR/Crown	A meeting was initially scheduled for 8 April 2021 which would include an update from Crown	VCG.0001.0003.0894 VCG.0001.0003.0895

Date	Document	Summary	Document ID
	Operations Meeting	about Recommendations 8(b) and 9. This meeting was rescheduled to 28 April 2021 and then cancelled due to key VCGLR staff being called away to attend to urgent matters. The next meeting is scheduled for 20 May 2021.	

Question 78(c)

78(c) *Has Crown Melbourne implemented recommendations 8 and 9 of the Sixth Review?*

Recommendation 8

228. At its 28 February 2019 meeting, the VCGLR determined that Crown had implemented the first limb of Recommendation 8(b).²¹⁵
229. At its 30 July 2020 meeting, the VCGLR determined that Crown had implemented Recommendation 8(a) and the second limb of Recommendation 8(b).²¹⁶
230. The third limb of Recommendation 8(b) – “for un-carded play... Crown Melbourne will... commence a comprehensive study of all the practical options for a real-time player data analytics tool, with a view to... the tool being in operation by 1 July 2022” – is not yet due for completion.
231. On 23 March 2021, in a presentation to the VCGLR, Crown advised that it was “reviewing potential in-house solutions with the gaming and information technology departments. Additionally, Crown is continuing the conversation with external company ‘Focal Research’, which is developing an un-carded play program”.²¹⁷ Whilst work is continuing in this area, Crown advised “the limitations indicated previously still exist, including the dearth of peer reviewed research, and as yet a commercially available program allowing for both table games and electronic gaming machines monitoring that can be considered a real-time data analytics tool to proactively identify for intervention of un-carded customers who may be at risk of harm from gambling”.²¹⁸

Recommendation 9

232. On 8 October 2020, Crown requested an extension of time to complete Recommendation 9 to ensure that a useful set of data is available for analysis, stating that:²¹⁹

“As a result of the COVID-19 pandemic and subsequent Federal and State government directives, Crown ceased gaming operations from 23 March 2020, and since that time the gaming floor has remained closed. The Recommendation anticipated 12 months of data to be reviewed, however, it follows that the gaming data that could be used to effect the requirements

²¹⁵ See Commission Paper dated 8 February 2019: VCG.0001.0001.0007 and the commission meeting minutes extract: VCG.0001.0001.0093 at page 1.

²¹⁶ See Commission Paper dated 16 July 2020: VCG.0001.0001.0088 and the commission meeting minutes extract: VCG.0001.0001.0093 at page 7 ff.

²¹⁷ VCG.0001.0002.1096 at page 27.

²¹⁸ VCG.0001.0002.1096 at page 27.

²¹⁹ VCG.0001.0001.0089.

of Recommendation 9 is limited to the early months of 2020, just short of three months' of data".

233. At its meeting on 29 October 2020, the VCGLR approved Crown's request for an extension of time for completion of Recommendation 9 until 15 months from the date of recommencement of gaming post COVID-19 shut down.²²⁰
234. Crown reopened its main gaming floor on 25 November 2020. Accordingly the amended due date for completion of Recommendation 9 is 25 February 2022.²²¹

Question 79

79 *Page 104 of the Sixth Review says that in November 2017, Crown Melbourne provided "limited details" to the VCGLR of the second player data analytics model it had developed. What reason did Crown Melbourne provide for:*

a. only providing limited details to the VCGLR?

b. declining to provide specifics of the parameters used in the second player data analytics model?

235. On 15 November 2017, the VCGLR (Jarrod Wolfe, Joyce Krashow and Steve Thurston) met with Crown (Sonja Bauer, Joshua Preston and Kevin Hong) to discuss in more detail the work performed by Crown on its Player Data Analytics model.²²² Following the meeting, Jarrod Wolfe prepared a memorandum for the Compliance Division of the VCGLR which noted:

"Crown stated that the specific "risk markers" for problem gamblers was "proprietary" and thus might not be available to us. I believe this is more about the existence of the data E.g. Crown do not want us to know the detailed data they collect on players, rather than an overt attempt to "monetise" these characteristics. Significant research on problem gambling "markers" is readily available".²²³

236. The VCGLR has sought to address questions about Crown's player data analytics tools in the Sixth Review by recommending that Crown arrange, at its expense, for an independent assessment of the real-time player data analytics tool for carded play by a person approved by the VCGLR (i.e. Recommendation 9).

Question 80

80 *Page 104 of the Sixth Review states that Crown Melbourne indicated it required further time to validate results on the second model. Has Crown Melbourne now validated the results? Has Crown Melbourne provided an update to the VCGLR about the validation process? If so, please provide a summary of the update.*

²²⁰ See Commission Paper dated 12 October 2020: VCG.0001.0001.0090 and the commission meeting minutes extract: VCG.0001.0001.0093 at page 9.

²²¹ See Status of Sixth Review recommendations as at 25 March 2021 at VCG.0001.0002.3227 at page 5.

²²² VCG.0001.0003.0266, VCG.0001.0002.8158.

²²³ VCG.0001.0001.1718.

237. On 30 December 2019, as part of Crown’s submission to the VCGLR about completion of Recommendations 7 and 8, Crown provided the VCGLR with a detailed description of its validation and trial results in two attachments:²²⁴
- a. Attachment A outlined the development process of the Crown Model including analysis of 18 months of historical gaming data; and
 - b. Attachment B provided details of a comprehensive trial undertaken over a 12 month period from 25 June 2018 to 30 June 2019.
238. Attachment B to Crown’s submission stated:²²⁵
- “The Crown Model Trial provided a good range of indicators based on data, and whilst not refined to 100% accuracy, it will assist in further refinement and building of the base. As has been part of the Crown Model Trial since inception, in order to validate results, time is required. It was noted that that when potential problem gambling behaviour is identified, it does not necessarily mean that the Member is actually engaged in problem gambling behaviours and that other factors are also equally important to consider.*
- A major component of assessing the success of the Crown Model continues to be time and volume of data to build the most accurate model. Any machine learning product such as the Crown Model requires sufficient volumes of data and the time to realise the success of the algorithm via validation and the impact an interaction may have.”*
239. Recommendation 9 of the Sixth Review anticipated that Crown’s data analytics tools would be implemented for a further 12 months to collect data for the purpose of an independent assessment by a person approved by the VCGLR.
240. As noted in paragraphs [232] to [234] above, this process has been delayed as Crown ceased gaming operations between 23 March 2020 and 25 November 2020 as a result of the COVID-19 pandemic. The VCGLR has approved an extension of the completion date for Recommendation 9 in order to enable Crown to obtain a useful set of data for analysis.

Question 81

- 81 *Page 104 records that on 25 June 2018, Crown Melbourne began its first live trial using player data analytics to detect and assist problem gamblers. What were the results of that first live trial? Is Crown Melbourne currently using data analytics to detect problem gamblers? If yes, is it doing so for all patrons or only for loyalty program members?*
241. On 30 December 2019, as part of Crown’s submission to the VCGLR about completion of Recommendations 7 and 8, Crown provided the VCGLR with the results of its live trial from 25 June 2018 to 15 September 2018.²²⁶ The results were summarised by Crown in the following table:²²⁷

²²⁴ See attachments A and B to Crown’s submission for the detailed description of the validation and trial results: VCG.0001.0001.0082 from page 11.

²²⁵ VCG.0001.0001.0082 at page 20.

²²⁶ VCG.0001.0001.0082.

²²⁷ VCG.0001.0001.0082 at page 19.

Tranche	No. of Members	Prior RG interaction	Engaged/Observed	Post RG Interaction (as at 30 June 19)	No Visit	Subject to SE (as at 31 October 19)
1	100	16	47	9	39	2
2	100	18	73	14	5	2
3	100	28	62	22	8	0
4	100	18	61	15	10	2
5	100	25	62	16	11	6
6	100	11	73	7	16	1
7	100	15	84	9	7	0
8	100	12	77	9	15	1
9	100	6	63	2	21	1
Total	900	149	602	103	132	15

242. Crown is currently using two data analytics tools to detect problem gamblers among carded players only.
243. As noted in paragraph 230 above, the third limb of Recommendation 8 requires Crown to implement a real-time player data analytics tool for uncarded play by 1 July 2022. Although this Recommendation is not yet due for completion, Crown has expressed the view that there may not be an entirely suitable product which satisfies Crown’s requirements for a model which may impact on the implementation of the third limb of Recommendation 8.²²⁸

Question 82

- 82 *How does Crown Melbourne’s use of player data to identify and assist problem gamblers compare to other casinos in Australia, New Zealand and across the world (Sixth Review, page 104)? In addressing that topic, please have regard to best operating practice in casinos of a similar size and nature to the casino operated by Crown Melbourne.*
244. The VCGLR is not able to answer this question as it has not compared Crown’s use of player data to other casinos across the world.
245. In Crown’s 29 June 2019 submission to the VCGLR about Recommendation 14, Crown outlined the key research it performed of global land-based overseas casinos, including those in the United Kingdom, Central Europe, Macau, Singapore, Canada and New Zealand, in respect of, among other things, the status of predictive modelling analytics and use of ‘time and visit frequency’ as observable signs of problem gambling for each jurisdiction.²²⁹
246. Although not a comparison, Crown noted as follows:²³⁰

“In terms of player analytics where time and/or predictive modelling in overseas land based jurisdictions are employed, the following is evident:

²²⁸ VCG.0001.0002.1096, page 27.

²²⁹ VCG.0001.0001.0019, page 3.

²³⁰ VCG.0001.0001.0017, page 10.

<i>Jurisdiction</i>	<i>Time (not observable only)</i>	<i>Predictive modelling analytics</i>
<i>UK</i>	<i>Evident in some casinos</i>	<i>Currently being trialled [sic] in some casinos</i>
<i>Scandinavia</i>	<i>Visit frequency and time</i>	<i>Not in place</i>
<i>Central Europe (i.e. Holland, Switzerland, Austria)</i>	<i>Visit frequency and time</i>	<i>Not in place</i>
<i>Macau</i>	<i>Not in place</i>	<i>Not in place</i>
<i>Singapore</i>	<i>Visit frequency</i>	<i>Not in place</i>
<i>Canada</i>	<i>Evident in some casinos</i>	<i>Not in place</i>
<i>New Zealand – Auckland and Christchurch</i>	<i>In place</i>	<i>In place</i>

The above table is reflective of the challenges involved with the effective and reliable use of player data analytics. Accordingly, external advices will be sought and relied upon throughout Crown’s assessment of player data analytic options (for both carded and uncarded)."

EXCLUSION ORDERS

Question 83

- 83 *Has Crown Melbourne ever made oral exclusion orders under section 72 of the Casino Control Act 1991 (Vic)? What data is recorded on those matters?*
247. The VCGLR holds copies of written exclusion orders made by Crown, as required by section 72(3) of the *Casino Control Act*. We note that Section 72(2A) that voluntary self-exclusion orders are made in writing and not orally.
248. The VCGLR does not hold copies of exclusion orders made orally by Crown. The VCGLR notes that section 72(3) of the *Casino Control Act* only requires Crown to provide a copy of an order to the VCGLR where it gives a “written order”. The VCGLR is not aware of and does not hold any record of oral exclusion orders.
249. The Royal Commission may be able to obtain records/data of Crown’s oral exclusion orders from Crown.

Question 84

- 84 *Page 105 of the Sixth Review states that between June 2013 and September 2017, Crown Melbourne made approximately 1,100 voluntary exclusion orders (i.e. 275 per year). How many voluntary exclusion orders were made in 2018, 2019 and 2020?*
250. In 2018, Crown made 454 voluntary exclusion orders. In 2019, Crown made 755 voluntary exclusion orders. In 2020, Crown made 292 voluntary exclusion orders.

Question 85

- 85 *Given the number of people who gamble at the casino operated by Crown Melbourne, what (if any) inferences can be drawn about the effectiveness of Crown Melbourne’s voluntary exclusion program from the number of voluntary exclusion orders made?*

251. For the following reasons, and in particular due to the fact that voluntary exclusion orders are, by their nature, voluntary, the VCGLR believes that it is not possible to draw inferences about the effectiveness of Crown Melbourne's voluntary exclusion program from the number of voluntary exclusion orders made.
252. Voluntary exclusion orders are a reactive harm minimisation measure, usually invoked when patrons have concerns about their gambling behaviour that they request to be barred from the casino.
253. The RGSC is responsible for managing voluntary exclusions. Crown has a process in place to contact voluntarily-excluded persons three months after Crown has issued the order. Provided the person agrees, RGLOs, now RGAs, will make telephone contact with the excluded person and ask 8 questions, including whether the self-exclusion was helpful.
254. During the Sixth Review, it was noted that:²³¹
- a. Crown issues all voluntary exclusion orders under section 72(2A) of the *Casino Control Act* for an indefinite period, although the patron subject to the exclusion order can apply to Crown to revoke the exclusion order after a minimum 12-month period;
 - b. a number of patrons identified at risk of harm from gambling, and who met with Crown's RGLO in relation to their concerns, were reluctant to apply for a voluntary exclusion order because of its indefinite nature; and
 - c. time limited voluntary exclusion orders are more common in other casinos and on-line gaming venues around the world, in comparison with exclusion orders with an indefinite period attached to them.
255. It was also noted during the Sixth Review that Crown had implemented shorter periods of exclusion by implementing short term Time Out Program Agreements (**TOPAs**) that are offered when a voluntary exclusion order under the *Casino Control Act* is declined by the patron who wishes to be excluded from the casino. Under this arrangement, the patron undertakes not to enter the casino gaming floor for a fixed period of three months. At the end of the three-month period, the patron is free to re-enter the casino without a revocation process.
256. Crown has also implemented fixed term self-exclusion orders (as distinct to indefinite period self-exclusion orders). The term is usually three years.

Question 86

- 86 *To what extent do other jurisdictions employ a regime similar to the voluntary exclusion orders system operating in Victoria? How do the number of voluntary exclusion orders made by Crown Melbourne compare to best operating practice in casinos of a similar size and nature to the casino operated by Crown Melbourne operating with a similar voluntary exclusion system?*
257. The VCGLR has not conducted a review of the regime employed in other jurisdictions, other than Western Australia, similar to the voluntary exclusion orders system operating in Victoria, nor has the VCGLR conducted a comparison of the voluntary exclusion orders made by Crown Melbourne with best operating practice in casinos of a similar size and nature to the casino operated by Crown Melbourne operating with a similar voluntary exclusion system.

²³¹ VCG.0001.0001.0011, page 2.

258. The VCGLR however considers that the following information may assist the Royal Commission in respect of this question.
259. In addressing Recommendation 10, Crown said it:²³²
- a. conducted an internal, detailed review into literature and practice in relation to its voluntary exclusion and revocation practices;
 - b. participated in six tripartite meetings involving both the VCGLR and the VRGF (minutes of these meetings are referenced in the VCGLR’s response to questions 102 and 203); and
 - c. sought independent expert advice from Professor Alex Blaszczyński who advised Crown in relation to Recommendation 10. Professor Blaszczyński did not meet with the VCGLR or the VRGF - he provided consulting services directly to Crown.
260. Crown advised that its review revealed that there is no industry literature or research consensus regarding an optimal voluntary exclusion order length, and that voluntary exclusion order lengths put in place in other jurisdictions and venues varied. In summary, according to Crown:²³³ “...there is currently no conclusive evidence supporting any specific model in terms of optimum banning length/and re-entry processes”. In this respect, Crown further advised that the independent expert advice (which the VCGLR understands was from Professor Blaszczyński) was that “...ban lengths have been established predominantly on the basis of opinion in the absence of any comparative long-term empirical evaluation of the minimal duration required”.
261. Crown appear now to have an exclusion process that does not require attendance at the Casino – see <https://www.crownmelbourne.com.au/casino/responsible-gaming/responsible-gaming-centre/self-exclusion-program>.

Question 87

87. *Pages 105 to 108 of the Sixth Review refer to remote voluntary exclusion orders. There, the VCGLR noted it was appropriate for a person to be able to obtain a voluntary exclusion order without the need to attend or contact the RGSC (and that Crown Melbourne could provide an easily accessible online application facility to enable a person to obtain a voluntary exclusion order). The VCGLR also noted it would be willing to facilitate the implementation of an online voluntary exclusion process.*
- a. *Has Crown Melbourne implemented and/or promoted remote voluntary exclusion orders since the Sixth Review?*
 - b. *If yes, how many remote voluntary exclusion orders have been made since the Sixth Review?*
262. Crown has implemented and promotes (via its website) a means by which a person can submit applications relating to voluntary exclusion orders. As noted on its website,²³⁴ Crown allows individuals to submit an Application for Self Exclusion (**Application**) from Crown Casino via

²³² VCG.0001.0001.0009.

²³³ VCG.0001.0001.0009.

²³⁴ <https://www.crownmelbourne.com.au/casino/responsible-gaming/responsible-gaming-centre/self-exclusion-program>.

email and mail. The Application is available on Crown’s website,²³⁵ and is required to be completed signed by the person and witnessed by a person authorised to witness statutory declarations in Victoria, together with certified photo identification and a recent high resolution photograph. The Application can be emailed to Crown on rgc@crownmelbourne.com.au or sent via mail (the address and instructions are obtained by contacting Crown’s Responsible Gaming Team on 1800 801 098).

263. Once the application is received, Crown contacts the applicant to verify their identity, discuss the reasons for the Application, confirm the nominated time period during which the person cannot apply to revoke the self exclusion, check their understanding of the conditions of the Application, and offer support.
264. The VCGLR does not know how many of the voluntary exclusions referred to in answer to question 84 were as a result of a remote application.

Question 88

88 *On page 109 of the Sixth Review, the VCGLR noted that Crown Melbourne has an important role in minimising harm by ensuring that excluded persons do not enter the casino. Pages 105 to 107 of the Sixth Review outline Crown Melbourne’s procedures and systems (at the time of the Sixth Review) to prevent excluded persons from entering the casino. Table 8 on page 109 of the Sixth Review contains information about breaches of voluntary exclusions orders in the review period.*

- a. *How effective were Crown Melbourne’s efforts to prevent excluded persons entering the casino during the review period?*
- b. *How did Crown Melbourne’s approach to this important task compare with best operating practice in casinos of a similar size and nature to the casino operated by Crown Melbourne?*
- c. *Was there room for improvement? If so, what improvements? In addressing this topic, please explain Crown Melbourne’s current procedures and systems (to the extent they have changed since the Sixth Review).*

265. In response to question 88(a):
- a. The VCGLR is unable to confirm how effective Crown Melbourne’s efforts were to prevent excluded persons entering the casino during the review period. Notwithstanding this, the VCGLR believes the following information may assist the Royal Commission.
 - b. In the Fifth Review,²³⁶ the VCGLR stated, “*The VCGLR is concerned that the high number of people detected breaching their exclusion orders in, or at the entrance to, VIP gaming areas of the casino indicates that Crown Melbourne may not be effectively preventing excluded persons from entering those areas*”. As a consequence the VCGLR recommended that Crown develop and implement a management plan for detecting excluded people attempting to gain entry to the VIP gaming areas.

²³⁵ <https://www.crownmelbourne.com.au/getmedia/8d0e742f-cfdc-44ee-8e70-4aaf990e6328/Crown-Melbourne-Responsible-Gaming-Application-for-Self-Exclusion-from-Crown-Casinos-Online.pdf>.

²³⁶ Page 114 Sixth Review Report.

- c. In response, Crown installed identification processes (computer terminal podiums, known as Member Identification Checking Kiosk (MICK)) at the entrance to the Teak Room and the Mahogany Room. Patrons were required to provide their loyalty cards to swipe through the computer to verify whether they are excluded persons against Crown Melbourne's electronic records. Guests were also required to produce photographic identification to verify their identities.
- d. During the course of the Sixth Review, Crown provided the following data regarding the detection of persons with voluntary exclusion orders in VIP gaming areas. Crown Melbourne did not record whether the persons were gambling at the time they were detected.²³⁷

Table 10: Detection of persons with voluntary exclusion orders in VIP gaming areas

	2013	2014	2015	2016	2017 to 30/9
Mahogany room	57	20	4	12	8
Teak room	78	22	11	15	20
Private gaming suites	2	2	3	1	1
Total	137	44	18	28	29

- e. Although low in relation to overall visitation, the VCGLR was concerned that Crown said it did not have records reflecting whether the excluded persons were gambling when detected, particularly given the statutory obligation of the casino operator to forfeit any winnings of an excluded person to the Community Support Fund (see section 78B of the *Casino Control Act*).²³⁸
- f. It was also of concern to the VCGLR that despite the introduction of identification procedures to the VIP gaming areas, excluded persons, including voluntarily excluded persons, were still entering these restricted gaming areas. Crown advised that some excluded persons gained entry to the VIP rooms, despite the identity check procedures, because Crown did not have photographs of all persons who are recorded in their electronic database system, and photographic identification is not a mandatory requirement for loyalty club members.²³⁹
- g. In the Fifth Review the VCGLR stated that there “*is a limit to the effectiveness of Crown Melbourne Limited’s processes and procedures for detecting excluded persons because of*

²³⁷ Page 114 Sixth Review Report.

²³⁸ Page 114 Sixth Review Report.

²³⁹ Page 114 Sixth Review Report.

the high number of patrons". While acknowledging the challenges to Crown of detecting excluded persons due to the high number of patrons, the VCGLR recommended that Crown strengthen its processes for detecting excluded persons attempting to gain entry to the VIP gaming areas of the casino by:

- i commencement of a trial of facial recognition technology to improve the detection of excluded persons attempting to enter, or remain in, the VIP gaming areas of the casino, and
 - ii consideration by the Crown board of a report on the outcomes of the trial and providing a copy of that report to the VCGLR.²⁴⁰
266. In response to question 88(b), the VCGLR has not conducted a comparison of Crown's approach to preventing excluded persons entering the casino to best operating practice in casinos of a similar size and nature to the casino operated by Crown Melbourne. This may be the subject of the VCGLR's Seventh Review.
267. In response to question 88(c), yes, there was room for improvement by way of expanding Crown's facial recognition technology. This is why the VCGLR made Recommendation 12 in the Sixth Review, which was that by 1 July 2019, Crown Melbourne expand facial recognition technology to cameras on all entrances to the casino and that Crown Melbourne provide written updates on a quarterly basis on its effectiveness to the VCGLR.
268. Regarding Crown's expansion of its facial recognition technology, the VCGLR refers to its responses to questions 110, 111, and 112.

Question 89

- 89 *Page 109 of the Sixth Review sets out Crown Melbourne's requirements to consider a revocation application. Are the requirements appropriate and fit for purpose?*
269. The Sixth Review Report does not expressly state whether the revocation application requirements are appropriate or fit for purpose.
270. The VCGLR noted as follows in page 110 of the Sixth Review Report:

"Crown Melbourne requires a person to apply in writing for revocation of a voluntary exclusion order and this application, along with an accompanying medical report, is considered by the Self-Exclusion Revocation Committee.

The Self-Exclusion Revocation Committee meets monthly and comprises casino employees, including senior executives from various departments and staff from the responsible gaming department. The two considerations for revocation are whether there is written support of a relevant medical professional, and no incidences of breaches of the voluntary exclusion order in the preceding period.

Crown Melbourne's requirement for a medical report is a significant barrier for revocation. The VCGLR notes the large number of persons who make inquiries about revoking a voluntary exclusion order (between 456 and 868 per year during the Review Period), compared with the

²⁴⁰ Page 114 Sixth Review Report.

lesser number of persons who made a revocation application (between 55 and 126 people per year during the Review Period).

Crown Melbourne’s policy on revoking voluntary exclusion orders is conservative and does not appear to have taken into consideration the possibility of other approaches, such as time-limited orders.”

271. In Recommendation 10 of the Sixth Review, the VCGLR recommended that, by 1 July 2019, Crown undertake a comprehensive review of its policy for the making and revocation of voluntary exclusion orders under section 72(2A) of the *Casino Control Act*. The comprehensive review was to be undertaken in conjunction with the VCGLR, VRGF and other relevant external stakeholders. The review was to be undertaken with a view to implementing policies that facilitate:
- a. Crown issuing short term exclusion orders for three, six, 12, or 24 months under section 72 of the *Casino Control Act*, considering the specific circumstances of the person and their preferred time period for exclusion, and conditional on the person undertaking to comply with the order and with other matters (such as obtaining treatment), and
 - b. Crown reviewing voluntary exclusion orders which are more than 10 years old to consider whether the continued operation of these orders serves a useful purpose, with a view to retaining only those orders that are beneficial to the persons who are subject to them, and can be adequately enforced. The VCGLR further recommended that the review of such orders occurs in an orderly manner between 1 July 2019 and 30 June 2020.
272. Considering the available literature, external advice, and consultation via the tripartite discussion (see paragraph 259), Crown proposed the following amendments to its revocation processes:²⁴¹
- a. a revised revocation process in relation to self-exclusion orders under section 72 of the *Casino Control Act*. Under Crown’s revised approach, patrons will be able to enter into a longer self exclusion period (periods equal to and in excess of at least seven years) with an option for an automatic expiry, to remove the need for the detailed revocation process to be undertaken. However, patrons who choose this option will also be made aware that following the automatic revocation, the patron’s carded play will be monitored and assessed on an ad hoc basis where appropriate, if the patron re-signs as a loyalty club member;
 - b. retain the existing revocation requirements which include a patron obtaining support from a medical professional or counsellor for self exclusion orders less than seven years under section 72 of the *Casino Control Act*;
 - c. adjust the conditions around revocation and expiry:
 - i. *“As part of the revocation process, patrons will be required to agree to a Responsible Gaming Advisor observing, interviewing and / or tracking loyalty card play at ad hoc post revocation visits, for at least a further 12 months; and*
 - ii. *Persons who are permitted to return from either a self exclusion, or a Time Out Program, will be randomly selected and periodically monitored, as far as any*

²⁴¹ VCG.0001.0001.0011, page 5.

observable signs and data can allow. This will be communicated to the customer to assist them with maintaining control of their gambling behaviours.”

273. Taking into account Crown Melbourne’s initial submission, the additional information provided and discussions in the tripartite meetings, VCGLR’s Licensing Division was of the view that Crown has:²⁴²
- a. addressed the issue of a defined period of self exclusion, by proposing to no longer only offer an indefinite period of exclusion to patrons, and allowing patrons to set their preferred period of self exclusion which may be 12 months, 24 months, or for a longer but defined period;
 - b. revised its revocation processes in relation to self exclusion orders under section 72 of the *Casino Control Act*;
 - c. proposed the introduction of an automatic revocation period for ‘longer term exclusion orders’, if requested by patrons at the point of application, which also provides for ongoing monitoring of player activity post the revocation date;
 - d. provided a sound case for continuing to offer three and six month TOPAs as part of its responsible gambling measures.
274. We presume that this question relates to voluntary exclusion orders. Section 75 of the *Casino Control Act* provides that an exclusion order is in force in respect of a person unless and until it is revoked by the person who gave the order. The Act provides no further guidance as to what factors should (or should not be) taken into account by a casino operator in considering a request by a person to revoke an exclusion order (or indeed, even an application process or similar).
275. The Commission does not have a view on whether the requirements are appropriate and fit for purpose, noting that the legislation effectively tasks Crown with this responsibility. However, some observations are:
- a. Crown does have a self-exclusion revocation committee considering such applications;
 - b. Crown’s requirement that applicants furnish a medical report is a significant barrier for revocation
 - c. Generally, a tension exists for Crown when setting an appropriate revocation policy or process, being:
 - i. On one hand, the process regarding revocation self-exclusion should be robust and require Crown to be satisfied the person does not pose a risk of gambling harm before an exclusion order is revoked; and
 - ii. on the other hand, high barriers to revocation may act as a disincentive for a person suffering gambling harm to exclude themselves from the casino (being a voluntary process) in the first place.
276. This may be a topic about which the Royal Commission wishes to seek views or input from the VRGF.

²⁴² VCG.0001.0001.0011, pages 5-6.

Question 90

- 90 *Table 9 on page 110 of the Sixth Review contains data about revocation activities. In the table, what is meant by the phrases “Revocation information”, “Request for Revocation”, “Revocation application”, Revocation approved”, Revocation cancelled”, “Revocation declined” and “Revocation follow up”.*
277. The meaning of these terms is in Appendix 5 of the Sixth Review Report, and are defined as follows:
- a. *“Revocation information”* means all contacts regarding Revocation not including the request, application, approved, pending, denied, cancelled, follow up and paperwork received.
 - b. *“Request for Revocation”* means an official request to revoke Self Exclusions has been received.
 - c. *“Revocation application”* means revocation application form has been forwarded to the applicant.
 - d. *“Revocation approved”* means revocation application approved by the Responsible Gaming Revocation Committee.
 - e. *“Revocation cancelled”* means cancellation of revocation of Self Exclusions application due to 12 months no contact.
 - f. *“Revocation declined”* means revocation application declined by the Responsible Gaming Revocation Committee.
 - g. *“Revocation follow up”* means a follow up call made after 3 months of revoking Self Exclusion.

Questions 91 and 92

- 91 *Page 110 of the Sixth Review states:*

Crown Melbourne’s policy on revoking voluntary exclusion orders is conservative and does not appear to have taken into consideration the possibility of other approaches, such as time-limited orders.

- 92 *How did Crown Melbourne respond to this observation? What has Crown Melbourne done in relation to this observation since the Sixth Review? Has there been communications between the VCGLR and Crown Melbourne after the Sixth Review in relation to this observation? If yes, were the communications oral, or in writing? What was Crown Melbourne’s position? Who were the natural people from the VCGLR and Crown Melbourne involved in any communications regarding that observation?*
278. Recommendation 10 recommends that, “by 1 July 2019, Crown Melbourne undertake a comprehensive review of its policy for the making and revocation of voluntary exclusion orders under section 72(2A) of the Casino Control Act”.
279. Relevantly, Recommendation 10 recommends that “[t]he review should be undertaken with a view to implementing policies that facilitate ... Crown Melbourne issuing short term exclusion orders for three, six, 12 or 24 months under section 72 of the Casino Control Act, considering

the specific circumstances of the person and their preferred time period for exclusion, and conditional on the person undertaking to comply with the order and with other matters (such as obtaining treatment)...”.

280. In relation to Recommendation 10 (and also Recommendation 11, which is referred to by the VCGLR in response to questions 95 and 96 below), the Sixth Review required engagement by Crown with the VCGLR and the VRGF. As a result, these recommendations were the subject of communications and various tripartite meetings between Crown, the VCGLR and the VRGF. The individuals from the VRGF who were involved in these communications were primarily:
- a. Tony Phillips – Strategic Industry Engagement Coordinator;
 - b. Brett Hetherington – Senior Industry Engagement Coordinator; and
 - c. Lindsay Shaw – Project Officer, Knowledge and Information.
281. As noted above at paragraph 255, during the Sixth Review, it was noted that Crown had implemented shorter periods of exclusion by implementing short term TOPAs that are offered when a voluntary exclusion order under the *Casino Control Act* is declined by the patron who wishes to be excluded from the casino.²⁴³ Under this arrangement, the patron undertakes not to enter the casino gaming floor for a fixed period of three months. At the end of the three-month period, the patron is free to re-enter the casino without a revocation process.
282. Crown’s full submissions in respect of Recommendation 10 are available at VCG.0001.0001.0009. In summary, Crown submitted the following:
- a. There is no industry or research consensus on optimal self-exclusion order length, and self-exclusion order lengths put in place in other jurisdictions and venues.
 - b. Crown has for a period of time offered a three month Time Out Program as an option for shorter term breaks from gaming. This option is put to the customer where they have indicated that a shorter time period is preferred for their circumstances, and/or where the formalities associated with a self-exclusion order (for example, legal documentation, fines and prosecutions) are a deterrent to taking any type of break. Crown is of the view that the Time Out Program has been and will continue to be a positive option for customers experiencing problems with their gambling behaviours, particularly in circumstances where customers are reluctant to self-exclude at all, or for an extended period. Further, the Time Out Program is seen as a positive option for customers in taking an incremental step toward addressing any problem gaming behaviours and towards self-exclusion if appropriate.
 - c. The relatively recent introduction of facial recognition technology has strengthened the gaming floor perimeter detection, which is of paramount importance in acting as a deterrent for self-excluded and Time Out customers from breaching.
283. Crown submitted that it would make the following changes:²⁴⁴
- a. Taking into account Recommendation 10, relevant information from Crown’s review and independent expert advices, Crown has determined to adjust its position so that there will no longer be an ‘indefinite’ self-exclusion. As an alternative, customers will be able to elect

²⁴³ VCG.0001.0001.0011, paragraph 10.

²⁴⁴ VCG.0001.0001.0009, pages 3-4.

a period to self-exclude (with a minimum period of 12 months). To return to gaming, self-excluded customers will still be required to undertake Crown's revocation process. In this respect, customers will, for example, also be offered an option to select a longer term self-exclusion period, for example a two or three year period, which will preclude a customer from applying to have their self-exclusion revoked during that time.

- b. Customers will now be able to choose to enter into a longer term self-exclusion agreement with automatic expiry (for example, after seven years) to remove the need for the revocation process to be undertaken. It will also be made clear to those customers who elect an automatic expiry after seven years that their carded play will be monitored and assessed on an ad hoc basis where appropriate.
 - c. Crown's Time Out Program will be revised to offer customers shorter term periods to exclude themselves via agreement, being a 6 month term in addition to a 3 month term, with an option to only renew the period one time, after which self-exclusion will be the option available to the customer. It should be noted however that each request to extend a Time Out Program will be dealt with on a case by case basis in order for the Responsible Gaming team to assess each applicant to determine whether an extension is appropriate in the circumstances. Time Out Programs will only be offered to customers who are reluctant to enter into a 12 month self-exclusion agreement. As a deterrent for customers to breach their Time Out commitment, customers will be advised that any breach may result in an exclusion order being made.
 - d. Crown's revised Time Out Program will be implemented on a trial basis for 12 months and evaluated thereafter. Customers will be informed at the time of self-excluding or entering into a TOPA that Crown has facial recognition technology and that there is a strong probability that if they try and re-enter the Casino, they will be detected.
 - e. As part of the revocation process, patrons will be required to agree to a Responsible Gaming Advisor observing, interviewing and/or tracking loyalty card play at ad hoc post revocation visits, for at least a further twelve months.
 - f. Additionally, persons who are permitted to return from either a self-exclusion, or a Time Out Program, will be randomly selected and periodically monitored, as far as any observable signs and data can allow. This will be communicated to the customer to assist them with maintaining control of their gambling behaviours.
 - g. Crown would undertake the relevant steps, such as updating the applicable responsible gaming policies, brochures and related collateral and training of relevant staff, in order for the adjusted processes to commence in practise.
284. Crown's submission in relation to Recommendation 10, by agreement, was provided to the VRGF for consideration. Notwithstanding their overall satisfaction with Crown's submission, the VRGF raised further issues which were addressed by Crown. VCG.0001.0001.0010 is a summary of the matters raised by the VRGF's issues and Crown's further response dated 26 September 2019.
285. Taking into account Crown's initial submission, the additional information provided and discussions in the tripartite meetings, the VCGLR formed the view that Crown had undertaken a comprehensive review of its policy for the making and revocation of voluntary exclusion orders under section 72(2A) of the *Casino Control Act* and made adequate amendments to its

existing policies and processes to implement defined term exclusion orders.²⁴⁵ Accordingly, the VCGLR determined that Crown had implemented Recommendation 10.

286. In addition to determining that Crown had implemented Recommendation 10, the Commission directed Crown to provide data from its 12-month evaluation trial of three and six-month TOPAs, to determine whether it is necessary for TOPAs to transition to a formalised exclusion order under section 72(2A) of the *Casino Control Act*. The first tranche of six-month data (1 July 2019 to 31 December 2019) from the TOPA trial was received on 24 February 2020. The second tranche of data (1 January 2020 to 30 June 2020) was received on 31 August 2020. At its meeting on 28 January 2021, the Commission determined that TOPAs do not need to transition to a formalised exclusion order under section 72(2A) of the *Casino Control Act*, and directs Crown in accordance with section 26 of the *Casino Control Act* to provide the VCGLR with ongoing visibility of three and six-month TOPAs for monitoring, until such time that the Director Licensing concludes that the data is no longer required.

Question 93

93 *Page 110 of the Sixth Review refers to “Crown Melbourne records”. Which records are being referred to?*

287. “Crown Melbourne records” are documents provided by Crown to VCGLR as part of the purpose of the Sixth Review. In respect of this question 93, those records include:

- a. Crown Melbourne’s Minutes of VIP Discussion Meeting dated 15 September (year not specified in the minutes),²⁴⁶ which stated:

“Received a call from Maple Room TG AM Persq advising that Per would like to apply for SE. RGLO attended and talked to Per. Boundaries, conditions and obligations of SE explained. Per would like to rethink about SE because of its indefinite nature. RGLO also advised RG strategies. Per said he would follow the strategies and see if he could control himself in gambling ...” (emphasis added);

- b. Crown Melbourne’s Minutes of VIP Discussion Meeting dated 4 January 2016,²⁴⁷ which stated:

“Personal Information and Personal Information visited RGSC together and enquired about SE order. Conditions, boundaries and obligations of SE explained. Both Persq and Person decided not to proceed with SE because of its indefinite nature. RG strategies introduced. Advised both to seek counselling with GH. RGSC business card issued to both parties” (emphasis added);

- c. Crown Melbourne’s Minutes of VIP Discussion Meeting dated 3 January 2017,²⁴⁸ which stated:

“Patron came to RGSC to self-exclude but was concerned about the indefinite nature”.

²⁴⁵ VCG.0001.0001.0011, pages 5-6.

²⁴⁶ VCG.0001.0001.2379, page 26.

²⁴⁷ VCG.0001.0001.2379, page 32.

²⁴⁸ VCG.0001.0001.2379, page 40.

Question 94

94 *What steps have been taken by Crown Melbourne since the Sixth Review to implement shorter voluntary exclusion periods (Sixth Review, pages 110 to 111).*

288. Please refer to the VCGLR's response to Questions 91 and 92 above.

Questions 95 and 96

95 *Page 112 of the Sixth Review states:*

The VCGLR considers that Crown could make involuntary exclusion orders rather than imposing welfare withdrawals of license, which would allow regulatory oversight and provide the patrons with the opportunity to appeal if they so chose.

96 *Has the suggestion been implemented by Crown Melbourne since the Sixth Review? Has the suggestion been the subject of any communications between the VCGLR and Crown Melbourne since the Sixth Review? If yes, what communications? Who were the natural people from the VCGLR and Crown Melbourne involved in any communications regarding that suggestion?*

289. Recommendation 11 recommends that, "by 1 July 2019, Crown Melbourne develop and implement a policy and procedure to facilitate Crown Melbourne issuing involuntary exclusion orders under section 72(1) of the Casino Control Act at the request of family members and friends in appropriate cases". Relevantly, Recommendation 11 recommends that "Crown Melbourne should include information about this option in all its responsible gambling publications, website and regularly provide information to relevant stakeholders, such as Gambler's Help and other similar organisations, about this option".

290. In response to Recommendation 11, Crown, the VCGLR and VRGF, have held six tripartite meetings to develop Crown's policy and procedure to facilitate the issuing of third party exclusion (TPE) orders under section 72 of the Casino Control Act. The individuals at the VRGF who were primarily involved in respect of Recommendation 11 are listed at paragraph 280 above. As part of the tripartite consultation process, a teleconference was held on 15 February 2019 with the South Australian gambling regulator, Consumer and Business Services, a psychologist and the Host Responsibility Manager from SkyCity, to consider the South Australian experience when implementing a TPE policy. This discussion provided useful insight into the lessons learned from the South Australian experience, and assisted Crown's implementation in addressing Recommendation 11.²⁴⁹

291. Crown's initial proposal to meet the requirements of Recommendation 11 was to apply Crown Perth's TPE policy and procedure to Crown Melbourne, with minimal amendment. The first draft, received by the VCGLR on 1 April 2019 appeared to be a reprint of the relevant Crown Perth documents.²⁵⁰

292. In response to this initial submission, the VCGLR and VRGF advised Crown to redraft these policies and procedures as Crown Perth's TPE policy and procedure was unlikely to meet the Commission's expectations, due to several shortcomings, including that:

²⁴⁹ VCG.0001.0001.0016, paragraphs 9–10.

²⁵⁰ VCG.0001.0001.0013. For a summary of the VCGLR and VRGF concerns, see VCG.0001.0001.0016, paragraph 15.

- a. the policy and procedure did not go far enough in detailing key processes required to inform end-to-end processes, in particular the decision-making processes of the TPE Committee referenced in the policy, and communication of the outcomes of the process
 - b. the TPE process appeared so legalistic that it could potentially be a disincentive for any third-party applicant
 - c. the TPE Committee’s criteria for assessing TPEs and making a recommendation were unclear
 - d. the TPE policy and procedure, as an internally facing document, required greater clarity as to the TPE process for staff, including observable signs, review and analysis of data, extra surveillance, and Responsible Gaming Advisor input. It was initially unclear whether the draft presented was intended to be an internally or externally facing document. Crown later clarified that it was intended to be an internal document.
293. Crown’s redrafted TPE documents, were provided on 20 May 2019. However, a further assessment of these documents still did not meet the VCGLR and VRGF’s expectations.²⁵¹
294. In response Crown made further amendments to its draft TPE policy to reflect the issues raised above, for example it amended its application form to include an “*unsure*” option.
295. On 28 June 2019, the VCGLR received Crown’s final submission which was also provided to the VRGF for consideration.²⁵² The VRGF raised minor issues which were subsequently addressed by Crown. VCG.0001.0001.0015 is VCGLR’s summary of the VRGF’s issues and Crown’s response dated 26 September 2019.
296. Crown advised in its submission that it is “in the process of taking the necessary steps to implement this new [TPE] process. Including developing and amending the relevant and related documents and training our staff”.²⁵³
297. Additionally, Crown confirmed in its final response to the VRGF’s queries that:
- a. A “*Third Party Exclusion Program brochure and application form is available on Crown’s website and makes clear that the process can be accessed without the need to come on-site: <https://www.crownmelbourne.com.au/casinaresponsible-gaminareponsible-gamingcentre/third-party-exclusion>”.*
 - b. The TPE form would make provision for the third party to nominate how they wish to be contacted.
 - c. Crown would be able to notify applicants of the receipt of a TPE application and/or the completion of the TPE process by email or alternative address.
298. The VCGLR noted that Crown subsequently verbally advised VCGLR staff that the TPE policy and procedure “*has been implemented*”, however, ongoing implementation could not be adequately assessed as at late 2019.²⁵⁴

²⁵¹ VCG.0001.0001.0016, page 3. See also VCG.0001.0001.0014.

²⁵² VCG.0001.0001.0012.

²⁵³ VCG.0001.0001.0012, page 2.

²⁵⁴ VCG.0001.0001.0016.

299. Notwithstanding the need for follow-up to ensure ongoing implementation, the VCGLR was, from the information provided by Crown and the communications regarding the TPE policy up to late 2019, satisfied that Crown had met the implementation requirement of Recommendation 11.

Question 97

- 97 *Page 112 of the Sixth Review refers to the Time Out trial. Has the Time Out program been implemented by Crown Melbourne since the Sixth Review? What was the outcome of the full evaluation of the program (Sixth Review, page 112)?*
300. Please refer to the VCGLR's response to Questions 91 and 92 above.

Question 98

- 98 *Page 112 of the Sixth Review says the Time Out form includes a complex legal indemnity which may be intimidating to some applicants. On the assumption that the Time Out program remains in operation, what steps (if any) has Crown Melbourne taken since the Sixth Review to address that concern?*
301. The VCGLR does not know what steps have been taken by Crown Melbourne since the Sixth Review to address the concern.
302. The Time Out program remains in operation. As at September 2019, the legal indemnity in Crown's TOPA was as follows:²⁵⁵

"I agree to release and indemnify Crown Casino, its employees, agents and contractors from any liability, including any losses associated with any gambling I undertake, which may arise in connection with any breach by me of this Agreement signed with Crown Casino where I undertake not to enter the Casino Gaming Floor."

Questions 99 and 100

- 99 *Page 112 of the Sixth Review states:*

the VCGLR considers that this Time Out initiative should be included as part of the statutory exclusion order scheme rather than a private agreement between the person and Crown Melbourne, which includes an indemnity and release clause in favour of Crown Melbourne. The statutory scheme does not impose a release or indemnity in favour of the casino operator, but provides other protections such as the restriction of advertising to excluded persons, right of appeal, and the obligation on the casino operator to notify the VCGLR of any attendance to cause the removal of the person from the casino.

The implementation of Time Out, along with voluntary exclusion orders and the use of a welfare withdrawal of licence, leads to a patchwork of options which can lead to confusion for patrons, inconsistencies in approach by Crown Melbourne and a lack of clear information to the regulator, especially regarding the welfare withdrawal of licence and Time Out options.

- 100 *What has happened in relation to these observations since the Sixth Review? Have there been any communications between the VCGLR and Crown Melbourne after the Sixth Review? If yes,*

²⁵⁵ VCG.0001.0001.0008.

what communications? Who were the natural people from the VCGLR and Crown Melbourne involved in any communications regarding those observations?

303. At its meeting on 24 October 2019, the VCGLR considered a paper on Crown’s submission in relation to Recommendation 10 and its comprehensive review of its policy regarding orders made pursuant to section self-exclusion orders.²⁵⁶
304. Among other things, in its submission Crown noted that alongside its comprehensive review of its policy regarding section 72(2A) self-exclusion orders, it intended to continue a 12-month evaluation trial of three-month TOPAs, and introduce a six-month TOPA, as an alternative to section 72(2A) self-exclusion orders. In relation to Recommendation 10, Crown introduced a minimum period of self-exclusion of 12 months in accordance with section 72(2A) of the *Casino Control Act* as the result of independent expert advice which provide “...*evidence derived from self-exclusion reports and retrospective interviews of gamblers and self-excluded individuals, respectively, suggest that a twelve month ban is a reasonable balance between allowing sufficient time for a change to occur and missing barriers to entry...Crown’s position that a 12 month minimum ban should be the standard duration for self-exclusion is reasonable and supported until such time that evidence accrues to suggest otherwise*’.²⁵⁷
305. At its meeting on 24 October 2019, the Commission agreed that:²⁵⁸
- a. Crown had implemented Recommendation 10 of the Review, and
 - b. directed Crown to provide the data from its 12-month evaluation trial of three and six-month TOPAs to determine whether it is necessary for TOPAs to transition to section 72(2A) self-exclusion orders.
306. On 15 January 2020, VCGLR’s Licensing Division requested Crown to provide specific data from its 12-month evaluation trial of three and six-month TOPAs which commenced on 1 July 2019.²⁵⁹ In response to the request for TOPA trial data, Crown provided:²⁶⁰
- a. on 24 February 2020, trial data relating to the period from 1 July 2019 to 31 December;
 - b. on 31 August 2020, trial data relating to the period from 1 January 2020 to 30 June 2020.
307. As a result of the evaluation of TOPA data, VCGLR’s Licensing Division did not consider it necessary for TOPAs to transition to section 72(2A) self-exclusion orders because:²⁶¹
- a. the low take-up or acceptance rate of TOPAs is consistent with Crown’s stated intention to only offer TOPAs when patrons refuse a section 72(2A) self-exclusion order;
 - b. offering TOPAs does not appear to be circumventing the use of section 72(2A) self-exclusion orders;

²⁵⁶ VCG.0001.0001.0026; VCG.0001.0002.3143.

²⁵⁷ VCG.0001.0001.0026, page 1 (fn 1).

²⁵⁸ VCG.0001.0001.0026.

²⁵⁹ VCG.0001.0001.0026.

²⁶⁰ VCG.0001.0001.0026 and Attachment 5 (VCG.0001.0001.0024).

²⁶¹ VCG.0001.0001.0026.

- c. removal of TOPAs or seeking that TOPAs transition to a section 72(2A) self-exclusion order may result in patrons deciding not to take a break and, instead, return to gambling; and
- d. in its current form, a TOPA provides an additional avenue for Crown to foster responsible gambling in the casino and ensure assistance is provided to patrons who experience problems with their gambling.

308. VCGLR's Licensing Division provided a summary of the TOPA trial results (along with data previously supplied by Crown on TOPAs from before the commencement of the trial) to the VRGF seeking their feedback. The VRGF provided its feedback on 20 November 2020 and, in summary, noted that:²⁶²

- a. permanent ongoing monitoring of the TOPA program, via reporting to the VCGLR should continue, and the monitoring should contain more information than in the current trial.

The Licensing Division supported this request for additional information to assist the ongoing monitoring of the effectiveness of TOPAs.

- b. TOPAs should continue to be offered but only on a provisional basis, while monitoring takes place for at least one more year. This reflects the VRGF's view that there is not enough information to enable an accurate assessment as to the effectiveness of TOPAs, or the validity of the proposition that transitioning TOPAs to self-exclusion, will have a negative effect on its usefulness as a harm prevention measure.

The Licensing Division supported the VRGF's view that monitoring of TOPAs should continue via an ongoing reporting obligation rather than a further one-year extension of the trial.

- c. since a TOPA is a signal of possible problem gambling, Crown should be monitoring more closely patrons who have been on a TOPA, and demonstrating to the regulator that they are doing this and what actions they are taking in relation to patrons who are exhibiting risky behaviour upon their return.
- d. the VCGLR should be provided with a full run-down of the processes by which TOPAs are offered (including promoted) and what actions Crown take when it expires.
 - i the TOPA breach rate needs further investigation to ascertain whether patrons fully understand their obligations under TOPA, and
 - ii lower obligations create a propensity to breach, and thus lessen the effectiveness of TOPAs.

309. In relation to points (c) to (e) above, the Licensing Division proposed to continue engaging with the VRGF and Crown as part of its ongoing monitoring of TOPA data, to address these areas of concern.²⁶³

310. While the VRGF is non-committal on the effectiveness of TOPAs, it did not express any desire for them to cease or transition to a formal section 72(2A) self-exclusion order. This supports

²⁶² VCG.0001.0001.0026.

²⁶³ VCG.0001.0001.0026.

the Licensing Division's view that such TOPA arrangements at Crown be permitted to continue, subject to ongoing monitoring of data provided by Crown to assist with the Licensing Division's ongoing assessment of the suitability of TOPAs to ensure that TOPAs are not inappropriately circumventing the use of section 72(2A) self-exclusion orders, and to enable a better assessment of the effectiveness of TOPAs and Crown's follow up activities.²⁶⁴

311. VCGLR's Licensing Division recommends that Crown should be directed to provide the VCGLR with ongoing visibility of three and six-month TOPAs for monitoring, until such time that the Director Licensing concludes that the data is no longer required.²⁶⁵
312. On 15 April 2021,²⁶⁶ the VCGLR wrote to Crown directing that in accordance with section 26 of the *Casino Control Act* it provide the VCGLR with data to assist with ongoing monitoring of three and six-month TOPAs. The VCGLR requested quantitative data, and qualitative data and information, to be provided in six-month tranches, commencing with the first tranche by 31 January 2022 (representing 1 July 2021 to 31 December 2021).

Question 101

- 101 *Page 113 of the Sixth Review states that there is "substantial experience in South Australia with third party-instigated exclusions and related interventions". Please explain VCGLR's understanding of that that experience.*
313. The observation regarding third party-instigated exclusions and related interventions in South Australia arose either exclusively or in part from the VCGLR's review of research publications and literature relating to exclusions and related interventions in South Australia. For example, the Final Report for the Independent Gambling Authority of South Australia dated March 2010 and titled *Assisting Problem Gamblers in South Australian Gambling Venues* by Professor Nerilee Hing, Sharen Nisbet and Dr Elaine Nuske of the Centre for Gambling Education & Research.²⁶⁷

Questions 102 and 103

- 102 *Page 113 of the Sixth Review says:*

The casino operator has the option to issue an exclusion order to a person in Victoria under section 72 of the Casino Control Act, if family and friends provide reliable information regarding the risks of gambling activities associated with a person, such as financial or health issues. Offering third party exclusion orders would be a positive show of support to concerned family and friends. Crown's own records suggest that the volume of third party exclusion orders would likely be small in number and unlikely to place a burden on Crown Melbourne.

- 103 *What has happened in relation to these observations since the Sixth Review? Have there been any communications between the VCGLR and Crown Melbourne after the Sixth Review? If yes, what communications? Who were the natural people from the VCGLR and Crown Melbourne involved in any communications regarding those observations?*

²⁶⁴ VCG.0001.0001.0026.

²⁶⁵ VCG.0001.0001.0026.

²⁶⁶ VCG.0001.0003.1973.

²⁶⁷ VCG.0001.0001.2322.

314. In the Sixth Review, the VCGLR made Recommendation 11 in respect of the issuing of exclusion orders to persons in Victoria under section 72 of the Casino Control Act:

“The VCGLR recommends that, by 1 July 2019, Crown Melbourne develop and implement a policy and procedure to facilitate Crown Melbourne issuing involuntary exclusion orders under section 72(1) of the Casino Control Act at the request of family members and friends in appropriate cases. The policy and procedure should be developed in conjunction with the VCGLR, VRGF and other external stakeholders. Crown Melbourne should include information about this option in all its responsible gambling publications, website and regularly provide information to relevant stakeholders, such as Gambler’s Help and other similar organisations, about this option.”

315. Recommendation 11 was related to the observation extracted from the Sixth Review in Question 102.

316. Since the Sixth Review, the VCGLR has had the following communications with Crown Melbourne regarding Recommendation 11:

- a. Six tripartite meetings were held between Crown, the VCGLR, and the VRGF to develop Crown’s policy and procedure to facilitate the issuing of TPE orders under section 72 of the Casino Control Act.²⁶⁸ The meetings were held on:
 - i. 29 November 2018, and attended by Jason Cremona (VCGLR, Manager, LMA), Steve Thurston (VCGLR, Licence Manager, LMA), Rowan Harris (VCGLR, Principal Major Licence Officer, LMA), Michelle Fielding (Crown, Group General Manager, Regulatory and Compliance), and Sonja Bauer (Crown, Group General Manager, Responsible Gaming);²⁶⁹
 - ii. 18 December 2018, and attended by Jason Cremona, Steve Thurston, Rowan Harris, Michelle Fielding, and Sonja Bauer;²⁷⁰
 - iii. 15 February 2019, and attended by Jason Cremona, Steve Thurston, Rowan Harris, Michelle Fielding, Sonja Bauer, and Kate Earl (Crown, Group General Manager, Responsible Gaming);²⁷¹
 - iv. 17 April 2019, and attended by Jason Cremona, Steve Thurston, Rowan Harris, Michelle Fielding, Sonja Bauer, and Kate Earl;²⁷²
 - v. 4 June 2019, and attended by Jason Cremona, Steve Thurston, Rowan Harris, Michelle Fielding, Sonja Bauer, and Kate Earl;²⁷³ and
 - vi. 14 June 2019 and attended by Jason Cremona, Steve Thurston, Rowan Harris, Michelle Fielding, Sonja Bauer, and Kate Earl.²⁷⁴

²⁶⁸ VCG.0001.0001.0012, pdf page 2, VCG.0001.0001.0016, internal page 2.

²⁶⁹ VCG.0001.0003.2311.

²⁷⁰ VCG.0001.0003.2261.

²⁷¹ VCG.0001.0003.2229.

²⁷² VCG.0001.0003.2183.

²⁷³ VCG.0001.0002.3165.

²⁷⁴ VCG.0001.0002.3053.

- b. On 1 April 2019, Crown (Sonja Bauer) provided the VCGLR (Rowan Harris, Jason Cremona, Steve Thurston) and the VRGF (Tony Phillips, Brett Hetherington, Lindsay Shaw) with Crown’s draft TPE documentation for discussion at the next tripartite meeting.²⁷⁵ Crown’s approach to the documentation was to apply Crown Perth’s TPE policy and procedure with minimal amendment.²⁷⁶ The draft documents provided to the VCGLR were:
- i Crown ‘Responsible Gaming Department Policy and Procedures’ document for issuing TPEs, as adapted from the policy and procedures applied at Crown Perth;
 - ii ‘Third Party Exclusion Application form for Patron Exclusion’; and
 - iii response letter to be provided to the applicants for the TPE.
- c. In response to Crown’s initial submission, the VCGLR and VRGF advised Crown at the 17 April 2019 tripartite meeting (see paragraph 316.a.iv above) to redraft its TPE policy and procedure. Crown provided its re-drafted TPE policy and procedure on 20 May 2019, which was discussed at the 4 June 2019 tripartite meeting (see paragraph 316.a.v above).²⁷⁷ At that meeting, Crown, the VCGLR, and the VRGF completed a ‘turn page’ review of the TPE documents, and amendments to the TPE documents were agreed and noted.
- d. On 28 June 2019, the VCGLR (Catherine Myers) received Crown’s written submission in relation to Recommendation 11 from Barry Felstead. The submission was copied to Rowan Harris of the VCGLR.²⁷⁸
- e. On 16 September 2019, the VCGLR (Rowan Harris) sent an email to Crown (Michelle Fielding) requesting further information regarding Crown’s submission for Recommendation 11. The email stated:

“Further to the last tripartite meeting on 16 June 2019:

1/ Please confirm that the Third Party Exclusion (TPE) brochure and application form is available on Crown’s website to enable prospective applicants to access the TPE application process without physically attending the casino. (ie. making clear to the TPE applicant that required contact does not require visiting the casino).

2/ TPE application form. It would appear there is no provision on the TPE form for the third party to nominate how they wish to be contacted (i.e. email, hard mail or other). Please address.

3/ The two Crown notification letters (receipt of application, notification of completion of process) are designed to be sent by post. If the applicant wishes to be notified by email (or alternative address) for safety reasons, there is no method to advise Crown of this. Please address.”

²⁷⁵ VCG.0001.0003.0272, VCG.0001.0003.0273, VCG.0001.0003.0274, VCG.0001.0003.0275.

²⁷⁶ VCG.0001.0001.0016, internal page 2, VCG.0001.0001.0013.

²⁷⁷ VCG.0001.0001.0014.

²⁷⁸ VCG.0001.0001.0012.

- f. On 26 September 2019, Crown (Michelle Fielding) wrote to the VCGLR (Rowan Harris) responding to the VCGLR's requests for further information dated 16 September 2019.²⁷⁹
- g. At its 24 October 2019 meeting, the Commission determined that Crown had implemented Recommendation 11.²⁸⁰ The minutes of that meeting stated:

“Members considered a paper and attachments regarding the progress of the implementation of Recommendation 11 of the Review by Crown.

The Director Licensing informed members that Crown initiated and have been decisive in implementing involuntary exclusion orders at the request of family members and friends at the Melbourne Casino under Recommendation 11, and that the VRGF have contributed to the process which has satisfied the requirements of the Review.

Members agreed that Crown has implemented Recommendation 11 of the Review as a result of developing and implementing a policy and procedure in conjunction with the VCGLR, the VRGF and external advice to facilitate issuing involuntary exclusion orders under section 72(1) of the CCA at the request of family members and friends in appropriate cases.”

317. Crown currently has a page on its website about TPEs, which can be viewed here: <https://www.crownmelbourne.com.au/casino/responsible-gaming/responsible-gaming-centre/third-party-exclusion>.

Question 104

- 104 Page 113 of the Sixth Review states that “Crown Melbourne executives have indicated recently that they are considering issuing third party exclusion orders”. Which executives gave those indications and when?

318. Professor John Stephen Horvath (Director of Crown Resorts) and Joshua Preston (Chief Legal Officer, Australian Resorts) gave those indications during an interview with the VCGLR for the Sixth Review on 10 April 2018. The full transcript of the interview has been produced to the Royal Commission, however, it is noted that, among other things, Professor Horvath and Mr Preston stated as follows during the interview:²⁸¹

“MS HOLMES: One more. In Perth family members can contact and you can issue an exclusion order at the request of family members, as I understand it. That’s the Perth, that’s one of the options in Perth.

MR PRESTON: It’s a little bit more detailed than that.

MS HOLMES: I assume they have to produce evidence as so forth but I’m just wondering, it is an option and it may have process - I haven’t looked at the Perth casino, there’s plenty for Melbourne. But I just wondered did you have a view about whether that’s a possibility out of Melbourne?

²⁷⁹ VCG.0001.0001.0015.

²⁸⁰ VCG.0001.0001.0093

²⁸¹ VCG.0001.0001.1006, internal pages 62 to 64.

PROFESSOR HORVATH: It is under discussion. There are certain - different legal complexities but it is under discussion and we're looking at that. Whether this is another option.

MS HOLMES: Yeah, thank you.

PROFESSOR HORVATH: And it should even be minuted and if it is not get (indistinct) - - -

MR CHAPPELL: Yes.

PROFESSOR HORVATH: Because this has been discussed repeatedly at the - - -

MR CHAPPELL: And look it would be worth having a look at the legislation in South Australia when this stuff was looked at in 2013. Not a lot of demand for third party exclusion but some.

PROFESSOR HORVATH: Yeah.

MS HOLMES: I mean when we look at the information it's not huge numbers of family members ringing up but clearly they are very concerned persons and some of the people they're talking about are not well it would seem this is an option.

MR PRESTON: In Perth?

MS HOLMES: I was talking about Melbourne.

MR PRESTON: Melbourne, I was going to say off the top of my head in Perth from a statistical perspective (indistinct words) for a few years and it's 60, 70 - 80, 70, 60 or thereabouts inquiries. Applications lodged are most probably 10 to 15 in each of those years and then self-exclusions or barrings that are issued are (indistinct) 5 per cent of that. So that's ball park. And that's maybe not too surprising in terms of the normal inquiry type level. A lot of people make inquiries and they want to pursue it, some people do and then the information's tested, draws out any information we've got on the player if need be and then we can react as required.

PROFESSOR HORVATH: But it's certainly something that I'm quite interested in and we are having conversations about it."

Questions 105 and 106

105 *Page 114 of the Sixth Review sets out perimeter control measures implemented by Crown Melbourne in the Teak Room and Mahogany Room. In that context, the Sixth Review states:*

Although low in relation to overall visitation, the VCGLR is concerned that Crown Melbourne states that it does not have records reflecting whether the excluded persons were gambling when detected, particularly given the statutory obligation of the casino operator to forfeit any winnings of an excluded person to the Community Support Fund (see section 78B of the Casino Control Act).

106 *Have those observations been addressed by Crown Melbourne since the Sixth Review? Were those observations the subject of communications between the VCGLR and Crown Melbourne after the Sixth Review? If yes, what communications?*

319. This matter is presently not the subject of communications between the VCGLR and Crown, as it was not part of a recommendation in the Sixth Review. However, the VCGLR expects it will be the subject of future communications with Crown.

Question 107

- 107 *Has Crown Melbourne ever forfeited any winnings of an excluded person in accordance with section 78B of the Casino Control Act 1991 (Vic)? If yes, please provide details.*
320. Yes. The table below provides details of total forfeited winnings. These figures may not be limited to winnings of an excluded person forfeited in accordance with section 78B of the Casino Control Act, as the VCGLR understands that winnings are also forfeited in other instances such as forfeitures from minors.

Year	Amount
2007-2008	\$175,296.80
2008-2009	\$8,995.00
2009-2010	\$72,220.00
2010-2011	\$37,485.89
2011-2012	\$9,865.00
2012-2013	\$39,394.50
2013-2014	\$31,109.50
2014-2015	\$65,925.60
2015-2016	\$84,294.05
2016-2017	\$47,154.00
2017-2018	\$72,572.48
2018-2019	\$126,042.64
2019-2020	\$89,548.78
2020-2021	\$1,520.00 to 15/10/2020
TOTAL	\$861,424.24

Questions 108 and 109

- 108 *Page 114 of the Sixth Review says the following:*

It is of concern to the VCGLR that despite the introduction of identification procedures to the VIP gaming areas, excluded persons, including voluntarily excluded persons, are still entering these restricted gaming areas. Crown Melbourne advised that some excluded persons gained entry to the VIP rooms, despite the identity check procedures, because Crown Melbourne does not have photographs of all persons who are recorded in their electronic database system, and photographic identification is not a mandatory requirement for loyalty club members.

- 109 *Have these concerns been addressed by Crown Melbourne since the Sixth Review? Were those concerns the subject of communications between the VCGLR and Crown Melbourne after the Sixth Review? If yes, were the communications oral, or in writing? What was Crown Melbourne's position? Who were the natural people from the VCGLR and Crown Melbourne involved in any communications regarding those concerns?*
321. Crown has taken steps to address these concerns.

322. In a letter dated 20 February 2020 from Crown to the VCGLR, Crown summarised some of the measures it had implemented to prevent excluded patrons from entering the Mahogany Room.²⁸² This included the following actions:
- reinforced with employees that all entrants to Pit 85 on Level 29 must be registered and checked in SYCO;
 - reinforced with employees that all patrons entering the Mahogany Room, Level 29 and other private gaming salons must have their identity confirmed and that all entrants, whether playing patrons or visitors, must be registered on SYCO with each customer to swipe their card, which will be checked against SYCO; and
 - installed Neoface cameras near the entry into the lifts which go to Level 29 and on Level 29 near the exit from the lifts.
323. VCGLR has observed a reduction in the numbers of excluded persons gaining access to the VIP gaming areas.

Questions 110 and 111

- 110 *Page 115 of the Sixth Review explains that in order to detect excluded persons, Crown Melbourne’s preference was to require members to use the membership swipe system rather than install facial recognition. Page 115 of the Sixth Review records that Crown Melbourne has been trialling facial recognition since January 2013, that it was continuing to do so in 2017, but that Crown Melbourne did not provide recent data or detailed assessments of the overall progress of the trial to the VCGLR.*
- 111 *Please provide a detailed summary of...any requests from the VCGLR for such data and/or detailed assessments, and any responses from Crown Melbourne.*
324. In January 2017, Crown commenced a new trial of its Neoface FRT, with 3 cameras installed in the Teak Room at Crown. This trial was expanded in January 2018 – an additional 9 cameras were installed at the main gaming floor entrances (Western Entry, Food Court Entry, Lucky Chan, Mings Entry, Pit 10/11, Maple Room East, Maple Room West, and Monte Carlo entry).²⁸³
325. In a letter dated 16 March 2018 from Michelle Fielding (Crown) to Robert Chappell (VCGLR), with copy to Rowan Harris (VCGLR), and which was received by the VCGLR on 21 March 2018,²⁸⁴ Crown provided the VCGLR with the results of that trial. The outcome of the trial is extracted in **Annexure B**.
326. In the Sixth Review, the VCGLR made the following recommendation in respect of FRT (Recommendation 12):
- “The VCGLR recommends that, by 1 July 2019, Crown Melbourne expand facial recognition technology to cameras on all entrances to the casino and that Crown Melbourne provide written updates on a quarterly basis on its effectiveness to the VCGLR”.*

²⁸² VCG.0001.0002.3263.

²⁸³ VCG.0001.0001.2380, internal page 7.

²⁸⁴ VCG.0001.0001.2380, internal page 7.

327. On 29 May 2019, Michelle Fielding (on behalf of Barry Felstead) provided Crown’s written submission on Recommendation 12 to the VCGLR (Catherine Myers, with copy to Rowan Harris).²⁸⁵ Crown’s submission stated:

“Crown Melbourne Limited (Crown) confirms that it has now completed the installation of Facial Recognition Cameras at all public entrances to the casino. Please also note that in addition to the Recommendation, Crown has commenced installation of a number of Facial Recognition Cameras to external entrances to the Complex.

*Pursuant to Recommendation 12, Crown is also to commence providing quarterly written updates to the VCGLR on the effectiveness of Facial Recognition Technology. **In this respect Crown will provide its first update to the VCGLR for the quarter commencing 1 July 2019 in October 2019 and quarterly thereafter.***

Please let myself, or in my absence Joshua Preston, know if you would like to discuss this matter or if there is any further information that can be provided to assist”. (emphasis added).

328. On 24 June 2019, Rowan Harris sent an email to Michelle Fielding with copy to Jason Cremona and Steve Thurston (both of the VCGLR), stating:²⁸⁶

“As part of the review process, the VCGLR requests an inspection/audit of the FRT cameras on all entrances to the casino. The VCGLR would also like to gain an understanding of the number of cameras positioned at the external entrances to the Casino Complex. In addition, we (Jason, Steve and I) would like to visit Security and Surveillance to observe FRT after our VCGLR/Operations meeting next week. I propose the following times for the inspection/audit: Thursday 27 June (am) or (pm); or Friday (am).”

329. The inspection/audit of the FRT cameras took place on 3 July 2019.²⁸⁷ The attendees were Jason Cremona, Steve Thurston, Rowan Harris, Michelle Fielding, Craig Walsh (Crown, Executive Director, Security and Surveillance), and Nicola Hodgson (Crown, Director of Surveillance).

330. At its meeting on 25 July 2019, the Commission considered Recommendation 12. The minutes stated:²⁸⁸

“Members considered a paper²⁸⁹ and heard from the Director, Licensing, regarding progress of the Casino licensee in completion of recommendations 2, 12 and 19 of the Sixth Casino Review.

Members discussed the paper and regulatory issues related to casino operations including the implementation of facial recognition technology at the entrances to all current Melbourne casino gaming areas and managing future changes to gaming areas. Members also discussed the positive impact of facial recognition technology on ensuring excluded persons did not enter at the Melbourne casino, and the different kinds of casino exclusion orders and their commercial and regulatory objectives.

Members agreed to the Casino licensees’ implementation of Recommendation 2, agreed to Recommendation 19 (subject to amendments to Crown Melbourne Limited’s Corporate Policy

²⁸⁵ VCG.0001.0001.0051, VCG.0001.0003.2176.

²⁸⁶ VCG.0001.0003.2176.

²⁸⁷ VCG.0001.0003.2711, VCG.0001.0003.2571.

²⁸⁸ VCG.0001.0001.0093.

²⁸⁹ VCG.0001.0001.0053.

Statement), and agreed to the partial and ongoing completion of Recommendation 12, of the Sixth Casino Review.”

331. On 6 August 2019, the VCGLR (in a letter signed by the VCGLR Chair, Ross Kennedy) provided Crown (Joshua Preston) with a letter noting that “*Crown would provide the Commission with written updates on FRT’s effectiveness for the September 2019 quarter and each quarter thereafter*”.²⁹⁰
332. On 4 October 2019, Crown (Michelle Fielding) provided the VCGLR (Catherine Myers, with copy to Rowan Harris) with the first quarterly FRT report (for July to September 2019).²⁹¹ Crown’s report identified its FRT as “Neoface”, and attached the data captured by Neoface from 1 July to 30 September 2019. Crown’s FRT report stated:
- “Although software upgrades will continue to improve the effectiveness of our Facial Recognition Technology, limitations remain. In this respect, we note that failures to identify barred persons can result from a number of variables, including, for example: a person looking downwards, wearing a hat or facial coverings like sunglasses, a person covering their face with their hands i.e. scratching their face and poor quality images stored in Neoface. We also note that persons who are Excluded by the Chief Commissioner of Police in Victoria or other states or territories by way of Order, will automatically breach their Order if detected by Neoface, as legislation prohibits their entry to any part of the Property.”*
333. The LMA assessed the FRT report provided by Crown and prepared a schedule that showed a breakdown of the detections by type for the 30 September 2019 quarter.²⁹²
334. On 22 November 2019, the VCGLR (Rowan Harris) sent an email to Crown (Michelle Fielding) with copy to Steve Thurston and Jason Cremona regarding Crown’s 4 October 2019 quarterly FRT report.²⁹³ Rowan Harris asked the following questions in his email:
- “1. In the covering letter, Crown indicates 679 overall breaches/attempted breaches in the quarter, compared with 1067 overall breaches/detected breaches for the same quarter last year. Is Crown able to provide a breakdown of breaches and attempted breaches for each quarter (ie. 679 this year and 1067 last year) so we can see if there has been an improvement in preventing breaches?*
- 2. Could an over-reliance on Neoface reduce Crown’s regular efforts at detecting breaches or attempted breaches?*
- 3. How will Crown know if Neoface has just replaced the current processes and not added additional detections?”*
335. On 25 November 2019, Michelle Fielding responded to Rowan Harris’ email of 22 November 2019, and confirmed that the data requested by the VCGLR was not available. Ms Fielding stated:²⁹⁴

²⁹⁰ VCG.0001.0003.0508.

²⁹¹ VCG.0001.0002.3181, VCG.0001.0002.3183, VCG.0001.0002.3182. See also VCG.0001.0002.3152, internal pages 1 and 2.

²⁹² VCG.0001.0002.6151, pdf pages 6 and 51.

²⁹³ VCG.0001.0003.2138.

²⁹⁴ VCG.0001.0003.1187.

- a. in response to question 1 – “*From memory no, as my understanding is that they weren’t collecting data in the same level of detail (breakdown) prior to the period in which it was collected for the Quarterly Update*”;
- b. in response to question 2 – “*No, as none of our existing processes were altered as a result of the implementation of Neoface*”;
- c. in response to question 3 – “*As above*”.
336. At its meeting on 19 December 2019, the Commission noted that Crown had “*provided its written quarterly report on the effectiveness of FRT, in line with Recommendation 12*”.²⁹⁵
337. On 8 January 2020, Crown (Michelle Fielding) provided the VCGLR (Rowan Harris) with its quarterly FRT report (for the October to December 2019 Quarter).²⁹⁶
338. On 8 April 2020, Crown (Michelle Fielding) provided the VCGLR (Rowan Harris) with its quarterly FRT report (for the January-March 2020 quarter). Ms Fielding noted in her covering email that “*Crown Melbourne has been closed to the public since 23 March 2020, as a result of the Corona Virus*”.²⁹⁷
339. On 3 July 2020, Crown (Michelle Fielding) provided the VCGLR (Catherine Myers with copy to Rowan Harris) with its quarterly FRT report (for the April-June 2020 quarter). Ms Fielding noted in her covering email that “*Crown Melbourne has been closed to the public since 23 March 2020, as a result of the COVID-19 pandemic*”.²⁹⁸ Ms Fielding stated in her covering letter:
- “*The attached Quarterly Update for the quarter April to June 2020, covers the period in which Crown has been closed to the general public as a result of the COVID-19 pandemic. The report does not contain any data as the entrances to the casino have been closed.*”
340. On 1 October 2020, Crown (Michelle Fielding) provided the VCGLR (Catherine Myers with copy to Rowan Harris) with its quarterly FRT report (for the period 1 July – 30 September 2020).²⁹⁹ Ms Fielding stated in her covering letter:
- “*The attached Quarterly Update for the quarter July to September 2020, covers the period in which Crown has been closed to the general public as a result of the COVID-19 pandemic. The report does not contain any data as the entrances to the casino have been closed.*”
341. On 5 January 2021, Crown (Michelle Fielding) provided the VCGLR (Catherine Myers with copy to Rowan Harris) with its quarterly FRT report (for the period 1 October – 31 December 2020).³⁰⁰ Ms Fielding stated in her covering letter:
- “*The attached Quarterly Update for the quarter (October to December 2020) demonstrates that Crown’s Facial Recognition Technology has been effective during the quarter, in detecting persons who are not permitted to enter either the Casino and/or the Property. We expect that*

²⁹⁵ VCG.0001.0001.0093.

²⁹⁶ VCG.0001.0002.3216, VCG.0001.0002.3218, VCG.0001.0002.3217.

²⁹⁷ VCG.0001.0002.3169, VCG.0001.0002.3170, VCG.0001.0002.3171.

²⁹⁸ VCG.0001.0002.3166, VCG.0001.0002.3167, VCG.0001.0002.3168.

²⁹⁹ VCG.0001.0002.3082, VCG.0001.0002.3083, VCG.0001.0002.3084.

³⁰⁰ VCG.0001.0002.3076, VCG.0001.0002.3077, VCG.0001.0002.3078.

this technology will continue to evolve and assist in strengthening our perimeter access, in identifying barred persons and ultimately our responsible gaming framework.”

342. Crown (Michelle Fielding) provided the VCGLR (Catherine Myers with copy to Rowan Harris) with its quarterly FRT report (for the period 1 January – 31 March 2021) on 8 April 2021.³⁰¹ Ms Fielding stated in her covering letter:

“The attached Quarterly Update for the quarter (January to March 2021) demonstrates that Crown’s Facial Recognition Technology has been effective during the quarter, in detecting persons who are not permitted to enter either the Casino and/or the Property. We expect that this new technology will continue to evolve and assist in strengthening our perimeter access, in identifying barred persons and ultimately our responsible gaming framework.”

343. The VCGLR continues to monitor Crown’s FRT by quarterly reports.

Question 112

- 112 *Page 115 of the Sixth Review refers to a trial of facial recognition technology, in January 2018. What was the outcome of that trial?*

344. The VCGLR refers to the letter dated 16 March 2018 from Michelle Fielding to Robert Chappell, with copy to Rowan Harris, and received by the VCGLR on 21 March 2018³⁰² where Crown provided the VCGLR with the outcome of that trial. The outcome of the trial is extracted in **Annexure B**.

Questions 113 and 114

- 113 *Page 115 of the Sixth Review notes the following concern:*

The VCGLR remains concerned about the potential for excluded persons to gain access to the casino, as demonstrated by the recent increase of detections with the roll out of facial recognition technology. It is a responsibility of Crown Melbourne to ensure that excluded persons are not present in the casino at any time, in order to minimise the harm from gambling to patrons and the broader community.

- 114 *Has that concern been addressed by Crown Melbourne since the Sixth Review? Was that concern the subject of communications between the VCGLR and Crown Melbourne after the Sixth Review? If yes, what communications? Who were the natural people from the VCGLR and Crown Melbourne involved in any communications regarding that concern?*

345. The VCGLR refers to its responses to questions 110, 111, and 112 above. The VCGLR is monitoring the effectiveness of Crown’s FRT via Crown’s quarterly reports and will continue to do so.

Question 115

- 115 *How does Crown Melbourne currently deploy facial technology? How does Crown Melbourne’s deployment of facial recognition technology, or other measures to detect excluded*

³⁰¹ VCG.0001.0002.6108, VCG.0001.0002.6109, VCG.0001.0002.6110.

³⁰² VCG.0001.0001.2380.

persons, compare with best operating practice in casinos of a similar size and nature to the casino operated by Crown Melbourne.

346. The VCGLR refers to its responses to questions 110, 111, and 112 above. Further, the VCGLR responds as follows.
- a. Regarding the question “*How does Crown Melbourne currently deploy facial technology?*” – the VCGLR understands that, at present, Crown has approximately 79 FRT cameras strategically positioned at all entrances to the casino floor, on the promenade surrounding the casino complex, and on the gaming floor.
 - b. Regarding the question “*How does Crown Melbourne’s deployment of facial recognition technology, or other measures to detect excluded persons, compare with best operating practice in casinos of a similar size and nature to the casino operated by Crown Melbourne*” – as noted above in the responses to questions 110, 111, and 112, the VCGLR is monitoring the effectiveness of Crown’s FRT via Crown’s quarterly reports, and may consider how it compares with best operating practice in casinos of a similar size and nature to the casino operated by Crown Melbourne during the VCGLR’s Seventh Review, once more data is available from the quarterly reports for meaningful comparison.

Question 116

- 116 *When did facial recognition technology of the kind necessary to assist in the identification of excluded persons first become available to casino operations of the size and nature of Crown Melbourne?*
347. The VCGLR does not have this information. The VCGLR is aware that Crown has trialled FRT since January 2013, as noted on page 115 of the Sixth Review.

RESPONSIBLE GAMBLING CODE OF CONDUCT

Questions 117 and 118

- 117 *Page 117 and 118 of the Sixth Review relate to the Responsible Gambling Code of Conduct. In that context, the VCGLR raised the following concerns:*

... the responses in the surveys of loyalty card members and staff indicate a significant decrease in patron awareness of how to access the player information display on gaming machines (down from 92 to 79 per cent), and only 15 per cent of patrons correctly identified Crown Melbourne’s responsible gambling messages, although patrons did identify other responsible gambling messages. There was a decrease in staff awareness of complaint procedures for the Code, from 96 per cent down to 76 per cent This is concerning, since responsible gambling messages will only be effective in reaching patrons if they are enlivened by Crown staff

...

The VCGLR is concerned that there has been a significant decrease in patron awareness of responsible gambling information at the Melbourne Casino. Crown Melbourne’s responsible gambling logo and branding has been in place since 2007. Rebranding or refreshing of a brand is an important aspect of communication, and updated and contemporary messages and displays have the capacity to capture an audience more effectively.

- 118 *Has Crown Melbourne taken any steps since the completion of the Sixth Review to address those concerns? Were the concerns the subject of communications between the VCGLR and*

Crown Melbourne after the Sixth Review, and if yes, were the communications oral, or in writing? What was Crown Melbourne's position? Who were the natural people from the VCGLR and Crown Melbourne involved in any communications regarding those concerns?

348. Yes, the VCGLR is aware of steps taken by Crown since the completion of the Sixth Review to address the concerns raised by the VCGLR (as extracted in Question 117).
349. These concerns were the subject of Recommendation 13, which provides:
- “The VCGLR recommends that, as part of developing a new responsible gambling strategy, by 1 July 2019, Crown Melbourne rebrand or refresh its responsible gambling messaging and publish new responsible gambling messages throughout the casino, in all Crown Melbourne publications, including online and social media platforms.”*
350. On 31 October 2018, a meeting was held between LMA staff and Crown personnel regarding the Sixth Review recommendations.³⁰³ The attendees included Jason Cremona, Steve Thurston and Rowan Harris of VCGLR, and Joshua Preston and Michelle Fielding of Crown. The file note of the meeting records discussion that:³⁰⁴
- a. the recommendation concerned activities over and above implementation of the Minister's Player Information Standards; and
 - b. Crown was expected to start quarterly reports before July 2019.
351. On 18 January 2019, Michelle Fielding sent an email to Rowan Harris attaching a table of Crown's progress in implementing the Sixth Review recommendations.³⁰⁵ The progress update for Recommendation 13 stated that:³⁰⁶
- a. Recommendation 13 would be progressed upon finalisation of the responsible gaming strategy;
 - b. an initial draft of the new logo was being developed; and
 - c. the target date was July 2019.
352. On 13 March 2019, a meeting was held between LMA staff and Crown personnel regarding Crown's progress against the Sixth Review recommendations due by 1 July 2019.³⁰⁷ The attendees included Jason Cremona, Steve Thurston and Rowan Harris of VCGLR, and Joshua Preston and Michelle Fielding of Crown. The file note of the meeting records that completion of Recommendation 13 was dependent on completion of Recommendation 14 (which is for Crown to develop and implement a responsible gambling strategy).³⁰⁸ Joshua Preston noted that replacing all branding throughout the casino would be challenging due to the breadth of branding that existed on EGMs, walls, brochures, signs and posters. The deadline was 'challenging'.

³⁰³ VCG.0001.0002.3163.

³⁰⁴ VCG.0001.0002.3163, page 13.

³⁰⁵ VCG.0001.0002.6037.

³⁰⁶ VCG.0001.0002.6038, page 6.

³⁰⁷ VCG.0001.0002.3012.

³⁰⁸ VCG.0001.0002.3012, page 8.

353. On 2 May 2019, Michelle Fielding sent an email to Rowan Harris attaching a table of Crown’s progress in implementing the Sixth Review recommendations.³⁰⁹ The progress update for Recommendation 13 stated that:³¹⁰
- a. it would be progressed upon finalisation of the responsible gaming strategy;
 - b. initial drafts of the logo were being developed;
 - c. Marketing had been briefed regarding a refresh and a new logo had been developed ready for internal review/approval. A strategy would be set by 1 July 2019 and roll-out would commence at that time;
 - d. Crown was finalising the new marketing design and refresh, including logo. The nomenclature was proposed to be changed from RGSC to Responsible Gambling Centre, and RGLO to RGA. Brochures were under review; and
 - e. the target date was July 2019.
354. On 29 June 2019, the VCGLR received a submission from Crown in respect of Recommendation 13.³¹¹ The submission was signed by Barry Felstead (former Chief Executive Officer, Australian Resorts) and also listed Joshua Preston as a contact. Crown advised that, as part of the process for implementing Recommendation 14, it had assessed and reviewed its responsible gaming logo and tagline, and had determined that a new brand would be adopted at Crown.
355. Crown advised that its RG Strategic Plan, which included the rollout of the new responsible gaming brand as part of the actions listed for “*Strategy Priority 1: ‘Enhance our existing externally-facing services, initiatives and communications’*”, had been approved by the Crown Resorts Limited Responsible Gaming Board Committee. Action items included:³¹²
- “(a) collating an inventory of existing responsible gaming and casino related brochures, other marketing collateral which include a responsible gaming logo and messaging. This ensures that collateral requiring reprinting when inventory levels are low, are reprinted with the new rebranding.*
- (b) replacing current digital logos and messaging in use across all of Crown’s digital assets including the Crown website and Crown App.”*
356. Crown also advised that to allow sufficient time to update the new logo and message in the many locations at Crown, both physically and in various documentation, Crown would operate both responsible gaming messages for a period of time (and this would be reflected in the Updated Responsible Gambling Code of Conduct, which would require amendment to accommodate the change).³¹³
357. On 5 August 2019, the VCGLR’s Licensing Division expressed in a Commission Paper for Recommendation 13 that, it was of the view that Crown had met the requirements of

³⁰⁹ VCG.0001.0002.6022.

³¹⁰ VCG.0001.0002.6023, page 7.

³¹¹ VCG.0001.0002.6125.

³¹² VCG.0001.0002.6125.

³¹³ VCG.0001.0002.6125.

Recommendation 13.³¹⁴ A coversheet of the Commission Paper indicates that the paper was authored by Rowan Harris and approved by Jason Cremona (Manager), Alex Fitzpatrick (Director), Catherine Myers (Chief Executive Officer) and Ross Kennedy (Chair) of the VCGLR.³¹⁵

358. On 3 September 2019, the VCGLR (in a letter signed by its chair, Ross Kennedy) wrote to Crown (Joshua Preston) advising that, at its meeting on 22 August 2019, the Commission noted that, based upon Crown's submission on 29 June 2019 in relation to Recommendation 13, Crown had developed a new responsible gambling strategy which included rebranding or refreshing its responsible gambling messages throughout the casino, and in all Crown Melbourne publications, including online and social media platforms.³¹⁶
359. On 20 August 2020, the VCGLR's executive team met with Crown's management team. At the meeting, Sonja Bauer (Group General Manager, Responsible Gambling, Crown) advised that Crown's rebranding or refreshing of responsible gaming messaging together with Crown's new logo and message had been provided throughout the casino, and in all Crown publications, including all online and social media platforms.³¹⁷

Questions 119 and 120

119 *Page 118 of the Sixth Review also states:*

The VCGLR acknowledges Crown Melbourne's approach, in continuing to consider responsible gambling as a regular subject of audit, but notes that this work represents only two per cent of each year's internal audit hours.

120 *What was the VCGLR's expectation as to the amount of time which should be dedicated to responsible gambling at audit level?*

360. The VCGLR has no set expectation, however given Crown itself identifies responsible gambling as a significant risk, the VCGLR considers that Crown could reflect on whether or not to reprioritise the work of the internal auditors to increase the hours focussed on this area.

Question 121

121 *Has Crown in any way sought to address the statement that only two per cent of each year's internal audit is dedicated to that task?*

361. To the best of VCGLR's knowledge, Crown has not. This is likely to be something considered as part of the Seventh Review.

Question 122

122 *Who undertook the internal audit of these activities? Did the VCGLR interview the internal auditors as part of the Sixth Review?*

³¹⁴ VCG.0001.0001.0068.

³¹⁵ VCG.0001.0002.6126.

³¹⁶ VCG.0001.0001.0055.

³¹⁷ VCG.0001.0003.2026.

362. The VCGLR does not know who was responsible for undertaking the internal audit of these activities. The VCGLR did not interview any internal auditors as part of the Sixth Review.
363. However, the VCGLR notes that its staff members attended Crown’s offices:
- a. on 25 and 26 October 2017, to review the Audit Committee Charter, minutes, agendas and papers of Crown Melbourne for the period 1 February 2013 and 1 September 2017. Rowan Harris prepared a file note summarising the VCGLR’s review in October 2017;³¹⁸ and
 - b. on 22 and 28 March 2018, to review papers including, relevantly, Crown Melbourne Audit Committee minutes, agendas and papers. Rowan Harris prepared a file note summarising the VCGLR’s review on 28 May 2018.³¹⁹
364. Rowan Harris’ file notes of the review indicate that Drew Stuart (General Manager Risk & Assurance Crown Melbourne) may have had a substantive degree of involvement in Crown’s *internal* audit process in the period 2013 to 2017, given Mr Stuart is referred to on multiple occasions in the context of the internal audit process in the two file notes.³²⁰
365. The VCGLR also understands from material provided by Crown that Internal Audit Reports were presented to the Crown Melbourne Audit Committee by Drew Stuart around November 2017³²¹ and, from November 2017 onward, by Anne Siegers (General Manager Risk & Audit, Crown Resorts).³²²

Question 123

- 123 *Pages 117 and 118 of the Sixth Review set out examples of non-compliance by Crown Melbourne with the Responsible Gambling Code of Conduct. How, if at all, were those matters addressed by Crown Melbourne?*
366. The VCGLR refers to the following examples of non-compliance set out on pages 117 and 118 of the Sixth Review:
- a. “*Failure to have the correct talker affixed to each gaming machine*”; and
 - b. “*Failure to have the number of prescribed pre-commitment brochures equal to or greater than the number of gaming machines.*”
367. The VCGLR considers that, given the above instances of non-compliance are relatively minor in nature, it is likely that the relevant inspector would have brought this conduct to the attention of Crown staff, and that any non-compliance would have been corrected at the time.

Question 124

- 124 *The current Responsible Gambling Code of Conduct refers to Responsible Gaming Advisors. What is the role, purpose and effectiveness of the Responsible Gaming Advisors?*

³¹⁸ VCG.0001.0001.1566.

³¹⁹ VCG.0001.0001.1567.

³²⁰ VCG.0001.0001.1566.

³²¹ For example, see Minutes of Crown Melbourne Audit Committee meetings: VCG.0001.0003.3106.

³²² For example, see Minutes of Crown Melbourne Audit Committee meetings: VCG.0001.0003.2117, VCG.0001.0003.0849, VCG.0001.0003.1177, VCG.0001.0003.3103.

Role and purpose of RGAs

368. RGAs (formerly RGLOs) respond to enquiries from third parties (such as family members and friends) for specific individuals to be excluded from Crown. RGAs respond to such approaches by providing the concerned third parties with information about Crown's exclusion program, other gambling support services and details of the chaplaincy service.³²³ RGAs review and patrol the floor on a daily basis to observe if persons subject to an excluded order are present, and to ensure persons do not avoid Neoface detection. They also interact with families regarding attendance of excluded persons at the casino. RGAs are also responsible for carrying out exclusion processes including self-exclusion processes. RGAs carry out the interview to establish the reasons for self-exclusion and are responsible for issuing a self-exclusion order where one is made. Should a person breach an exclusion order, RGAs intervene and interview the person to establish the reason why and offer support services to avoid further breaches.
369. In relation to self-exclusion orders, Crown's processes are set out on its website at: <https://www.crownmelbourne.com.au/casino/responsible-gaming/responsible-gaming-centre/self-exclusion-program>. A self-exclusion order is for a minimum of 12 months, with other options available. These options can be discussed with an RGA. RGAs are available 24 hours a day, seven days a week to discuss any responsible gaming programs and services.
370. Specifically, the VCGLR is aware from information provided by Crown that an RGA's duties include:³²⁴
- a. raising awareness of the TPE program amongst Crown staff;
 - b. responding to enquiries related to the TPE program;
 - c. providing applicants with relevant information regarding the TPE process and external support services available to them; and
 - d. providing applicants with a discreet environment where they feel comfortable discussing their circumstances.
371. The VCGLR is aware from an earlier position description provided by Crown in relation to the then RGLO role, that an RGLO's duties included:³²⁵
- a. delivery of an outstanding level of communication and customer service skills;
 - b. understanding and facilitating through briefing sessions, key points of the Responsible Gambling Code of Conduct and being clear about Crown's commitment to and compliance with the Code;
 - c. participating in a proactive manner to uphold and enhance Crown's reputation and image as a responsible corporate citizen promoting Crown's RSG measures and ensuring the display/distribution of materials pertaining to the RGSC, Crown RSG programs and other information collateral;
 - d. responsibility for the facilitation of the Crown Melbourne Self Exclusion program; and

³²³ VCG.0001.0001.0016.

³²⁴ VCG.0001.0001.0012;

³²⁵ VCG.0001.0002.8131.

- e. cooperating with Problem Gambling Support Services and other welfare organisations with regard to the information provided to and referral of persons adversely affected by their gaming behaviours in accordance with established procedures and protocols.
372. The Crown Responsible Gaming Department Policy and Procedure in relation to TPE approved by Sonja Bauer in June 2019 sets out the relevant procedures for RGA involvement in the TPE process, and is summarised as follows:³²⁶
- a. When receiving a TPE enquiry, the RGA explains the process involved to the applicant. The applicant may be directed to the information on Crown's website, available brochures, and/or be sent a letter or email outlining the details of the process together with an application form.
 - b. Should the applicant express the intention to submit a TPE application, the RGA may invite the applicant to contact the RGSC to further discuss their concerns and assist them with any queries they may have regarding the completion of the application.
 - c. To progress the TPE, the applicant is required to submit a completed application form with supporting documentation, including provision of acceptable identification of the applicant.
 - d. Should the applicant decline to submit an application form, the RGA will offer the applicant the opportunity to contact the RGSC to further discuss their reservations and assist them with any queries they may have regarding the customer.
373. The Crown Responsible Gaming Department Policy and Procedures for 'Play Periods' approved by Luke Overman (General Manager, Responsible Gambling), which was issued in August 2015 and reviewed in December 2020 (**Play Periods Policy**), sets out the relevant procedures for RGAs in respect of play periods as follows:³²⁷
- a. reports are generated and reviewed by the RGA group;
 - b. the RGA will check ratings of 12 hours or greater;
 - c. gaming staff or an RGA will interact or observe as appropriate with customers at the 12, 15, and 17-hour mark to encourage members to take a break from play;
 - d. if a member is displaying any observable sign during the conversation or observation, staff will request the member to take a break and offer all RGSC services;
 - e. if a member has continuous ratings for 18 hours or more without a substantial break, the RGA/Gaming Manager will attend where possible. Surveillance will be contacted for coverage before approaching the member;
 - f. the member will be spoken to discreetly, and where possible, in the presence of the appropriate gaming staff. In VIP areas, a Gaming Manager should be present and every effort will be made to involve a host. The RGA/Gaming Manager will direct the customer to take a 24-hour break;
 - g. the Play Periods policy will be explained in detail outlining member welfare as a priority;

³²⁶ VCG.0001.0001.0012.

³²⁷ VCG.0001.0002.8046.

- h. members who return prior to the conclusion of their agreed break will be asked to leave the gaming floor; and
- i. gaming staff will be advised as a courtesy.

Effectiveness of RGAs

374. In the Sixth Review, the VCGLR considered and requested information from Crown in relation to the effectiveness of the RGAs, as follows:

- a. A VCGLR memorandum from Rowan Harris to Alex Fitzpatrick dated 1 October 2019 states in paragraph 4 that: *“As part of the Review, an examination of Crown’s responsible gambling processes discovered that enquiries from family members and friends who may be concerned about a person’s gambling at Crown or the effects of their gambling on others are referred to the [RGSC] and their enquiries are recorded in the Responsible Gambling Register (the Register). [RGLOs (now RGAs)] merely responded to such approaches by providing voluntary information on Crown’s exclusion program, other gambling support services, and details of the chaplaincy service. An ability for a concerned third party to apply for another individual to be excluded from Crown Melbourne was not available.”*³²⁸
- b. Emails exchanged between Rowan Harris (VCGLR) and Michelle Fielding (Crown) between 7 February 2020 and 24 February 2020 in relation to the implementation of Recommendation 6 note the following query raised by the VCGLR:³²⁹

“Please provide analysis of the change in the number of weekly patron interventions as a result of the additional five RGAs. The analysis will show one month before and one month after the addition of the five RGAs (ie. over 120 hours).”

Crown responded to this query as follows:

Number of weekly patron interventions (one month before addition of 5 RGAs)				
<i>30 April 2018 - 27 May 2018</i>				
Week 1	Week 2	Week 3	Week 4	Total
165	266	319	347	1097

Number of weekly patron interventions (one month after addition of 5 RGAs)				
<i>29 October 2018 - 25 November 2018</i>				
Week 1	Week 2	Week 3	Week 4	Total
444	437	339	298	1518 ¹

³²⁸ VCG.0001.0002.3144.

³²⁹ VCG.0001.0003.0053 and attachments VCG.0001.0003.0054, VCG.0001.0003.0055.

- c. Emails exchanged between Rowan Harris and Sonja Bauer (Crown), copying Michelle Fielding, between 19 February 2020 and 1 April 2020, in which Ms Bauer provided the following details of the number of occasions where RGAs have acted where there have been observable signs of problem gambling for 2017, 2018 and 2019:

Nature of Service	2017	2018	2019	Total
Observable Signs	184	192	626	1002
Welfare	324	233	588	1145
Welfare/Observable Signs	34	533	–	567
Grand Total	542	958	1214	2714

The above table was accompanied by the following explanatory note:

“Observable Signs and Welfare were combined to Welfare/Observable Signs from 10 December 2017 to 29 August 2018.

From 30 August 2018 onwards:

a. Generally, in circumstances where the Responsible Gaming Advisor (RGA) is unable to make contact with the customer displaying observable signs, the Nature of Service will be recorded as Observable Signs. (note, the RGA would place the customer on pager to ensure a welfare chat is conducted upon their next visit)

b. Generally, in circumstances where the RGA conducts a welfare check due to customer displaying observable signs, the Nature of Service will be recorded as Welfare.”

- d. Further emails exchanged between Rowan Harris and Michelle Fielding between 24 June 2020 and 26 June 2020 in relation to the implementation of Recommendations 7 and 8, in which enquiries in relation to RGA use of player data analytics tools were raised by the VCGLR.³³⁰

375. Since the Sixth Review, the VCGLR has also made enquiries with Crown about RGA resourcing levels. In particular, the VCGLR refers to:

- a. The transcript of the interview between the VCGLR and Xavier Walsh (then Chief Operating Officer, Crown Melbourne, now CEO of Crown Melbourne) on 24 April 2018 contains the following extract in relation to RGAs (then RGLOs) (at T-52 to T-53):³³¹

“MS HOLMES: Do you think it’s difficult when you – with the volume of RGLOs you’ve got, given the number of patrons coming through the door. There’s essentially one and at times there are two, and given they’re the only ones that appear on the policy to have authority to go and engage in a meaningful discussion about lengths of play.

³³⁰ VCG.0001.0003.2052.

³³¹ VCG.0001.0001.1007.

MR WALSH: Yeah, no, well the managers can do it as well. I mean you wouldn't leave it to a frontline team member just because they're not really skilled in that but observable signs means that we've got – the reason we train that is to give us the best opportunity to try and have many eyes on our customers and then being able to call in the experts for that, you know, advice when – as and when required. If the challenge is well do you have enough, you know, we're comfortable with our current operation in terms of how it's been working. Can it be improved? Yeah, I'm sure it can be. So we would now – you know I wouldn't sit here and say no to, you know, more people. I just want to get comfort that we thought that they were going to you know close a gap that we currently have and as I say, so we – look, I mean our program – as I say I'm not trying to hold it out as being perfect by any means but we do get a lot of international jurisdictions coming and visiting, they're very interested, and the reason they come and see us and this is what I mean, I can only tell you what they're tellin[g] us is that they think it's a pretty good model but it's by no means perfect...”

- b. A letter from Barry Felstead to Catherine Myers dated 23 December 2019 advised that, in addressing Recommendation 6, Crown had completed a review of the resourcing of the Responsible Gaming Department and determined to increase its staffing levels from seven to 12, including through the addition of five more RGAs.³³²
- c. Emails exchanged between Rowan Harris and Michelle Fielding between 7 February 2020 and 24 February 2020 in relation to the implementation of Recommendation 6, in which enquiries in relation to RGA resourcing were raised by the VCGLR. Of particular note is the following question raised by the VCGLR:³³³

“The Sixth Casino Review report observed “The VCGLR is concerned that with the recent increase in detections of excluded persons, RGLOs will be required to spend a disproportionate amount of time on managing excluded persons, rather than assisting Crown Melbourne to fulfil its responsible gambling obligations” and “Security staff, rather than RGLOs, could have the primary responsibility of speaking with excluded persons detected in the casino and removing them without the involvement of RGLOs”. This may have changed with the introduction of FRT. However, are RGLAs spending less time on managing persons in breach of exclusion orders, rather assisting Crown to fulfill [sic] its responsible gambling obligations. Has this led to an increase in the number of hours actually available to responsible gambling and intervention with patrons? Please provide any evidence.”

Crown responded to this query as follows:

“Crown considers engaging, where possible, with a person who has self excluded and breaches or attempts to breach, an important part of assisting customers in their commitment to managing their gaming behaviours. The advent of FRT has shown that whilst there was an initial increase in detection, the existence of FRT is also acting as a good deterrent, and therefore the numbers are continuing to level off. These interactions continue to be an important component of Crown's responsible gaming commitments.”

³³² VCG.0001.0002.3034.

³³³ VCG.0001.0003.0053 and attachments VCG.0001.0003.0053

OTHER REGULATORY COMPLIANCE ISSUES - ADVERTISING**Question 125**

- 125 *Page 120 of the Sixth Review notes that excluded persons are able to access Crown Melbourne's promotional content on its various social media platforms. How, if at all, has that matter been addressed by Crown Melbourne since the Sixth Review?*
376. The VCGLR is not aware if the matter has been specifically addressed by Crown since the Sixth Review. This matter is likely to be the subject of further inquiries by the VCGLR.

CONCLUSIONS ON THE RESPONSIBLE SERVICE OF GAMBLING**Question 126**

- 126 *Page 120 of the Sixth Review notes that Crown Melbourne has not engaged any external advisors or consultants to evaluate the effectiveness of its responsible gambling policies and practices. Does that remain the position? If not, what has changed? How does Crown Melbourne's lack of engagement with external advisors or consultants compare to best operating practice in casinos of a similar size and nature to the casino operated by Crown Melbourne?*
377. No, that does that not remain the position. As part of implementing Recommendations 8, 9 and 11, Crown was required to evaluate matters which are relevant to the effectiveness of its responsible gambling policies and practices by engagement with external advisors or consultants.
378. In Crown's 29 June 2019 submission to the VCGLR about Recommendation 14, it presented a RG Strategic Plan that it had "*developed with a wide-ranging current state analysis as the foundation for setting the direction. Multiple lenses of analysis were provided by internal workshops, operating data analysis, external best-practice and expert advisor input on a range of concepts, helping to frame the current challenges and identify the most relevant strategic priorities.*"³³⁴
379. The RG Strategic Plan is the first formal responsible gaming plan of its type developed by Crown for the Melbourne Casino and nominally covers the 2018 to 2020 period.³³⁵
380. The RG Strategic Plan states that:
- a. "*As needed, Crown will seek advices from relevant experts to support strategic decision making with respect to the responsible service of gaming.*";³³⁶
 - b. There are challenges involved with the effective and reliable use of player data analytics. "*Accordingly, external advices will be sought and relied upon throughout Crown's assessment of player data analytic options (for both carded and uncarded)*";

³³⁴ VCG.0001.0001.0017, page 2.

³³⁵ VCG.0001.0001.0019, paragraph 5.

³³⁶ VCG.0001.0001.0017, pages 7 and 18.

- c. Crown’s SWOT (strengths, weaknesses, opportunities and threats) analysis was developed by consolidating a wide range of inputs including “*consultation with external advisors*”;³³⁷
- d. one of the weaknesses identified by Crown’s SWOT analysis was the lack of external review of responsible gaming;³³⁸
- e. one of the opportunities identified by Crown’s SWOT analysis was for “*external advisors to guide innovation and evaluation of the responsible gaming framework*”;³³⁹
- f. one of Crown’s four strategic priorities is to “*continue to build and sustain cultural awareness and internal capability for Responsible Gaming*”. A key initiative that has or will be undertaken by Crown to address this strategic priority is to develop strong and robust training programs “*including collaboration with external advisors*”.³⁴⁰

Question 127

127 Page 120 of the Sixth Review refers the “*considerable international research and new initiatives in other jurisdictions in responsible gambling over the last five years*”. Those matters are repeated at page 121 of the Sixth Review. Please provide a detailed summary of that research and those initiatives. Please provide a summary of any further relevant research and initiatives since the Sixth Review.

381. The VCGLR has conducted searches of its Sixth Review records and has identified the following research papers which are likely to have been considered by the Sixth Review project team:

Date	Paper	Summary	Document ID
4 Dec 2012	Australian Social Work, <i>The Self-Exclusion Experience for Problem Gamblers in South Australia</i>	This paper presents findings from gamblers who self-excluded through a centralised service in South Australia.	VCG.0001.0001.2176
22 Jan 2013	Journal on Gambling Study, <i>Review of Self-exclusion from Gambling Venues as an Intervention for Problem Gambling</i>	This paper is a review of literature published on self-exclusion programs and their operation in various jurisdictions such as Canada, Australia, USA, NZ, Europe.	VCG.0001.0001.2191
2014	The Journal of Gambling Business and Economics, <i>Restricting Access: Self Exclusion as a gambling harm minimization measure in Great Britain</i>	This paper is a review of literature on operator-based promotion of self-exclusion in various jurisdictions including Australia, US, Canada	VCG.0001.0001.2190
11 Feb 2014	International Journal on Mental Health Addiction, <i>A Process Evaluation of a Self-Exclusion Program: A Qualitative Investigation</i>	This paper draws on a process evaluation of Queensland’ self-exclusion program to examine how people use the program, motivations for self-excluding, barriers to use, experiences and perceptions of program	VCG.0001.0001.2175

³³⁷ VCG.0001.0001.0017, page 13.

³³⁸ VCG.0001.0001.0017, page 13.

³³⁹ VCG.0001.0001.0017, page 14.

³⁴⁰ VCG.0001.0001.0017, pages 15-16.

Date	Paper	Summary	Document ID
	<i>from the Perspective of Excluders and Non - Excluders</i>	elements, and potential improvements. Detailed, reflective, first-person accounts were gathered through interviews with 103 problem gamblers, including excluders and non-excluders. Identified strengths include the program's widespread availability.	
2015	University of Sydney report commissioned by NSW Government Department of Trade & Investment Office of Liquor, Gambling and Racing, <i>Gambling Harm Minimisation Report</i>	Report about research to determine the: (a) types of harm and demographics likely to be attributed to each gambling product (b) level of risk for harm for each gambling product (c) range of potentially effective strategies to help prevent the harm that may be associated with each gambling product.	VCG.0001.0001.2303
6 Oct 2015	Journal on Gambling Studies, <i>Consumer Perspectives on Gambling Harm Minimisation Measures in an Australian Jurisdiction</i>	This paper investigates consumer perspectives of implemented and proposed gambling harm minimization measures taken from a geographically stratified survey of adult residents in Tasmania, Australia.	VCG.0001.0001.2307
19 Nov 2015	Independent Gaming Authority, <i>Using Loyalty Data to Identify High -Risk Gambling Patterns</i>	This paper provide general information about risk identification models and how they work to assist SA stakeholders in understanding the technology from a practical perspective evaluating the potential value and utility of the technology as a tool to assist players and operators in identifying, managing, and ultimately preventing high-risk and problem gambling.	VCG.0001.0001.2248
Dec 2015	Report commissioned by Gambling Research Australia, <i>Responsible Gaming and Casinos</i>	Report about a research project structured around the following five research priority areas: <ul style="list-style-type: none"> • helping individuals set their limits including access to cash and pre-commitment; • responsible gambling environments; • gaming machine standards, developing better consumer protection; • a preventative and early intervention strategy targeted at those at risk of problem gambling; and • development of harm minimization measures for interactive gambling. The purpose of the research was to explore the relationship between casinos and local gamblers, the regulatory environment and the effect of promotional and responsible gaming initiatives.	VCG.0001.0001.1444
2016	Australian Institute of Family Studies, Australia Gambling Research Centre, <i>Review of electronic gaming machine pre-commitment features – Self-exclusion</i>	Report about research into options for the introduction of electronic self-exclusion within a broader pre-commitment system. This report examines research evidence and opinions from regulators, academics, government officials and EGM venue operators relating to the optimum design of self-exclusion features within a pre-commitment system. The report provides	VCG.0001.0002.7759

Date	Paper	Summary	Document ID
		analyses and options relating to applying self-exclusion features to EGMs as a consumer protection or harm minimisation measure.	
Feb 2016	ANU report commissioned by Australian Capital Territory (ACT) Gambling and Racing Commission, <i>Understanding the Self Exclusion Process in the Act</i>	Report about research to better understand the self-exclusion process in the ACT. The research was intended to understand self-exclusion from the perspectives of venue-based gambling providers, people who self-exclude from gambling venues and service providers who assist them in the ACT. The research found that self-exclusion is a positive and empowering process for people experiencing problems from gambling in the ACT, and recommended that strengthening this process in the ACT should be viewed as a high priority in assisting people who are experiencing gambling problems.	VCG.0001.0001.2225
21 Feb 2016	Joachim Haeusler, <i>Follow the money: using payment behavior as predictor for future self-exclusion</i>	This article uses transactional data generated by 2696 customers from the online gambling label bwin.com to investigate how far specific payment behaviours and specific payment methods enable a prospective differentiation between self-excluders and controls. The number and amount of deposits, the variance of withdrawals, the amount of funds subject to reversed withdrawals and the usage of mobile phone billing were found to be positively associated with self-exclusion; the number of active gambling months and the usage of electronic wallets and prepaid cards negatively. Customer age displayed a U-shaped relation, with customers of below and above average being stronger associated with self-exclusion. However, the article noted that the validity of the resulting predictive model derived from payment data is lower than comparable models derived from gambling data. The results are discussed in the light of implementing early-detection and intervention algorithms based on customer behaviour.	VCG.0001.0001.2232
Mar 2016	Centre for the Advancement of Best Practices, <i>Best Practices for Self-Exclusion Reinstatement and Renewal</i>	Report about a research project that investigated and identified the best practices for self-exclusion reinstatement and renewal, using data from Australia, New Zealand, Europe, UK, US, Singapore, South Africa.	VCG.0001.0001.2229
10 Apr 2016	International Gambling Studies, <i>Predicting online gambling self-exclusion: analysis of the performance of supervised machine learning models</i>	This is a literature review of at-risk gambling behaviours and supervised learning methods. It describes the data available, how it is transformed into behavioural markers, and the four machine learning techniques used, and presents the results.	VCG.0001.0001.2231
June 2016	Report commissioned by Gambling Research Australia, <i>Innovation in</i>	Report about a research project investigating innovative gambling products in Australia. The project and report focuses on the effects of the contemporary innovations on player	VCG.0001.0001.2148

Date	Paper	Summary	Document ID
	<i>Traditional Gambling Products</i>	behavior in comparison to their traditional counterparts.	
Sept 2017	University of Adelaide report commissioned by the SA Independent Gambling Authority, <i>Automated Risk Monitoring (ARM): Adelaide Casino System</i>	Report about the extent to which the ARM system, which monitors length of play and to a lesser extent specific 'Hot Player' activity as a proxy for identifying potential problem gambling behavior, is compliant with the conditions of the casino's approvals.	VCG.0001.0001.2298
12 Feb 2018	Note prepared by a VCGLR policy analyst about data analytics	This note contains a summary of literature considered by the VCGLR about data analytics and its use in other jurisdictions.	VCG.0001.0001.1229

Questions 128 and 129

128 Page 120 of the Sixth Review notes the following:

In order to remain a world-leading casino on responsible gambling, Crown needs to continually review and update its responsible gambling strategy in response to new tools and perspectives. This includes investing in technologies for harm minimisation such as data analytics, real-time monitoring and pre-commitment, as well as facial recognition technology to identify breaches of exclusion orders.

129 *Have those suggestions been implemented by Crown Melbourne since the Sixth Review? Were those suggestions the subject of communications between the VCGLR and Crown Melbourne after the Sixth Review, and if yes, were the communications oral, or in writing? What was Crown Melbourne's position? Who were the natural people from the VCGLR and Crown Melbourne involved in any communications regarding those suggestions?*

382. The Sixth Review made the following recommendations that captured the substance of the matters extracted in question 128:

- a. **Recommendation 8:** the VCGLR recommended that Crown proceed with development and implementation of comprehensive data analytics tools for all patrons, to proactively identify for intervention patrons at risk of harm from gambling.
- b. **Recommendation 12:** the VCGLR recommended that Crown expand FRT to cameras on all entrances to the casino and that Crown provide written updates on a quarterly basis on its effectiveness to the VCGLR.
- c. **Recommendation 14:** the VCGLR recommended that Crown develop and implement a responsible gambling strategy focusing on the minimisation of gambling related harm to persons attending the casino, and that such strategy should address, among other things:
 - i player data analytics; and
 - ii proactive engagement with pre-commitment.
- d. **Recommendation 15:** the VCGLR recommended that, within three months of implementing the new responsible gambling strategy (Recommendation 14), there is regular reporting to the CRRGC for it to maintain oversight of Crown's harm minimisation strategy for responsible gambling. Regular reports every two months should include numbers and types of interventions and other harm minimisation activities of RGSC and

other staff, details of the number and nature of referrals to external service providers, exclusion orders, breaches, revocation and appeals, as well as results from player data analytics and other initiatives to minimise gambling related harm. These reports should also be made available to the VCGLR for monitoring purposes. (The VCGLR intends to share this information, as appropriate, with the VRGF).

383. On 2 July 2018, Crown wrote to the VCGLR stating that it agreed to implement each of the recommendations of the Sixth Review by the expected completion date, including the recommendations identified above.³⁴¹

Communications between the VCGLR and Crown

384. The VCGLR had various communications with Crown about the implementation of these recommendations from the conclusion of the Sixth Review, until the VCGLR determined that each of the recommendations had been completed, with the exception of Recommendations 8, 12 and 15 which are yet to be completed or are ongoing and therefore continue to be subject of communication between the VCGLR and Crown.
385. The communications were oral and in writing. The individuals from the VCGLR and Crown who were involved in these communications are set out in the VCGLR's response to question 3 and 4.

Recommendation 8

386. As noted in the VCGLR's response to question 78(c), Crown has partially completed implementation of Recommendation 8.
387. To date, Crown has completed the following parts of Recommendation 8:
- a. implemented of a comprehensive real-time player data analytics tool for carded play (Recommendation 8(a));³⁴²
 - b. commenced a comprehensive study of all the practical options for a real time player data analytics tool for un-carded play (first limb of Recommendation 8(b));³⁴³
 - c. reported in detail to the VCGLR about its comprehensive study of all the practical options for a real time player data analytics tool for un-carded play (including legal, technical, and methodological issues) (second limb of Recommendation 8(b)).³⁴⁴
388. The only outstanding part of Recommendation 8 is the third limb, which requires Crown to have in operation a real time player data analytics tool for un-carded play by 1 July 2022.

Recommendation 12

³⁴¹ VCG.0001.0001.0096.

³⁴² See Commission Paper dated 16 July 2020: VCG.0001.0001.0088 and the commission meeting minutes extract: VCG.0001.0001.0093, page 7 ff.

³⁴³ See Commission Paper dated 8 February 2019: VCG.0001.0001.0007 and the commission meeting minutes extract: VCG.0001.0001.0093, page 1.

³⁴⁴ See Commission Paper dated 16 July 2020: VCG.0001.0001.0088 and the commission meeting minutes extract: VCG.0001.0001.0093, page 7 ff.

389. At its 25 July 2019 meeting, the Commission discussed the Commission Paper dated 9 July 2019 which noted that Crown appeared to have completed the expansion of FRT to cameras on all entrances to the casino and agreed to the partial and ongoing completion of Recommendation 12.³⁴⁵
390. The second and ongoing part of Recommendation 12 requires Crown to provide the VCGLR with written updates about the effectiveness of its FRT on a quarterly basis. Crown started providing the VCGLR with its quarterly updates in October 2019 for the quarter ending September 2019, and is continuing to do so for each following quarter.³⁴⁶
391. A detailed summary about Crown's implementation of Recommendation 12 is contained in the VCGLR's response to questions 110 to 111.

Recommendation 14

392. On 29 June 2019, Crown provided the VCGLR with a submission about completion of Recommendation 14, which attached its RG Strategic Plan.³⁴⁷
393. On 27 August 2019, Crown provided the VCGLR with a schedule mapping each item in Recommendation 14 against its four strategic priorities identified in the RG Strategic Plan.³⁴⁸ Crown mapped the following priorities and initiatives against player data analytics and proactive engagement with pre-commitment:

Recommendation 14 specific items	Applicable strategic priorities / initiatives
b. player data analytics	<p>Priority 3</p> <p>3.1 The Crown Model for historical and real-time analysis</p> <p>3.2 Design, test, implement and evaluate the Play Period reporting</p> <p>3.3 Scope current availability of commercially available product and conduct a literature review on the efficacy of Play Period Data Analytics for uncarded play</p> <p>3.4 Develop reports and dashboards to inform the Responsible Gaming Department for operational analysis and to update the Crown Resorts Responsible Gaming Board Committee</p>
c. proactive engagement with pre-commitment	<p>Priority 1</p> <p>1.5 Promote the availability of the Play Safe Program and Your Play Scheme</p>

394. At its 24 October 2019 meeting, the VCGLR determined that Crown had implemented Recommendation 14.³⁴⁹

³⁴⁵ See Commission Paper dated 9 July 2019: VCG.0001.0001.0053 and the commission meeting minutes extract: VCG.0001.0001.0093, page 2.

³⁴⁶ VCG.0001.0002.3181, VCG.0001.0002.3183, VCG.0001.0002.3182.

³⁴⁷ VCG.0001.0001.0017, page 2.

³⁴⁸ VCG.0001.0001.0018, VCG.0001.0001.0019.

³⁴⁹ See Commission Paper dated 9 October 2019: VCG.0001.0001.0019 and the commission meeting minutes extract: VCG.0001.0001.0093, page 5.

Recommendation 15

395. At its 19 December 2019 meeting, the VCGLR determined that Crown had implemented Recommendation 15 by providing the first RG report to the CRRGC on 9 October 2019, subject to:³⁵⁰
- a. Crown continuing to provide the RG reports to the VCGLR after each CRRGC meeting; and
 - b. the RG reports including results from player data analytics post completion of Recommendation 8.

Question 130

- 130 *Page 121 of the Sixth Review states that Crown Melbourne seeks to maintain a world leader reputation for its responsible gaming program. What is the basis for that statement?*
396. Crown's statement of commitment in its 5 October 2016 Responsible Gambling Code of Conduct states:
- "It is our objective to ensure that Crown remains a world leader in responsible gambling practices..."*³⁵¹
397. This statement also continues to appear in Crown's current Responsible Gambling Code of Conduct of July 2019.

Question 131

- 131 *Page 121 of the Sixth Review notes that there was limited progress by Crown Melbourne in identifying opportunities for improvement in response to initiatives and research in other jurisdictions, and that there were various actions Crown Melbourne could take to minimise the risk of harm to persons gambling at the casino. Have those concerns been addressed by Crown Melbourne since the Sixth Review? Were those concerns the subject of communications between the VCGLR and Crown Melbourne after the Sixth Review, and if yes, were the communications oral, or in writing? What was Crown Melbourne's position? Who were the natural people from the VCGLR and Crown Melbourne involved in any communications regarding those concerns?*
398. This was an observation, not a specific recommendation. This observation informed Recommendation 14. Crown has addressed the specific observation as part of its implementation of Recommendation 14.
399. In Crown's 29 June 2019 submission to the VCGLR about completion of Recommendation 14, Crown stated that *"Over the past several months, Crown Melbourne's (Crown) Responsible Gaming team has undertaken a broad research and industry analysis to assess its programs and processes. This research and analysis provided a strong foundation on which to develop the Responsible Gaming Strategic Plan."*³⁵²

³⁵⁰ See Commission Paper dated 2 December 2019: VCG.0001.0001.0064 and the commission meeting minutes extract: VCG.0001.0001.0093, page 6.

³⁵¹ VCG.0001.0002.0068.

³⁵² VCG.0001.0001.0017.

400. In evaluating the RG Strategic Plan attached to Crown's submission, the VCGLR observed in its Commission Paper dated 9 October 2019 that:³⁵³
- a. In its submission, Crown outlined key research it performed of global land based overseas casinos, including those in the United Kingdom, Central Europe, Macau, Singapore, Canada and New Zealand, in respect of:
 - i the status of predictive modelling analytics and use of 'time and visit frequency as observable signs of problem gambling for each jurisdiction;
 - ii responsible gaming delivery models;
 - iii FRT;
 - iv gaming staff training.
 - b. Crown also researched the status of 'key harm minimisation measures' across all Australian casinos.
 - c. Crown further advised that its Responsible Gaming framework is informed by regular review and incorporation of relevant global benchmarks. Two key benchmarks adopted by Crown to inform the key principles of its framework are the Canada-based Responsible Gambling Council's 'RG Check' accreditation framework and the 'Reno Model' developed in 2004 by Professor Alex Blaszczynski which presents some actionable guiding principles to limit gambling related harm.

Communications between the VCGLR and Crown

401. The VCGLR had various communications with Crown about the implementation of Recommendation 14 between the conclusion of the Sixth Review and when the VCGLR determined that the recommendation had been completed.³⁵⁴
402. The communications were oral and in writing. The individuals from the VCGLR and Crown who were involved in these communications are set out in the VCGLR's response to question 3 and 4.

Question 132(a)

132 *In addressing the matters set out in the previous paragraph, and having regard to the matters set out on page 121 of the Sixth Review, please explain how (if at all) Crown Melbourne and / or Crown Resorts have addressed any of the following matters since the Sixth Review:*

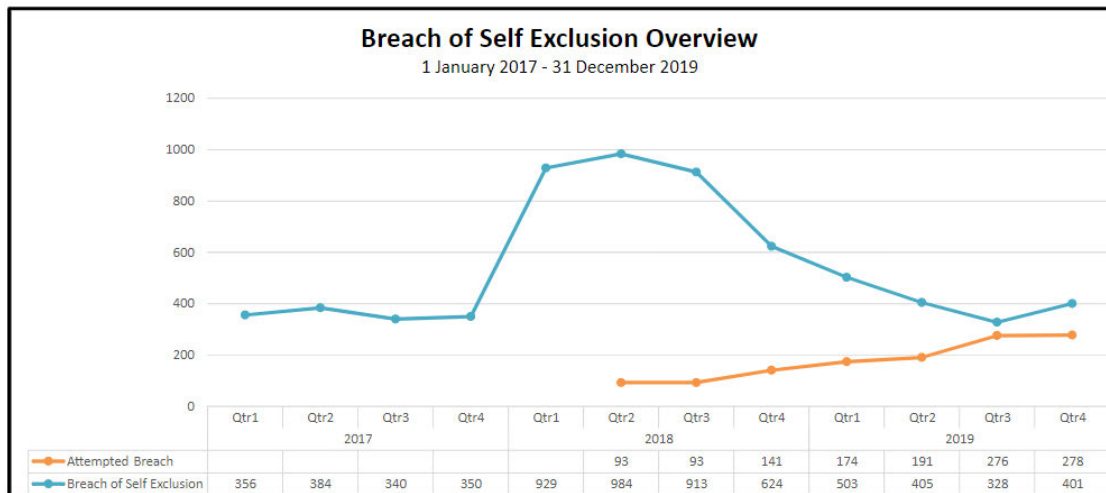
- a. *the VCGLR's concern that with the then recent increase in detections of excluded person, RGLOs would be required to spend a disproportionate amount of time on managing excluded persons, rather than assisting Crown Melbourne to fulfil its responsible gaming obligations;*
403. The VCGLR addressed its concerns about the increase in detections of excluded persons by making Recommendation 12, being for Crown to expand FRT to cameras on all entrances to the casino, and to provide written updates to the VCGLR on a quarterly basis about its

³⁵³ VCG.0001.0001.0019, page 3.

³⁵⁴ See paragraphs 388 and 389.

effectiveness. A detailed summary about Crown's implementation of Recommendation 12 is in the VCGLR's response to questions 110 to 111.

404. The VCGLR observed in a Commission Paper dated 14 April 2020 about Recommendation 6, that the introduction of FRT should mean that RGAs will be spending less time on self-exclusion breach patron interaction and support, and more time on intervention with patrons.³⁵⁵ The paper referred to an attachment which showed that there had been a 'drop-off' in self-exclusion breaches since the introduction of FRT on the main gaming floor in January 2018. Self-exclusion breaches decreased from 984 in the second quarter of March 2018 to 401 in the fourth quarter of 2019 or 59.3 per cent:³⁵⁶



FRT was trialled in the Teak Room from January 2017 to January 2018. As of January 2018, FRT was implemented on the Main Gaming Floor.

Question 132(b)-(d)

- 132 In addressing the matters set out in the previous paragraph, and having regard to the matters set out on page 121 of the Sixth Review, please explain how (if at all) Crown Melbourne and / or Crown Resorts have addressed any of the following matters since the Sixth Review:

- b. the suggestion of deploying RGLOs to proactively assess and interact with patrons early, particularly where there is indicative player data analysis;
- c. security staff, rather than RGLOs, to be given the primary responsibility of speaking with excluded persons detected in the casino and removing them;
- d. the training and utilization of other staff (such as gaming machine attendants) to proactively interact with customers where they observe possible signs of harm from gambling, thereby creating additional resources to assist in minimising harm to patrons

405. The VCGLR addressed the suggestions outlined in questions 132(b) to (d) by making the following recommendations:

- a. **Recommendation 6:** the VCGLR recommended that Crown review its allocation of staffing resources to increase the number of work hours actually available to responsible

³⁵⁵ VCG.0001.0001.0080, paragraph 15.

³⁵⁶ VCG.0001.0001.0080, paragraph 15 and attachment 3: VCG.0001.0001.0076.

gambling and intervention with patrons. This might be achieved by training more gaming staff to undertake assessments and then approach patrons identified as at risk, without the need to contact a RGLO.

- b. **Recommendation 14:** the VCGLR recommended that Crown develop and implement a responsible gambling strategy focusing on the minimisation of gambling related harm to persons attending the casino, and that such strategy should address, among other things:
- i early proactive intervention initiatives;
 - ii intervening with local players with continuous play based on shorter timeframes which are more reflective of responsible gambling;
 - iii the role of all staff in minimising harm.

Recommendation 6

406. On 23 December 2019, Crown provided the VCGLR with a submission about Recommendation 6 which stated: *“the most appropriate and effective way to address the whole of [Recommendation 6] was to enhance and refresh responsible gaming training, in terms of content and regularity [of] delivery, as well as increasing the number of gaming staff receiving advanced training.”*³⁵⁷
407. The VCGLR noted from Crown’s submission that Crown had considered and reviewed training provided to operational staff in the context of this recommendation as well as increasing the number of gaming staff receiving advanced training.³⁵⁸ Subsequently, Crown had:
- a. commenced delivery in March 2020 of advanced level ‘Senior Manager Training’ to the ‘Table Games’ Area Managers (**Area Managers**), (330 additional staff) which will take up to 12 months to complete. This added to the existing training of the gaming teams. Crown advised *“this advanced training will assist in ensuring Table Games’ Area Managers are well equipped with additional competencies and skills to deliver Crown’s responsible gaming services and programs.”* Historically, this training had only been offered in Table Games at the level of Assistant Casino Manager and above;
 - b. enhanced and refreshed responsible gambling training for all operational staff and incorporated significant additional competencies that must be met by Gaming Machine staff in order to deliver on Crown’s responsible gaming culture and harm minimisation. Crown believed the training would significantly increase the responsible gaming capacity of Gaming Machine staff – specifically Customer Service Attendants and Managers;
 - c. updated and added training competencies by providing tools for the assessment of patrons who may be experiencing difficulties with their gaming behaviours, without the need to contact an RGA.
408. In a Commission Paper dated 14 April 2020, the VCGLR expressed the following opinion:
- “Crown’s enhancement and refresh of responsible gambling training for all operational staff, as well as delivering advanced level training to the Table Game Area Managers, will assist in*

³⁵⁷ VCG.0001.0001.0074.

³⁵⁸ VCG.0001.0001.0080, paragraph 8.

the assessment of patrons who may be experiencing difficulties with their gaming behaviours and when to interact with patrons. Further Crown in requiring all Area Managers to undertake advanced level training will lead to a broader set of staff skilled in identifying responsible gaming issues that can lead to direct engagement between Area Managers and patrons. The Commission approved responsible service of gaming training modules³⁵⁹ should also see an increase in the responsible gaming capacity of gaming machine staff.”³⁶⁰

409. At its meeting on 30 April 2020, the VCGLR determined that Crown had implemented Recommendation 6.³⁶¹

Recommendation 14

410. On 29 June 2019, Crown provided the VCGLR with a submission about completion of Recommendation 14, which attached its RG Strategic Plan.³⁶²
411. On 27 August 2019, Crown provided the VCGLR with a schedule mapping each item in Recommendation 14 against its four strategic priorities identified in the RG Strategic Plan.³⁶³ Crown mapped the following priorities and initiatives against player data analytics and proactive engagement with pre-commitment:

Recommendation 14 specific items	Applicable strategic priorities / initiatives
a. early proactive intervention initiatives	<p>Priority 1</p> <p>1.1 Conduct a detailed benchmarking review of key local, national and international RG programs and services</p> <p>1.4 Review and update responsible gambling customer communications</p> <p>1.5 Promote the availability of the Play Safe Program and Your play Scheme</p> <p>1.6 Monitor and consider the developments of technology based harm minimisation resources</p> <p>Priority 2</p> <p>2.1 Appropriately resource the RG team by increasing FTEs and review the RG department Position Descriptions and performance Evaluation Plans</p>
d. intervening with local players with continuous play based on shorter	<p>Priority 1</p> <p>1.1 Conduct a detailed benchmarking review of key local, national and international RG programs and services</p>

³⁵⁹ The Commission Paper noted that the VCGLR on 22 August 2019 approved the initial, advanced, and refresher RSG training modules for Crown special employees incorporating the intended participants, delivery modes, aims, training competencies, topics to be covered, and assessments. VCG.0001.0001.0080, paragraph 25.

³⁶⁰ See Commission Paper dated 14 April 2020: VCG.0001.0001.0080 and the commission meeting minutes extract: VCG.0001.0001.0093, page 7.

³⁶² VCG.0001.0001.0017, page 2.

³⁶³ VCG.0001.0001.0018, VCG.0001.0001.0019.

Recommendation 14 specific items	Applicable strategic priorities / initiatives
timeframes which are more reflective of responsible gambling	<p>1.4 Review and update responsible gambling customer communications</p> <p>1.5 Promote the availability of the Play Safe Program and Your play Scheme</p> <p>1.6 Monitor and consider the developments of technology based harm minimisation resources</p> <p>Priority 2</p> <p>2.1 Appropriately resource the RG team by increasing FTEs and review the RG department Position Descriptions and performance Evaluation Plans</p> <p>Priority 3</p> <p>3.1 Crown model for historical and real-time analysis</p> <p>3.2 Design, test, implement and evaluate the Play Period reporting</p> <p>3.3 Scope current availability of commercially available product and conduct a literature review on the efficacy of play period Data Analytics for uncarded play</p> <p>3.4 Develop reports and dashboards to inform the Responsible Gaming Department for operational analysis and to update the Crown Resorts Responsible Gaming Board Committee</p>
e. the role of all staff in minimising harm	<p>Priority 2</p> <p>2.1 Appropriately resource the RG team by increasing FTEs and review the RG department Position Descriptions and Performance Evaluation Plans</p> <p>2.3 Strong and robust training programs — including review by external advisors</p> <p>2.4 Develop annual internal communications strategy to embed into the operational dynamic, including calendar of initiatives and leader-led change</p>

412. At its 24 October 2019 meeting, the VCGLR determined that Crown had implemented Recommendation 14.³⁶⁴

Question 132(e)

132 *In addressing the matters set out in the previous paragraph, and having regard to the matters set out on page 121 of the Sixth Review, please explain how (if at all) Crown Melbourne and / or Crown Resorts have addressed any of the following matters since the Sixth Review:*

e. ensuring all interactions with patrons are recorded in the Responsible Gambling Register

³⁶⁴ See Commission Paper dated 9 October 2019: VCG.0001.0001.0019 and the commission meeting minutes extract: VCG.0001.0001.0093, page 5.

413. On page 90 of the Sixth Review, the VCGLR noted that Crown maintains a Responsible Gambling Register, and that Crown's Responsible Gambling Code of Conduct states that all responsible gambling interactions on the gaming floor and in the RGSC are to be recorded in the Responsible Gambling Register (**the Register**).
414. On page 121 of the Sixth Review, the VCGLR observed that Crown should continue to record any interactions with patrons in the Register. As there was no suggestion during the Sixth Review that this was not being done by Crown, no formal recommendation was made in the Sixth Review.

Questions 132(f)

132 *In addressing the matters set out in the previous paragraph, and having regard to the matters set out on page 121 of the Sixth Review, please explain how (if at all) Crown Melbourne and / or Crown Resorts have addressed any of the following matters since the Sixth Review:*

- f. the Responsible Gaming Committee assisting in driving and overseeing strategies for harm minimisation.*
415. The VCGLR addressed the suggestion outlined in question 132(f) by making the following recommendations:
- a. **Recommendation 15:** The VCGLR recommends that, within three months of implementing the new responsible gambling strategy (Recommendation 14), there is regular reporting to the CRRGC for it to maintain oversight of Crown Melbourne's harm minimisation strategy for responsible gambling. Regular reports every two months should include numbers and types of interventions and other harm minimisation activities of RGSC and other staff, details of the number and nature of referrals to external service providers, exclusion orders, breaches, revocation and appeals, as well as results from player data analytics and other initiatives to minimise gambling related harm. These reports should also be made available to the VCGLR for monitoring purposes. (The VCGLR intends to share this information, as appropriate, with the VRGF).
- b. **Recommendation 16:** The VCGLR recommends that within three months of implementing the strategy, a charter is developed for the Crown Melbourne Responsible Gaming Management Committee (staff committee) which includes reference to the role and responsibility of driving a harm minimisation culture.

Recommendation 15

416. As noted above in paragraph 395, on 9 October 2019, Crown provided the first RG report to the CCRGC which provided statistics and charts for the then current and previous three financial years of Crown's responsible gambling matters, including:³⁶⁵
- numbers and types of interventions;
 - harm minimisation activities of the RGSC and other staff;
 - details of the number and nature of referrals to external service providers;

³⁶⁵ VCG.0001.0001.0060; see also VCGLR's Commission Paper dated 2 December 2019 about Recommendation 15: VCG.0001.0001.0064.

- d. exclusion orders;
- e. breaches;
- f. revocation and appeals;
- g. other initiatives to minimise gambling related harm.

417. The Licensing Division considered that the RG report met the reporting requirements of Recommendation 15 with one exception being that it did not include ‘results from player data analytics’.³⁶⁶ However, the Licensing Division noted that it may be too early for Crown to provide details on player data analytics given that Recommendation 8 (implementation of data analytic tools) is not due to be implemented until 1 January 2020. Accordingly, the VCGLR determined that Crown had implemented Recommendation 15 subject to:³⁶⁷

- a. Crown continuing to provide the RG reports to the VCGLR after each CRRGC meeting; and
- b. the RG reports including results from player data analytics post completion of Recommendation 8.

Recommendation 16

418. On 1 October 2019, Crown provided a submission to the VCGLR about Recommendation 16 which included a copy of the proposed Crown Melbourne Responsible Gaming Management Committee charter (**the charter**).³⁶⁸

419. The Licensing Division assessed the charter and prepared a Commission Paper dated 7 November 2019 which noted:³⁶⁹

- a. the charter contains appropriate details regarding the Responsible Gaming Management Committee:
 - i purpose;
 - ii functions;
 - iii constitution, membership and meetings; and
 - iv policy responsibility;
- b. the current membership is listed in section 3(b) of the charter, and includes the Chief Legal Officer — Australian Resorts (who was until recently Joshua Preston), who approves membership of the committee, and includes Crown Melbourne senior management staff, such as:

³⁶⁶ VCG.0001.0001.0064, paragraph 28.

³⁶⁷ See Commission Paper dated 2 December 2019: VCG.0001.0001.0064 and the commission meeting minutes extract: VCG.0001.0001.0093, page 6.

³⁶⁸ VCG.0001.0001.0027.

³⁶⁹ VCG.0001.0001.0032.

- i Crown Melbourne’s Chief Operating Officer;
 - ii relevant executive general managers and general managers involved in gambling operations, tourism and marketing; and
 - iii Group General Manager, Responsible Gaming (chair), the Responsible Gaming Psychologists and the Responsible Gaming Operations Manager.
- c. the Group General Manager, Responsible Gaming “*has responsibility for maintaining this policy*” which the Licensing Division confirmed with Crown as meaning implementation of the charter. The Group General Manager, Responsible Gaming is also responsible for chairing the meetings, preparing agendas and minutes of meetings;
- d. for this type of committee to be effective, it is considered that the committee members should be at a sufficient level of seniority with the appropriate authority to drive initiatives that pursue the purpose of the committee. Upon inspection of the charter, the Licensing Division considers that appropriate senior staff, who are likely to have authority to implement committee decisions from both responsible gambling and day to day operations, are included as members of the Responsible Gaming Management Committee;
- e. Recommendation 16 further requires that the charter “*includes reference to the role and responsibility of driving a harm minimisation culture*”. The precise text in Recommendation 16 does not appear in the charter. However, the charter clearly documents the role and responsibility of the Responsible Gaming Management Committee in driving harm minimisation.
420. The Commission Paper therefore recommended that the Commission determine that Recommendation 16 had been implemented by Crown.³⁷⁰ At its meeting dated 28 November 2019, the VCGLR agreed that Crown had implemented Recommendation 16.³⁷¹

Question 133

- 133 *Page 121 of the Sixth Review refers to the approach used in New Zealand and South Australia with regards to customer interaction. Please provide a detailed explanation of the processes adopted in those jurisdictions in relation to customer interaction, and the most current learnings in the area.*
421. The VCGLR has conducted searches of its Sixth Review records and has identified the following:
- a. two posters available on a website funded through the South Australian Gamblers Rehabilitation Fund which states “*please don’t be offended if we ask about your gambling. It’s part of our role*”: <https://problemgambling.sa.gov.au/?a=63830>; and
 - b. a November 2016 New Zealand Community Trust paper titled *Harm prevention and minimisation: A guide for venue staff*.³⁷²

³⁷⁰ VCG.0001.0001.0032.

³⁷¹ VCG.0001.0001.0093, page 5.

³⁷² VCG.0001.0001.2313.

422. The New Zealand Community Trust paper sets out the following customer interaction guidance for staff members:
- a. Regular actions for staff members:
 - i Take every opportunity to get to know gamblers by greeting and chatting with them, keeping an eye on their cash withdrawals and watching for changes in their behaviour.
 - ii Learn the general and strong signs of harmful gambling and what to do when you see them, including issuing exclusion orders.
 - iii Do regular sweeps of the gambling area, checking for minors, excluded gamblers and signs of harmful gambling behaviour.
 - iv Write down signs of possible harmful gambling behaviour in your incident register or log book.
 - v Share your concerns with other staff.
 - vi Consider your cash and alcohol services and whether limiting them would be helpful.
 - b. Basic steps if a staff member sees strong signs of harmful gambling:
 - i Consider which staff member is best to approach the gambler
 - ii Approach the gambler sensitively and discreetly
 - iii Provide a harm minimisation wallet leaflet
 - iv Offer support services
 - v Support the exclusion process
 - vi Respond to concerns from a third party.

Question 134

134 *Page 121 of the Sixth Review states that transparent reporting on responsible gambling performance is common to casino operators elsewhere. Please provide a detailed explanation of the reporting on responsible gambling performance undertaken by the other casinos referred to on page 121 of the Sixth Review.*

423. The VCGLR has conducted searches of its Sixth Review records and has located a submission to the Sixth Review by the Victorian Interchurch Gambling Taskforce dated 21 September 2017 which stated: *“The Taskforce has been very concerned about the lack of transparency of Crown Casino on its performance with regards to ‘responsible gambling’.”*³⁷³

424. The submission further stated:

³⁷³ VCG.0001.0002.7574.

“By contrast to the secrecy with which Crown Casino operates with regards to addressing gambling related harm the Ontario Lottery and Gaming Corporation, which operates a number of casinos in Canada, reports:

- *Number of people referred to support services by staff;*
- *Number of people registered for self-exclusion;*
- *Number of people voluntarily re-entering gambling after self-exclusion;*
- *Number of detected breaches of self-exclusion;*
- *Number of people in self-exclusion supported by counsellors; and*
- *Number of people provided with information on self-exclusion by counselling staff.*

The Ontario Lottery and Gaming Corporation produces an annual report giving longitudinal measurement of its activities to reduce gambling related harm. This report includes data on:

- *The level of awareness of people who are gambling of ways to reduce the risks of their gambling;*
- *The level of awareness of people gambling of help services and the self-exclusion program;*
- *Number of recorded interactions where employee suggested taking a break to a person gambling;*
- *Number of recorded interactions where employee directed a person gambling to a Responsible Gaming Resource Centre for more information;*
- *Number of recorded interactions where employees directed a person gambling to the Ontario Problem Gambling Helpline;*
- *Number of recorded interactions where employee directed a person gambling to the knowyourlimit.ca website;*
- *Number of recorded interactions where employee provided a responsible gambling or problem gambling brochure to a person gambling;*
- *The proportion of people gambling on EGMs and at their casinos who hold false beliefs about how the forms of gambling work; and*
- *The number of minors turned away at the entrance to the gambling premises.”*

425. The VCGLR was also able to locate a document prepared by SKYCITY Auckland about its Host Responsibility Programme (required by law), in which it committed to reporting annually to the New Zealand Gambling Commission (NZGC) on the implementation of the

programme.³⁷⁴ The programme document states that SKYCITY Auckland's report to the NZGC would include the following information:

- a. a description of the resources put into the core elements of the programme;
- b. a description of activities undertaken by SKYCITY under the programme;
- c. reporting against specified measures relating to gambling, responsible consumption of alcohol, staff training and other programme related activity and compliance-related measures, including a comparison to previous data where applicable;
- d. discussion on the effectiveness of the programme and the extent to which programme objectives are being achieved. This will include reference to feedback from internal and external stakeholders received through a range of forums such as regular meetings with the Department of Internal Affairs and other meetings held as required; and
- e. proposed improvements to the programme.

Question 135

- 135 *Pages 121 and 122 of the Sixth Review note that there is no objective data reported by Crown Melbourne on the performance of the business in respect of the responsible service of gambling, and a lack of objective measures or statistical data to verify the effectiveness of responsible gambling measures. Has that deficiency been addressed by Crown Melbourne since the Sixth Review? Was that deficiency the subject of communications between the VCGLR and Crown Melbourne after the Sixth Review, and if yes, were the communications oral, or in writing? What was Crown Melbourne's position? Who were the natural people from the VCGLR and Crown Melbourne involved in any communications regarding that deficiency?*
426. The statement referred to in this question was noted as an observation. These concerns were addressed in Recommendation 14.
427. On 29 June 2019, Crown provided the VCGLR with a submission about its implementation of Recommendation 14, which attached its RG Strategic Plan.³⁷⁵ The plan was provided by Barry Felstead of Crown and was reviewed by Jason Cremona, Rowan Harris and Steven Thurston of the VCGLR.
428. At its 24 October 2019 meeting, the VCGLR determined that Crown had implemented Recommendation 14.³⁷⁶

Question 136

- 136 *Page 122 of the Sixth Review refers to concrete steps being taken by Crown Melbourne to explore whether data related to gaming machine revenue and problem gambling may be made available. Please explain what concrete steps were taken. Please explain what, if any, progress has been made in that regard since the Sixth Review.*

³⁷⁴ VCG.0001.0001.2318 (2017 version); a more current copy of the programme is publicly available at SKYCITY Auckland's website here: <https://skycityauckland.co.nz/about-us/host-responsibility/>.

³⁷⁵ VCG.0001.0001.0017, page 2, VCG.0001.0001.0019.

³⁷⁶ See Commission Paper dated 9 October 2019: VCG.0001.0001.0019 and the commission meeting minutes extract: VCG.0001.0001.0093, page 5.

429. The VCGLR has conducted searches of its Sixth Review records and has identified the following:

- a. a 26 October 2017 news article titled *James Packer says Crown Resorts needs to be more transparent*,³⁷⁷
- b. A VCGLR memorandum dated 30 October 2017 prepared by Miriam Holmes (Senior Legal Policy Officer of the Sixth Review project team) containing a summary of the Crown Resorts annual general meeting held on 26 October 2017.³⁷⁸ The summary stated:

*“**Transparency of revenue.** Mr Mayne requested the company publish as individual items the revenue generated from table games and gaming machines, rather than a combined figure. Late in the meeting, Mr Alexander indicated that the Board will discuss the need for transparency in this regard.*

...

***Transparency of performance,** Mr Mayne raised the issue of the lack of transparency regarding the activities of the company and queried if the company would support a Federal Ombudsman for gaming and appear before Parliamentary inquiries. Mr Alexander stated that the Board would take on board the comments regarding transparency. Later, Mr Packer accepted the company could be more transparent in its revenue and regulatory side (referring to problem gambling) and that the Board should have a discussion on this issue. Mr Packer expressed the view that companies have to be more transparent than 10 years ago.”*

- c. the transcript of John Horvath’s interview with the VCGLR dated 10 April 2018 in which Professor Horvath stated as follows:

“MS HOLMES: One of the things that Mr Packer mentioned at the AGM was transparency and that it was a matter he’d taken back to the board. Has that actually been discussed?”

PROFESSOR HORVATH: Yes, not only - - -

MS HOLMES: Because we didn’t see that in the minutes immediately after.

PROFESSOR HORVATH: It’s again our minutes. We are - - -

MS HOLMES: Well that’s why I’m raising it because it was quite a public statement about transparency in response to comments.

PROFESSOR HORVATH: We’ve already had, we’ve already had a meeting with Tim Costello and Stephen Mayne. I’m in fact coming down to Melbourne next Thursday to meet with Stephen and with Tim to walk around the property and further discuss with them issues that they regard important as transparency. Transparency’s always sort of a two-edged sword around people’s privacy and - but it’s certainly something we are discussing and more important than discussing we’re actually acting on it.

MS HOLMES: So in the sense of acting on it that’s meeting Mr Mayne and Mr Costello?

³⁷⁷ VCG.0001.0001.2101.

³⁷⁸ VCG.0001.0001.1242.

*PROFESSOR HORVATH: Yes, and seeing what their - what they regard as important in the area of transparency. They're the ones that raised the issue so we're in very active conversation with them as to what they regard, and then clearly we need to come back to you as the regulator to say is this appropriate. So it's in the - it's in the action discussion phase.*³⁷⁹

- d. the transcript of John Alexander's interview with the VCGLR dated 24 April 2018 in which Mr Alexander stated as follows:

"MS HOLMES: ...I'm just wondering we couldn't see and we only saw the board minutes up to the end of 2017, whether that was progressed at all and are there any plans in the future about transparency more generally and about those particular issues.

*MR ALEXANDER: Well our results are out in - our next set of results are out in August so you'll probably have to wait till then. But it's an issue that's been discussed positively at board level and if I had to gamble, and I don't gamble, I would say more likely than not we will break down our revenues to a greater extent. If you look historically at Crown at one stage we didn't break our Perth gaming revenues from Melbourne gaming revenues, so that was pressure from the analysts and other things, and so we thought we - we relented and you know like I said, if I had to guess which way we'd lean on this it probably would be to break it down.*³⁸⁰

430. The VCLGR is aware that from 2018, Crown Resorts started reporting gaming machine revenue for Crown Melbourne in its annual report. See:
- a. 2018 Annual Report - Crown Melbourne's main floor gaming revenue comprised gaming machine revenue of \$449.9 million, up 0.2% on the previous year³⁸¹
 - b. 2019 Annual Report - Crown Melbourne's main floor gaming revenue comprised gaming machine revenue of \$462.7 million, up 2.8% on the previous year³⁸²
 - c. 2020 Annual Report - Crown Melbourne's main floor gaming revenue comprised gaming machine revenue of \$341.9 million, down 26.1% on the previous year.³⁸³

Question 137

- 137 *On pages 122 and 123 of the Sixth Review, the VCGLR recommended that Crown Melbourne implement a responsible gambling strategy, to be developed in conjunction with the VCGLR and the Victorian Responsible Gambling Foundation. Has that suggestion been addressed by Crown Melbourne since the Sixth Review? Was that suggestion the subject of communications between the VCGLR and Crown Melbourne after the Sixth Review, and if yes, were the*

³⁷⁹ VCG.0001.0001.1006, 99 30-31.

³⁸⁰ VCG.0001.0001.1005, page 40.

³⁸¹ Crown Resorts Annual Report 2018, pdf page 41:
<https://www.crownresorts.com.au/CrownResorts/files/81/817f60e1-b1ef-46e4-b687-7b60140c0578.pdf>.

³⁸² Crown Resorts Annual Report 2019, pdf page 43:
<https://www.crownresorts.com.au/CrownResorts/files/09/09b9547d-9e41-4d83-962f-09c0efbe7757.pdf>

³⁸³ Crown Resorts Annual Report 2020, pdf page 44:
<https://www.crownresorts.com.au/CrownResorts/files/03/03f7dcdc-cb6e-421b-b88a-99d363a84181.pdf>

communications oral, or in writing? What was Crown Melbourne's position? Who were the natural people from the VCGLR and Crown Melbourne involved in any communications regarding that suggestion?

431. The Sixth Review did not make a formal recommendation for Crown to develop a responsible gaming strategy **in conjunction with** the VCGLR and the VRGF. It only recommended that Crown develop and implement a responsible gaming strategy that addressed the matters in Recommendation 14.
432. The statements on page 123 of the Sixth Review that the strategy developed by Crown should provide opportunities for regular review of harm minimisation initiatives in conjunction with external stakeholders such as the VRGF, and that in developing this strategy, Crown should work with the VCGLR and the VRGF to consider and assess the nature of intervention initiatives, are statements in the nature of observations or suggestions.
433. The VCGLR does note however that as part of Crown's RG Strategic Plan, it committed to the following initiatives and actions to be undertaken in conjunction with the VCGLR and VRGF:

Priority	Initiative	Action	Timing
1 – enhance existing externally-facing services, initiatives and communications	1.2 – design and implement an evaluation and monitoring program of Crown's RG services and programs	1.2.2 – engage with and seek input from VCGLR, VRGF, independent experts and other stakeholders into program changes	Q2 F19 to Q4 F19
2 – continue to build and sustain cultural awareness and internal capability for RG	2.3 – strong and robust training programs – including review by external advisors	2.3.2 – Commence review of VCGLR approved RSG training with VCGLR and VRGF	Q4 F19

434. With respect to action item 1.2.2, Crown noted in its RG Strategic Plan that this action related to Recommendations 10, 11, 13 and 14.³⁸⁴ The completion of these recommendations was the subject of communications between the VCGLR and Crown. The communications were oral and in writing. The individuals from the VCGLR and Crown who were involved in these communications are set out in the VCGLR's response to questions 3 and 4.
435. Specifically in relation to Recommendations 10 and 11, the Sixth Review required engagement by Crown with the VCGLR and the VRGF. As a result, these recommendations were the subject of communications and various tripartite meetings between Crown, the VCGLR and the VRGF. The individuals who were involved in these communications are set out in the VCGLR's response to questions 3, 4, 91 and 92.
436. With respect to action item 2.3.2, in around May 2019, Crown provided the VCGLR with an initial paper on its RSG training for special employees in relation to gaming machines at Crown. The review of Crown's RSG training for special employees involved engagement between Crown, the VCGLR, the VRGF and to an extent, the DJCS.³⁸⁵ The natural persons who were involved in these communications were primarily:

³⁸⁴ VCG.0001.0002.6152.

³⁸⁵ See Commission Paper dated 17 March 2020: VCG.0001.0002.8037.

a. **VCGLR:**

- Erika Russell - Senior Regulatory Strategy Officer
- Tim O'Farrell - Manager Regulatory Strategy
- Scott May - General Counsel and Executive Director, Regulatory Policy and Legal Services
- Seona March - Senior Regulatory Strategy Officer

b. **Crown:**

- Sonja Bauer - Group General Manager Responsible Gaming
- Leon Pillai - Responsible Gambling Manager
- Susan McNulty - Responsible Gambling Psychologist
- Brett McCallum - Gaming Machine Operations Manager
- Dean Giles - Training Lead - Gaming

c. **VRGF:**

- Brett Hetherington - Senior Industry Engagement Coordinator
- Tony Phillips - Head of Knowledge & Policy
- Lindsay Shaw - Knowledge & Policy Officer

d. **DJCS:**

- Susan Graham - Principal Policy Officer
- Joel Williams - Executive Director Gaming and Liquor

437. On 26 March 2020, the VCGLR approved Crown's RSG training courses for Crown special employees.³⁸⁶ In a letter from the VCGLR to Crown dated 9 April 2020, the VCGLR requested that Crown engage an independent third party to conduct an evaluation of the effectiveness of the approved training courses and that the results be provided to the VCGLR after conclusion of the evaluation and completed prior to the next training course approval process in five years under section 58B(3) of the Casino Control Act.³⁸⁷

JUNKET OPERATORS**Questions 147 to 149**

147 *On 25 September 2020, Crown announced suspension of activity with junket operators until June 2021.*

³⁸⁶ VCG.0001.0002.8038.

³⁸⁷ VCG.0001.0002.8038.

148 *On 17 November 2020, Crown Resorts issued an ASX/media release stating:*

“The Board has 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. 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.

The consultation process with Crown’s gaming regulators in Victoria, Western Australia and New South Wales has commenced.”

149 *What discussions has the VCGLR had with Crown regarding recommencing dealings with junket operators, including the licensing, approval or sanctioning of junket operators by the VCGLR?*

438. Prior to Crown’s 17 November 2020 announcement, the VCGLR had commenced disciplinary action against Crown Melbourne, specifically in respect of its junket operations.

439. Prior to the hearing and determination of that disciplinary action, Crown Melbourne made several concessions, including that it should not have been doing business with the junket operators and individuals who were specifically referred to in the disciplinary action that had been commenced by the VCGLR.

440. Although Crown Melbourne made both oral and written submissions to the VCGLR in the context of the disciplinary proceedings, there has been no specific discussions between the VCGLR and Crown to date regarding recommencing dealings with junket operators, including the licensing, approval, or sanctioning of junket operators by the VCGLR.

441. VCGLR issued a letter of censure to Crown on 27 April 2021,³⁸⁸ which included directions that Crown will not be allowed to recommence junket operations at the Melbourne Casino until such time as Crown applies to and receives permission from the Commission to recommence junket operations. Any such application must demonstrate how Crown has addressed the Commission’s concerns as identified in its 27 April 2021 reasons for decision.³⁸⁹

442. On 4 May 2021, Crown Melbourne paid the \$1 million fine that was imposed by the VCGLR by reason of the disciplinary action, and sought to meet with the VCGLR for the purpose of ensuring that it responds appropriately to the direction to provide the VCGLR with monthly reports on the progress of implementing the reform programs outlined in Crown’s Reform Agenda.³⁹⁰ On 6 May 2021, the VCGLR met with Crown for this purpose and was informed by Crown that it intends to provide the VCGLR with a suggested format for the monthly reports. The VCGLR will consider whether Crown’s proposal is acceptable once the suggested format is received..

Question 150

150 *Is the VCGLR considering approving procedures for the promotion and conduct of junkets at the casino operated by Crown Melbourne?*

³⁸⁸ VCG.0001.0002.6985.

³⁸⁹ VCG.0001.0002.6984.

³⁹⁰ VCG.0001.0002.8149, VCG.0001.0002.8150.

443. Prior to the early 2000's the predecessors of the VCGLR were actively involved in approving junkets that operated at the Melbourne Casino.
444. However, in or about 2004, a process of deregulation occurred and in that context, the VCGLR refers to the following background from its reasons for decision dated 27 April 2021, insofar as it is relevant to the issue of the VCGLR's approval of procedures for the promotion and conduct of junkets at the Melbourne Casino:³⁹¹
- a. It is illegal to operate a casino in Victoria unless that casino has been licensed by the Commission. Crown is the holder of a casino licence and operates the Melbourne Casino accordingly.
 - b. The objectives of both the Commission³⁹² and the Casino Control Act³⁹³ include those of establishing a system of licensing, supervision, and control which, among other things, ensures that the management and operation of the Melbourne Casino remains free from criminal influence and exploitation.
 - c. One of the ways in which that objective is achieved is through Crown's legislative obligation to implement approved systems of controls and procedures,³⁹⁴ including the system of controls and procedures known as the "*Internal Control Statement Junket and Premium Player Programs...*" (**Junket ICS**).³⁹⁵
 - d. Clause 1 of the Junket ICS states:

"The objective of this Internal Control Statement is to ensure that Crown remains free from criminal influence and exploitation through:

(a) the application of effective processes; and

(b) the maintenance of detailed and accurate documentation

relating to Junket and Premium Player Program activity, the introduction of players and VIP International Telephone betting..."
 - e. This objective is expressly supported by the "*minimum standards and controls*" that are set out in clause 2 of the Junket ICS, which include, among others, minimum standards for:
 - i the establishment of an audit trail for the purpose of documenting the terms of the agreement that Crown has entered into with its junket operators, junket players or premium players;
 - ii the completion of signed letters of introduction;³⁹⁶

³⁹¹ VCG.0001.0002.6984.

³⁹² Section 140(a) of the Casino Control Act.

³⁹³ Section 1(a)(i) of the Casino Control Act.

³⁹⁴ Section 121 of the Casino Control Act.

³⁹⁵ See for example version 10.0 of the Junket ICS approved by the VCGLR on 24 December 2015: VCG.0001.0001.6022.

³⁹⁶ Which in-turn must themselves contain certain specified information.

- iii the requirement that processes of independent review be established for authorisation and approval of those players who are relevant for the purpose of the Junket ICS;
- iv the provision of data and reporting to the Commission; and
- v insofar as clause 2 specifically includes a minimum standard for audits, the requirement in clause 2.5.1 that:

“Crown will ensure that it has robust processes in place to consider the ongoing probity of its registered Junket Operators, Junket Players & Premium Players”.

- f. As will be apparent from the nature of the obligations that are referred to in clause 2 of the Junket ICS, those obligations are of a type that apply in the context of ongoing business relationships that Crown has established with specific individuals or entities.
- g. In that context, the junket operators, junket players and premium players referred to in the Junket ICS are (or were) a highly profitable segment of Crown’s business operations at the Melbourne casino. Generally, they wager and, in some cases, lose, large amounts of money.
- h. Crown pays rebates or commissions to the junket operators, junket players and premium players referred to in the Junket ICS which are calculated by reference to the total amount that has been wagered by that individual or entity, in the specified period.
- i. Although these relationships might also include other terms, including minimum ‘buy-in’ requirements and arrangements by which junket operators might, for example, guarantee any credit that Crown extends to a particular player, ultimately, these relationships all have the same objective.
- j. That objective is to facilitate or assist Crown in bringing gamblers who are variously described as ‘premium players’, ‘high rollers’ or ‘VIPs’ to the Melbourne casino to gamble, so that Crown can derive a profit from their gambling activities at the Melbourne casino.
- k. Indeed, the fact that Crown has curated and maintained business relationships of this nature is expressly recognised in the Casino Control Act, including to the extent that the terms ‘junket’ and ‘premium player arrangement’ are expressly defined in ways which recognise the payment of:

*“...a commission [by Crown] based on the turnover of play in the casino attributable to the persons introduced by the organiser or promoter or otherwise calculated by reference to such play”.*³⁹⁷

- l. It is in the context of the business relationships that Crown has curated and established with its junket operators, junket players and premium players that the Junket ICS serves the important regulatory purpose of ensuring that these relationships do not become a conduit through which the Melbourne casino is exposed to criminal influence or exploitation.
- m. The regulatory approach that has been adopted to ensure that junket operators, junket players and premium players do not become a conduit through which the Melbourne casino is exposed to criminal influence or exploitation has evolved over time.

³⁹⁷ See section 3 of the Casino Control Act.

- n. At the time of the enactment of the Casino Control Act in 1991, the predecessor of the Commission was required to expressly approve the individuals or entities who organised or promoted junkets at the Melbourne casino, but there was no prescribed process by which that occurred.
- o. In 1998, that approach was varied by legislative amendment and the introduction of additional regulations which both prescribed the relevant approval process and conferred a power on the relevant director of the Commission's predecessor to approve junket operators.
- p. That system persisted until 2004, when a process of deregulation occurred and, among other things, the prescribed approval process that had been in place since 1998 was removed.
- q. At this time, structural changes were also made which meant that Crown, for the purpose of operating the Melbourne casino, adopted a range of minimum standards and controls, in the form of ICSs.
- r. In the context of this process of deregulation however, specific requirements in respect of junket probity assessments did not form part of the ICS-based approach to regulation until 2015, when Crown proposed that it would begin conducting VIP telephone betting.
- s. At this time, specific requirements were introduced, in the form of the Junket ICS, relating not only to the VIP telephone betting that Crown sought to commence at that time, but also in respect of junket and premium player programs, and the introduction of players. The Junket ICS to which this matter specifically relates deals with each of junket and premium player programs; VIP telephone betting; and the introduction of players accordingly.
- t. As section 121(4) of the Casino Control Act makes clear, Crown is legislatively obliged to implement a robust process - the words of the statute are clear:
- "The casino operator must ensure that the system approved for the time being under this section for the casino is implemented"*.
- u. The Commission considers that the term 'robust' should be given its ordinary meaning. The Macquarie Dictionary defines 'robust' to mean "*strong and healthy, hardy or vigorous*". The Commission considers that the appropriate question is whether Crown implemented its processes in a way that was 'strong' and/or 'vigorous' and has considered the specific matters referred to later in these reasons accordingly.
445. On 17 December 2020, the VCGLR approved an amended ICS concerning junket and premium player arrangements at the Melbourne casino under section 121 of the Casino Control Act (**the revised Junket ICS**).³⁹⁸
446. The revised Junket ICS was developed to address recommendations arising from the VCGLR's review of Crown's ICSs. This review was conducted with the assistance of Senet Legal, an external expert which was engaged to provide legal advice to the VCGLR.³⁹⁹ The revised Junket ICS also incorporates relevant changes proposed by the VCGLR to address issues that arose during the Bergin Inquiry, including changes to clause 2.5.1 of the ICS, which previously

³⁹⁸ See the paper that was submitted to the VCGLR for approval which annexed the revised Junket ICS: VCG.0001.0002.3268.

³⁹⁹ Further details regarding this review are contained in the answer to Question 179 below.

required Crown to ensure that it implements a robust process to ensure the ongoing probity of its registered junket operators, junket players and premium players.⁴⁰⁰

447. Relevantly, the revised Junket ICS now contains more detailed requirements relating to the probity processes to be conducted by Crown. In particular, it requires Crown to conduct due diligence regarding all junket and premium player participants (including junket participants,⁴⁰¹ junket operators,⁴⁰² junket agents⁴⁰³ and junket funders⁴⁰⁴/guarantors⁴⁰⁵) prior to engagement with the participant and on an on-going basis, to assess their suitability based on matters such as their financial suitability, as well as their general reputation having regard to character, honesty and integrity (i.e., incorporating the legal test found at section 28A(4) of the Casino Control Act). The revised Junket ICS further specifies that Crown must assess the suitability of participants based on the assessment processes and procedures outlined in Standard Operating Procedures (SOPs) developed by Crown. The VCGLR has yet to receive revised SOPs from Crown in relation to the revised Junket ICS.
448. In addition to the above, the VCGLR commenced a disciplinary action proceeding against Crown in relation to alleged breaches of clause 2.5.1 of the Junket ICS as it was in 5 September 2017 – July 2019 (i.e., the 2015 ICS) (i.e., prior to it being revised).⁴⁰⁶ The breach is that Crown failed to have a robust process to assess the probity of junket operators, junket players and premium players. The reasons for decision concerning this disciplinary action proceeding⁴⁰⁷ and the letter of censure dated 27 April 2021 issued under section 20(4)(b) of the Casino Control Act⁴⁰⁸ contained a direction to prohibit Crown from recommencing junket operations at the Melbourne casino, until Crown applies to the Commission to recommence such activity have been provided to the Royal Commission. Any application made by Crown would need to further specify the changes Crown has made to its junket probity procedures to address the deficiencies outlined by the Commission in its reasons for decision.
449. Any proscriptive approval of junket operators, agents and players by the VCGLR would require legislative reform.

⁴⁰⁰ See letter sent by the VCGLR to Crown concerning proposed changes to the Introductory Chapter and Junket ICSs: VCG.0001.0002.6634.

⁴⁰¹ Defined in the revised Junket ICS to mean a person who gambles under a junket program and is recorded in Crown's casino management system.

⁴⁰² Defined in the revised Junket ICS to mean an entity whose application to become a junket operator has been approved in accordance with the standard operating procedures related to this ICS, and who is paid a commission or fee for person(s) gambling under their junket.

⁴⁰³ A person appointed by a junket operator as an authorised representative to perform certain functions or transactions with Crown on behalf of that junket operator.

⁴⁰⁴ Defined in the revised Junket ICS to mean a person who provides financial backing to a junket operator but is not a party to the junket agreement or junket program.

⁴⁰⁵ Defined in the revised Junket ICS to mean a person who signs a Guarantee Letter for any losses accrued on a junket program.

⁴⁰⁶ Prior to the revised Junket ICS, the applicable Junket ICS was version 10.0 approved by the VCGLR on 24 December 2015 (**2015 ICS**): VCG.0001.0001.6022. Clause 2.5.1 of the 2015 ICS required Crown to "*ensure that it has robust processes in place to consider the ongoing probity of its registered Junket Operators, Junket Players & Premium Players*".

⁴⁰⁷ VCG.0001.0002.6984.

⁴⁰⁸ VCG.0001.0002.6985.

Question 151

- 151 *What processes and systems does the VCGLR expect would need to be in place at Crown before the VCGLR would consider approving procedures for the promotion and conduct of junkets at Crown? What would be the likely timeframe?*
450. This may, in large part, require the legislation and regulations that existed at or about the time of the inception of the Melbourne Casino to be reinstated and systems, based on that reinstatement, to be implemented by Crown accordingly.
451. In the absence of any such reinstatement however, (and as has already been noted) on 17 December 2020, the VCGLR approved the revised Junket ICS. The revised Junket ICS specifies new requirements that must be implemented by Crown in relation to junket and premium player programs conducted at the Melbourne casino, including requirements associated with ongoing probity assessments of entities involved in junket and premium player activities.
452. Further as has already been noted, on 27 April 2021, the VCGLR took disciplinary action against Crown Melbourne, in which it issued Crown with a letter of censure containing a direction not to recommence junket operations at the Melbourne Casino until such time as Crown applies to and receives permission from the VCGLR to recommence junket operations.⁴⁰⁹ Any such application must demonstrate how Crown has addressed the VCGLR's concerns as identified in the VCGLR's reasons for decision in that matter. The VCGLR also directed Crown to provide the VCGLR with monthly reports on its progress of implementing reform programs outlined in its Reform Agenda and the VCGLR is, as at the date of these answers, in the process of considering Crown Melbourne's proposal in that regard.
453. Accordingly, with respect to the likely timeframe, this will necessarily depend on whether Crown wishes to recommence junket operations, as well as the thoroughness of any such application being received by the VCGLR (quite apart from any future reforms that might unwind the deregulation that occurred in the early 2000s).

Question 152

- 152 *What is the VCGLR's view on the financial impact to Crown of its decision to cease dealing with junket operators?*
454. Based mostly on the information that was received by the VCGLR in the course of the disciplinary action referred to above, there is little doubt that the cessation of junket operations will have a significant financial impact on Crown. In that regard, as is noted in the VCGLR's reasons in respect of the disciplinary action, Crown Melbourne's own risk assessments in respect of one of its major junket operators (Suncity and Alvin Chau), produced in November 2018, was that in the period "*FY15 through year to date FY18*" the turnover of the junket operated by Mr Chau and Suncity "*has exceeded 20.5 billion.*"⁴¹⁰

⁴⁰⁹ VCG.0001.0002.6984.

⁴¹⁰ VCG.0001.0002.2510.

JUNKET AND PREMIUM PLAYER PROGRAMS INTERNAL CONTROL STATEMENT**Questions 153 and 154**

- 153 *In December 2017, the VCGLR took disciplinary action after finding that Crown Melbourne had failed, in some instances, to implement the internal control statement for Junket and Premium Players and the VCGLR imposed a fine of \$150,000. The Sixth Review states that failures involved failing to properly document junket arrangements, including failing to name junket program players and an operator, failing to document front money and failing to accurately record the authorised Crown representative.*
- 154 *Describe the internal controls not complied with.*
455. In December 2017, the VCGLR took disciplinary action against Crown under section 20 of the Casino Control Act on the grounds that Crown had breached section 121(4) of the Casino Control Act on multiple occasions, where such breaches arose from Crown's non-compliance with various provisions of the Junket ICS (**2017 Disciplinary Action**). These included multiple contraventions by Crown of:
- a. clause 2.2.1(a)(iii) in that the names of junket players were not documented in the junket program agreement;
 - b. clause 2.2.1(a)(iv) in that the front money was not documented in the junket program agreement;
 - c. clause 2.2 and 2.2.1(a)(vi) in that an authorised Crown representative was neither accurately recorded nor identifiable in the junket program agreement; and
 - d. clause 2.7 in that Crown failed to notify the VCGLR of a new non-resident junket operator.
456. On 6 December 2017, the Commission imposed a fine on Crown of \$150,000 in respect of 13 contraventions of section 121(4) of the Casino Control Act in relation to audit documentation required under the Junket ICS. In addition to this however, the VCGLR also notes that it has also acted in respect of Crown Melbourne's compliance with its obligations arising under the Junket ICS:
- a. on 8 September 2011 when the then VCGR issued a letter to Crown for a failure to notify it of two new non-resident junket operators as required by section 2.7 of the approved ICS, but no further action was taken;
 - b. on 7 May 2019 when the Commission imposed a fine of \$25,000 in respect of a contravention of section 121(4) of the Casino Control Act in relation to the non-notification of a resident junket operator under the Junket ICS.
457. At the time that the VCGLR imposed the penalty in April 2021, it did so on the basis that it represented the fourth occasion on which Crown Melbourne had failed to comply with its obligations under the Junket ICS regime accordingly.

Question 155

- 155 *Describe Crown's non-compliance, including the period of non-compliance.*
458. The non-compliance is described at paragraph 455 above.

459. On 28 December 2016, a delegate of the VCGLR issued Crown with a notice to show cause, providing Crown with an opportunity to submit why disciplinary action should not be taken pursuant to section 20(2) of the Casino Control Act.⁴¹¹ The notice alleged that Crown had contravened section 121 (4) of the Casino Control Act for 21 instances of non-compliance with the Junket ICS in relation to:
- a. Junket Player Program Number 230115 dated 10 January 2015 for Alleged Breach 1;
 - b. Junket Player Program Number 242435 dated 9 September 2015 for Alleged Breach 2;
 - c. Junket Player Program Number 239480 dated 15 July 2015 for Alleged Breaches 3 to 13;
 - d. Junket Player Program Number 240433 dated 1 August 2015 for Alleged Breaches 14 to 17; and
 - e. Junket Player Program Number 242109 dated 3 September 2015 for Alleged Breaches 18 to 21.
460. As noted in the notice, the failings by Crown with the above Junket ICS requirements primarily occurred in 2015.
461. Further details concerning this disciplinary action proceeding are contained in the Commission Paper submitted to the Commission at its November 2017 meeting.⁴¹²

Question 156

- 156 *Following the VCGLR's disciplinary action, did Crown Melbourne review its systems and controls in relation to documenting junket arrangements? If so, outline the nature and findings of the review.*
462. The VCGLR is unaware of a review having been conducted by Crown concerning its systems and controls relating to documenting junket arrangements as a result of the VCGLR's decision to take disciplinary action in 2017.
463. However, on 7 May 2019 the Commission imposed a fine of \$25,000 on Crown in respect of a contravention of section 121(4) of the Casino Control Act in relation to the non-notification of a resident junket operator under the Junket ICS.
464. In a letter dated 29 March 2019 from Crown to the VCGLR concerning this disciplinary action which followed previous disciplinary actions, Crown outlined details relating to its updated compliance framework.⁴¹³ Crown set out improvements to its processes regarding the documentation of junket programs, which included the development of a dedicated workflow process for new junket operator onboarding, as well as the integration of relevant teams within Crown's business wide compliance framework. The letter set out as follows:

"Crown sincerely regrets the occurrence of each matter and has implemented a number of steps to improve its processes, as detailed below:

⁴¹¹ VCG.0001.0002.8133.

⁴¹² VCG.0001.0002.3269.

⁴¹³ VCG.0001.0002.3266.

1. *A dedicated workflow process for new Junket Operator on-boarding has been developed;*
2. *The Junket Operator registration process, which was managed by a VIP Commercial team member, is now managed by the Credit Control Team. This change reduces handling and consequently, mitigates opportunity for error;*
3. *SYCO access to the 'Representative Maintenance Screen', whereby patrons are registered as a Junket Operator with Crown, has been restricted to Compliance and Cage staff. This change restricts operational staff from entering a Junket Operator into the system, who has not been through the full approval process;*
4. *A new junket approvals email group was set up and is in use. This ensures that all relevant departments are aware Of when a new Junket Operator is approved ;*
5. *The Junket Operator tracking Excel spreadsheet was decommissioned. This removes the opportunity for manual entry errors or different versions Of the spreadsheet being saved. All 'source of truth' information is now held in the System and restricted to Compliance users only; and*
6. *All staff members involved in the process Of on-boarding Mr SWADI, have had the importance Of the process and the requirement Of its strict adherence reinforced With them.*

Further and importantly, we note that the relevant teams involved in the junket processes have all been integrated into the business wide compliance framework and are all positively contributing to this new initiative which, as recently reported to the Commission (we refer to our letter to the Commission dated 24 December 2018— a copy of which is attached for your ease of reference), is developing an enhanced compliance culture across the business, which we look forward to seeing continue to mature.

Crown requests that the Commission consider favourably Crown's efforts in strengthening its processes, raising awareness of the importance of strictly adhering to the processes and its long history of compliance.

Crown assures the Commission that it is conscious of the importance and significance of preventing a reoccurrence of these incidents and Crown is committed to the continuous improvement of its processes to overcome such occurrences. "

Question 157

- 157 *What steps did Crown Melbourne take to address the issues of non-compliance identified by the VCGLR's disciplinary action?*
465. Please see the response to question 156.

Question 158

- 158 *What, if any, changes did Crown Melbourne implement in relation to the documenting of junket arrangements following the VCGLR's disciplinary action?*
466. Please see the response to question 156.

Questions 159 and 160

- 159 *Page 138 of the Sixth Review states that the VCGLR observed that to assist in mitigating the risks associated with junkets, the current internal control statements for junkets could be strengthened with the inclusion of more robust controls in relation to the identification of individual junket players and their associated gaming transactions.*
- 160 *Describe the steps, if any, taken by Crown in response to that VCGLR observation.*
467. This observation was incorporated in Recommendation 17.
468. The VCGLR refers to paragraph 113 of the Jason Cremona’s witness statement dated 15 April 2019. Crown provided a submission to the VCGLR dated 1 July 2019 in relation to its implementation of Recommendation 17 of the Sixth Review.⁴¹⁴ In its submission, Crown advised:
- a. It has completed its robust review of the relevant ICSs to ensure that money laundering risks are appropriately addressed which included assistance from external advisory firm Initialism Pty Ltd (**Initialism**) and AUSTRAC. Crown sought advice on the changes to the relevant ICSs proposed by Crown, and any other input or commentary Initialism might have regarding the relevant ICSs.
 - b. AUSTRAC advised Crown that its treatment of Recommendation 17 “*is a matter for Crown and that it is not appropriate for AUSTRAC to provide comment on ICSs*”.
 - c. It continues to take steps to review and enhance its broader AML/CTF risk-based framework.
 - d. Its review of the relevant ICSs was conducted concurrently with Crown’s annual AML/CTF risk assessment under its risk-based AML/CTF Program.
 - e. It proposed amendments to the relevant ICSs. The proposed amendments to the relevant ICSs were:
 - i the inclusion of Crown’s AML/CTF Program as a control in the ‘Minimum Standards and Controls’ section of each relevant ICS; and
 - ii the inclusion of a specific risk of ‘Criminal influence and exploitation’ (which captures potential money laundering or terrorism financing activities) in each relevant ICS Risk Assessment where that risk is not already directly or indirectly included.
469. Crown had met the minimum requirements of Recommendation 17 which meant that it had undertaken a review of relevant ICSs with external assistance from Initialism, and sought input from AUSTRAC. The VCGLR did not believe that there were sufficient grounds, when assessing the specific words of Recommendation 17, to determine that Crown had failed to implement the recommendation as required.⁴¹⁵
470. However, the VCGLR considers that Crown applied a minimalist approach to addressing the suitability of its ICSs in mitigating money laundering. The expectation that relevant internal

⁴¹⁴ VCG.0001.0001.0037

⁴¹⁵ Paragraph 122 of the Jason Cremona’s witness statement dated 15 April 2019

controls be introduced to the ICS to provide greater visibility to the identity of the junket players and their associated gaming transactions and front money contributions, when participating in junkets (see page 138 of the Sixth Review), was not addressed.⁴¹⁶

471. The VCGLR considered that the best approach to addressing the matter raised at page 138 of the Sixth Review was via a further review and enhancement of the relevant ICSs by the VCGLR, rather than seeking to have Crown itself conduct another review.⁴¹⁷
472. Following this, the VCGLR then conducted its own independent review of Crown's ICSs by retaining Senet Legal, and subsequently amended the Junket ICS in line with the recommendations arising from this review.

SHOW CAUSE NOTICE

Questions 161 and 162

- 161 *On 12 October 2020, the VCGLR sent Crown a show cause notice relating to Crown Melbourne's compliance with its Internal Control Statement for junket operations (ICS) as required under the Casino Control Act 1991 (Vic), requiring Crown Melbourne to show cause why disciplinary action should not be taken in relation to an alleged noncompliance with the ICS.*
- 162 *What was the issue of non-compliance addressed in the show cause notice?*
473. Notices were issued in both October 2020 and also November 2020. Both notices were issued pursuant to section 20(2) of the Casino Control Act and required Crown to show cause why disciplinary action should not be taken.⁴¹⁸ The notices were issued on the ground that Crown may have contravened section 121(4) of the Casino Control Act by failing to implement its obligation under clause 2.5.1 of the Junket ICS to ensure that it had robust processes in place to consider the ongoing probity of its registered junket operators, junket players and premium players.

Question 163

- 163 *Has the issue been addressed to the VCGLR's satisfaction? If not, what is the status of the matter?*
474. As the Royal Commission is aware, the VCGLR fined Crown \$1 million for failing to comply with regulatory requirements in relation to the management of junket operations and also issued a letter of censure.⁴¹⁹
475. Over an extended period of time (in some instances since as early as 2009), Crown failed to implement robust processes to consider the ongoing probity of junket entities. This is the first time Crown has been fined the maximum penalty available to the VCGLR under the Casino Control Act.
476. As has already been noted, the VCGLR has directed that Crown does not recommence junket operations at the Melbourne Casino until such time as Crown applies to and receives permission

⁴¹⁶ Paragraph 123 of the Jason Cremona's witness statement dated 15 April 2019

⁴¹⁷ Paragraph 123 of the Jason Cremona's witness statement dated 15 April 2019

⁴¹⁸ VCG.0001.0002.6984, pages 7-8, paragraphs 23 and 24.

⁴¹⁹ VCG.0001.0002.6985.

from the VCGLR to recommence junket operations. Any such application must demonstrate how Crown has addressed the Commission's concerns as identified in the reasons for decision of 27 April 2021. The Commission will assess Crown's application if and when it is made.

GOVERNANCE AND RISK MANAGEMENT

Questions 164 to 167

- 164 *In the Sixth Review, the VCGLR recommended that, by 1 January 2019, Crown develop, and submit to the VCGLR for approval, a change program to fully engage its independent directors in proactive strategic oversight of the operations of the Melbourne Casino (p. 12). To the VCGLR's knowledge, has this occurred?*
- 165 *In the Sixth Review, the VCGLR recommended that particular consideration be given to formulating a charter for the Crown Melbourne Board (p. 12). To the VCGLR's knowledge, has this occurred?*
- 166 *In the Sixth Review, the VCGLR recommended that particular consideration be given to fully documenting, for visibility to the VCGLR, the reporting and decision-making relationships between all of the Boards, committees and executive meetings with responsibility for, or oversight of, Melbourne Casino functions (p. 12). To the VCGLR's knowledge, has this occurred?*
- 167 *In the Sixth Review, the VCGLR recommended that particular consideration be given to elevation of governance to the Crown Board and committees (p. 12). To the VCGLR's knowledge, has this occurred?*
477. The VCGLR considers that the report it prepared pursuant to sub-section 24(3) of the Casino Control Act in respect of the conviction and sentencing of Crown employees for gambling related offences in the People's Republic of China in June 2017 (**China Report**), identifies several issues that are also relevant to these matters that were previously referred to in the context of the Sixth Review.
478. In addition to that however, specifically in respect of these questions, the VCGLR also notes that in submission dated 24 December 2018⁴²⁰ Crown advised that the following enhancements had been, or would be, adopted as part of a change program:
- a. Changes to Crown constituent documents:
 - i Adoption of a revised Constitution.
 - ii Adoption of a new board charter.
 - b. Establishment of a new ERCC:
 - i Establishment of a new ERCC which aligns with the governance structure in place at Crown Perth.
 - ii Adoption of an ERCC formal charter, which sets out its primary objectives and functions.

⁴²⁰ VCG.0001.0001.0007, pdf page 7.

- iii Coordination of the timings of ERCC meetings, to precede each relevant Crown Board Committee meeting, so that key matters can be distilled for escalation to these committees.
- c. Changes to the structure of Crown Operational Committees:
- i Establishment of two new Crown Operational Committees comprising of members of management: the Compliance Committee and the Fraud Risk Management Committee.
 - ii Adoption of formal charters for each Crown Operational Committee, so that the Committee's primary objectives and functions are documented.
 - iii Coordination of the timing of Committee meetings to precede each scheduled meeting of the ERCC, so that key matters can be distilled for escalation to the ERCC.
479. At its 28 February 2019 meeting, the Commission determined that Crown had implemented Recommendation 1 of the Sixth Review.⁴²¹

Question 168

- 168 *In the Sixth Review, the VCGLR recommended that, by 1 January 2019, Crown undertake a review of the required qualifications for committee chairs set out in the charters and ensure that the appointees' actual qualifications match (p. 12). To the VCGLR's knowledge, has this occurred?*
480. Since the VCGLR made this recommendation, there has been several resignations from the boards of Crown Melbourne and Crown Resorts that are relevant to the Royal Commission's consideration of this question. This has included, among others, the resignation of most or all of those who sat on the Crown Resort's Risk Management Committee at the time of the Sixth Review.
481. Most, if not all, of those who were directors of Crown Melbourne at the time of the Sixth Review have also resigned and/or been asked to leave by the current Chair of Crown Resorts, Helen Coonan.
482. However, in the context of this question specifically, the VCGLR refers to Crown's submission dated 24 December 2018 in which Crown stated that it had completed a review of the required qualifications of the Crown Board Audit Committee and Compliance Committee chairs.⁴²² As part of this, Crown:
- a. replaced Rowena Danziger as chair of the Crown Audit Committee with Antonia Korsanos, on the basis that the Sixth Review considered it important for the person in that position to have a significant background in accounting and/or financial management disciplines; and
 - b. advised that no change was required to the position of chair of the Crown Compliance Committee role.

⁴²¹ See Commission Paper dated 8 February 2019: VCG.0001.0001.0007 and the commission meeting minutes extract: VCG.0001.0001.0093 at page 1.

⁴²² VCG.0001.0001.0007, pdf page 31.

483. After a request from the VCGLR that Crown Melbourne also conduct a review of Crown Resorts' committees,⁴²³ Crown provided a further submission dated 3 June 2019 which:⁴²⁴
- a. identified the chairs of the Crown Resorts board committees, and identified that, as an ASX listed company, its adherence to the ASX's Corporate Governance Principles and Recommendations ensures that the appointed committee chairs are suitably skilled and are experienced in accordance with the requirements of the respective committee charters; and
 - b. made reference to the qualifications and experience set out in the Director's Statutory Report in the 2018 Crown Resorts Annual Report.
484. At its 28 February 2019 meeting, the Commission approved completion of Recommendation 2, conditional upon Crown completing a review of Crown Resorts' committee chairs by 30 May 2019.⁴²⁵
485. At its 25 July 2019 meeting, the Commission agreed that Crown had addressed the further condition placed upon it at the 28 February 2019 meeting, and determined that Crown had implemented Recommendation 2.⁴²⁶ However, the VCGLR again notes that the various resignations that have since occurred and that are specifically referred to in the China report have over-taken that determination.

Question 169

- 169 *In the Sixth Review, the VCGLR recommended that, by 1 July 2019, Crown assess the robustness and effectiveness of its risk framework and systems, including reporting lines in the chain of command, and upgrade them where required (p. 12). To the VCGLR's knowledge, has this occurred?*
486. In responding to this question, the VCGLR again refers to the significant risk management failures that are identified in the China Report, including the significant concessions that were made by Crown in respect of its risk management structures on or about 22 January 2021.
487. Specifically in response to this question however, the VCGLR also refers to Crown's submission dated 1 July 2019, in which Crown advised that:⁴²⁷
- a. an extensive review of Crown's Risk Management Framework has been undertaken since mid-2017, which resulted in a number of recommendations for enhancement across many aspects of the risk framework;
 - b. PwC performed a review of Crown's Risk Management Framework for the VCGLR as part of the Sixth Review in April 2018, and following PwC's review and taking their input into account, Crown continued its enhancement program;

⁴²³ VCG.0001.0001.0047.

⁴²⁴ VCG.0001.0001.0048.

⁴²⁵ See Commission Paper dated 8 February 2019: VCG.0001.0001.0007 and the commission meeting minutes extract: VCG.0001.0001.0093 at page 1.

⁴²⁶ See Commission Paper dated 9 July 2019: VCG.0001.0001.0053 and the commission meeting minutes extract: VCG.0001.0001.0093 at page 2.

⁴²⁷ VCG.0001.0001.0065.

- c. to further enhance the robustness of the enhancements being introduced within the risk management framework, Crown sought advice from an external advisory firm on the major elements of the program.
488. Crown subsequently identified that Deloitte had provided the external advice at a VCGLR Operations meeting.
489. At its 22 August 2019 meeting, the Commission deferred its decision about Crown’s implementation of Recommendation 3 until it has had the opportunity to review the external advice obtained by Crown from Deloitte to support this recommendation.⁴²⁸
490. Crown provided the VCGLR with a further submission containing Deloitte’s report on 13 September 2019,⁴²⁹ as well as a submission dated 25 October 2019 which referenced each recommendation from the Deloitte Report together with its status as to impact, timeframe for implementation and Crown’s comments (i.e., whether it accepted the recommendation or not).⁴³⁰ Crown identified that of the 15 recommendations:
- a. 10 were accepted, and had been implemented by Crown;
 - b. three were accepted, but were yet to be implemented;
 - c. two were rejected by Crown.
491. At its 19 December 2019 meeting, the Commission determined that Crown had implemented Recommendation 3, and noted that the Licensing Division would monitor Crown’s implementation of three outstanding recommendations made in the Deloitte report.⁴³¹
492. The outstanding recommendations and Crown’s update on 13 August 2020 in respect of each recommendation are as follows:⁴³²
- a. 2.1.4(a) – *“As Crown continues to develop and embed the concept of risk appetite, any update to the qualitative statements should consider including a clearer statement of acceptable risk tolerances.”*
- Crown’s update:** *“The risk appetite was reviewed by the Crown Resorts Board at its annual review cycle in June 2020, and is being approved at the Crown Melbourne Board in this current review cycle. A discussion was held with the chair of the Crown Melbourne Audit Committee and the Chair of the Crown Resorts Risk Management Committee with regards to the phrasing of the qualitative appetite statements, and it was agreed that there was a preference for a positive qualitative statement, with a clear reporting threshold (as is currently in place), rather than a negative qualitative statement as well as reporting thresholds. As a result, it was agreed to keep that current qualitative statement phrasing. We will continue to consider this recommendation over the next years.”*

⁴²⁸ See Commission Paper dated 5 August 2019: VCG.0001.0001.0068 and the commission meeting minutes extract: VCG.0001.0001.0093 at page 3.

⁴²⁹ VCG.0001.0001.0056.

⁴³⁰ VCG.0001.0001.0057.

⁴³¹ See Commission Paper dated 2 December 2019: VCG.0001.0001.0064 and the commission meeting minutes extract: VCG.0001.0001.0093 at page 6.

⁴³² VCG.0001.0003.0870.

- b. 2.2.2(c) – *“Consider amending the ERCC... Charter to include oversight of management of risks within risk appetite and the embedding of the Board’s desired risk culture.”*

Crown’s update: *“This was completed with the annual review of the ERCC charter at the 24 January meeting.”*

- c. 2.3(a) – *“Greater clarity could be provided on the:*

- *Reporting of risks against risk appetite;*
- *Nature of risk aggregation and reporting;*
- *Definition and value of triggers and their definitions to support proactive risk management, and the timely escalation where risk appetite is exceeded.”*

Crown’s update: *“During the annual review of the Risk Management Strategy (RMS) that took place in June 2020 and was approved by the Crown Resorts Board, it was noted that the types of events and the quality of the escalation process was effective and that the Board has been made aware in a timely manner of all relevant events and that the reporting against the risk appetite on an ongoing basis was effective. The Chair of the Crown Resorts Risk Committee and the Chair of the Crown Melbourne Audit Committee were both individually briefed on the risk management framework, including the nature of the aggregation and reporting, and were happy with its process at this time. We will continue to consider this recommendation over the next years.”*

Question 170

170 Page 57 of the Sixth Review states that the review addressed the risk associated with Mr James Packer’s influence over Crown Resorts arising from the 46 per cent of the voting power he controls through CPH. What does the VCGLR consider to be the influence over Crown Resorts and “risks” arising from the voting power Mr Packer controls through CPH?

493. The specific risk of a conflict of interest arising from this matter is described in detail in the China Report.

494. Furthermore, however, the Sixth Review states as follows on page 66:

“As to the question of control, Crown stands out in the general corporate sector (although not in the casino industry) because of one person having a substantial interest in the business, controlling 46 per cent of the voting power.

While this is not technically a majority interest, it is sufficient to allow the holder effective control. Since the grant of its licence in 1994, Crown Melbourne has, as a result of its founding and ongoing circumstances, operated on the mission and vision of its key leaders and owners—initially Messrs Williams and Walker, then Mr Kerry Packer and now Mr James Packer.

This requires others in governance roles, especially board members and senior executives, to advance the best interests of the corporate entity. The VCGLR considered that the relationship between Mr Packer and his controlling interest, and the good governance of the companies, is well mediated by the operations of the boards and committees, and the roles played by the independent directors. The VCGLR also noted that the initiation and discontinuation of a number of initiatives was consistent with a policy of more conservative capital management.”

495. Insofar as the China Report is concerned, it specifically notes that:

“The potential conflict of interest between CPH and Crown

214. *Having regard to the reporting structures that existed in the context of both the CEO meetings and that of the VIP / CPH Working group meetings, the Commission considers that it is possible that a conflict may have existed between the interests of CPH on the one hand and that of Crown on the other.*
215. *Indeed, the Commission particularly takes that view to the extent that:*
- a. *CPH is, in effect, Mr Packer’s private investment company;*
 - b. *although it is an approved associate of Crown Melbourne, unlike Crown Melbourne which is a casino licensee and Crown resorts which is an ASX listed company, CPH is an unlisted private company and therefore is not subject to the same level of regulatory scrutiny or accountability as exists in respect of Crown Melbourne and Crown Resorts.*
216. *In those circumstances, the Commission is particularly concerned at the extent to which the imposition of CPH as well as its executives, advisers, and directors, through the existence of both the CEO meetings and also the VIP/CPH Working Group meetings, may have resulted in a conflict arising between the investment objectives of CPH on the one hand and the safety of Crown’s staff in China on the other.*
217. *Furthermore, in respect of this concern, the Commission notes that this is an issue that may persist, notwithstanding the extensive resignations that have recently occurred within Crown in circumstances where CPH publicly stated on or about 13 February 2021 that it intended to retain its significant 37 per cent shareholding in Crown Resorts.*
218. *Although the Commission identifies this matter as a concern, it also notes that issues of such a potential conflict are not, strictly speaking, a matter that is within the regulatory ambit of this report. As such, the Commission notes that it has not considered this matter in fine detail, including to the extent that it did not seek to direct any exercise of its compulsory powers towards CPH in the context of the investigation that has given rise to this report (notwithstanding that such powers might in the future be exercised by the Commission in respect of CPH, noting its status as an associate of Crown Melbourne, the holder of the Melbourne casino licence).*
219. *In any event, the Commission considers it necessary and appropriate to specifically mention this matter and furthermore notes that, as is described later in Part 7 of this report, the Commission will be taking further action in respect of this matter accordingly.*

Direct reporting to Mr Packer

220. *Finally on the issue of other reporting mechanisms that might have been engaged (and the potential conflict between the interests of CPH and Crown), the Commission notes that in the course of his evidence to the NSW Inquiry, Mr Packer said that in the period leading up to his resignation as a director of Crown Resorts in December 2015 (being about 10 months before the arrests in China), he expected that each of Messrs Felstead, Johnston and Ratnam, as persons who had shown complete loyalty to him for many years, would inform him of any important issues in relation to the VIP International business of which they became aware.*

221. *Indeed, the Commission also notes that in their evidence to the NSW Inquiry, at least Messrs Johnston and Ratnam agreed that it was their practice to update Mr Packer about matters they considered important in respect of Crown’s VIP International operations.*
222. *This evidence is of particular concern to the Commission for several reasons, including to the extent that the documentary record that has been produced to the Commission overwhelmingly demonstrates that:*
- a. *each of these three individuals were aware of important matters, including the accepted risk escalation events, and yet apparently failed to inform Mr Packer of these matters;*
 - b. *each of these individuals also sent several emails to people other than Mr Packer in respect of some or all of the accepted risk escalation events;*
 - c. *notwithstanding his expectation that Messrs Ratnam, Felstead and Johnston would report important matters to him and their knowledge of certain risk escalation events, it seems that the documentary record that has been produced by Crown is entirely bereft of evidence to suggest that any of the matters or any of the accepted risk escalation events were reported to Mr Packer by any of Messrs Ratnam, Felstead or Johnston.*
223. *Although as has already been noted, the Commission did not, during its investigation, seek the production of evidence directly from CPH, the Commission notes that, in the absence of such direct evidence, it has done its best to reconcile the obvious tension that is created by what seems to be this conflict in the evidence.*
224. *Having done its best to reconcile this conflict however, the Commission can offer no explanation as to why these processes of direct reporting to Mr Packer did not result in him being informed about the accepted risk escalation events by any or all of Messrs Ratnam, Felstead and Johnston.*
225. *In that regard, whilst the Commission is unable to offer its own explanation, the Commission does however note that in his evidence to the NSW Inquiry, Mr Packer accepted as a possibility (after it was put to him by Counsel Assisting the NSW Inquiry) that his strong personality had perhaps resulted in none of Messrs Johnston, Ratnam or Felstead wanting to bring bad news to his attention.”*
496. The VCGLR notes the Independent Liquor & Gambling Authority’s (ILGA) press release of 16 April 2021 which states as follows:
- “The NSW Independent Liquor & Gaming Authority has reached agreement with James Packer’s Consolidated Press Holdings (CPH) on a number of undertakings regarding Crown Resorts and its associates.*
- The agreement was reached following discussions between the regulator and CPH about the Bergin Report which raised significant concerns over the influence of CPH and Mr Packer, as the dominant shareholder of Crown, on the management and operation of Crown’s Barangaroo casino.*
- Some of the key proposed undertakings by CPH include:*
- *not entering into any information sharing arrangements with Crown*

- *not initiating any discussions with Crown, other than through public forums, about Crown's businesses or operations*
- *not seeking to have its executive or nominee appointed to Crown's board, or requisition a meeting of Crown shareholders to seek the appointment of any person as a director of Crown, before October 2024*
- *not seeking any amendment to the Crown constitution which would affect the management or operation of Crown's businesses.*

*It is expected that the final form of the agreed undertakings will be recorded in an enforceable legal document between CPH and the Authority.*⁴³³

497. The VCGLR has written to ILGA about the undertaking.

MONEY LAUNDERING – VCGLR RECOMMENDATION 17

Questions 171 to 173

171 *Recommendation 17 in the Sixth Review was that by 1 July 2019, Crown undertake a robust review (with external assistance) of relevant internal control statements, including input from AUSTRAC, to ensure that anti-money laundering risks are appropriately addressed.*

172 *By its letter to the VCGLR dated 2 July 2018, Crown accepted, inter alia, recommendation 17.*

173 *Has Crown kept the VCGLR up-to-date on its progress of implementing recommendation 17?*

498. This matter is the subject of detailed consideration in the witness statement of Jason Cremona that has already been provided to the Royal Commission.

499. That statement includes, among other things, that on 26 September 2019, the Commission agreed that Recommendation 17 had been implemented by Crown, noting that the VCGLR would undertake its own review of Crown's relevant ICSs to consider whether risks relating to money laundering and junkets had been adequately considered by Crown, and whether further controls in its ICSs were required to address any risks identified.⁴³⁴

500. Between the completion of the Sixth Review and 26 September 2019, Crown provided updates to the VCGLR regarding its progress of implementing Recommendation 17 in meetings and correspondence with the VCGLR that are listed below. Although Crown provided updates, Crown did not proactively advise the VCGLR of its engagement/meeting with AUSTRAC in respect of Crown's ICSs in May 2019.⁴³⁵ It also appears that Crown did not provide its ICSs to AUSTRAC until 30 May 2019, and that Crown did not commence engagement with AUSTRAC until that date.⁴³⁶

a. A meeting between the VCGLR and Crown on 25 September 2018.⁴³⁷

⁴³³ <https://company-announcements.afr.com/asx/cwn/ad256132-9e69-11eb-aa66-a65b42e68e53.pdf>.

⁴³⁴ Cremona Statement at [137].

⁴³⁵ Cremona Statement at [112].

⁴³⁶ Cremona Statement at [109] and [112].

⁴³⁷ Cremona Statement at [30]-[34].

- b. A meeting between the VCGLR and Crown on 31 October 2018.⁴³⁸
- c. A progress update from Crown on 18 January 2019.⁴³⁹
- d. A meeting between the VCGLR and Crown on 13 March 2019.⁴⁴⁰
- e. Further status update from Crown on 2 May 2019.⁴⁴¹
- f. Correspondence regarding Recommendation 17 from Crown on 14 June 2019.⁴⁴²
- g. Crown's submission in relation to its implementation of Recommendation 17 dated 1 July 2019.⁴⁴³
- h. Letter from Crown dated 28 August 2019, enclosing a report by Initialism dated 21 June 2019.⁴⁴⁴

Question 174

- 174 *Are you aware of whether Crown obtained external assistance in undertaking the robust review recommended?*
501. The VCGLR is aware that Crown obtained the assistance of the external advisory firm, Initialism.⁴⁴⁵ Further details in respect of this matter were included in the statement of Jason Cremona which was previously produced to the Royal Commission.

Question 175

- 175 *If yes, what external body was engaged to assist Crown in undertaking the review?*
502. Initialism was engaged to assist Crown in undertaking the review.⁴⁴⁶ Initialism's website (<https://initialism.com.au>) indicates that it is a Melbourne-based consulting firm that specialises in AML/CTF compliance and financial crime risk management.

Question 176

- 176 *What changes, if any, were recommended by the external body?*
503. The changes recommended by Initialism are set out in:
- a. a report dated 21 June 2019 (**Initialism Report**), which was provided to the VCGLR by way of a letter from Crown dated 28 August 2019,⁴⁴⁷ and

⁴³⁸ Cremona Statement at [46]-[48].

⁴³⁹ Cremona Statement at [63].

⁴⁴⁰ Cremona Statement at [77]-[82].

⁴⁴¹ Cremona Statement at [97].

⁴⁴² Cremona Statement at [107].

⁴⁴³ Cremona Statement at [113].

⁴⁴⁴ Cremona Statement at [134]-[135].

⁴⁴⁵ VCG.0001.0001.0041, internal page 5 at [27(b)].

⁴⁴⁶ VCG.0001.0001.0041, internal page 5 at [27(b)].

⁴⁴⁷ Cremona Statement at [134]-[135].

b. in Crown's 'Relevant ICS Review' attached to a letter from Crown to VCGLR dated 1 July 2019.⁴⁴⁸

504. Initialism's proposed amendments to the ICSs to address Recommendation 17 were broadly to:
- “add the AML/CTF Program as a control in the “Minimum Standards & Controls” section of each relevant ICS;*
- add a specific risk of “Criminal influence and exploitation” in each ICS Risk Assessment Matrix where relevant and it is not already included; and*
- assess which controls set out in the minimum standards & controls (including the AML/CTF Program control) that manage and mitigate the risk of criminal influence and exploitation.”⁴⁴⁹*

Question 177

177 *Is the VCGLR aware of whether those changes were implemented?*

505. In its submission dated 1 July 2019, Crown informed the VCGLR that *“Initialism's recommendations have been adopted by Crown”*.⁴⁵⁰
506. On 15 August 2019, the Commission noted Crown's submissions in relation to its implementation of Recommendation 17 and determined to defer its decision on whether Crown had implemented Recommendation 17, pending Crown's providing the Initialism Report for the Commission's consideration.⁴⁵¹
507. On 21 August 2019, the VCGLR requested a copy of the Initialism Report from Crown.⁴⁵² The VCGLR informed Crown that the VCGLR would (with external assistance where required) conduct a further independent review of Crown's relevant ICSs to consider whether risks relating to money laundering and junket operations had been adequately considered by Crown, and whether further controls were required to address any risks identified.⁴⁵³
508. Crown provided the Initialism Report to the VCGLR on 28 August 2019.⁴⁵⁴
509. As the VCGLR considered it necessary to obtain an independent assessment of these matters, the VCGLR subsequently engaged Senet Legal to conduct an independent review of Crown's ICSs to similarly assess whether those risks were adequately addressed and to recommend changes to the extent any risks were not adequately addressed.⁴⁵⁵ Senet Legal completed its review of the ICSs and provided a final report to the VCGLR dated 9 April 2020, which outlined the findings and recommendations of the review.⁴⁵⁶
510. On the basis of Senet Legal's review, the VCGLR then:

⁴⁴⁸ VCG.0001.0001.0039, pdf pages 5 to 11 at rows 1, 5, 6 and 12 to 15 of the table.

⁴⁴⁹ VCG.0001.0001.0072, pdf page 4.

⁴⁵⁰ VCG.0001.0001.0037, internal page 2.

⁴⁵¹ Cremona Statement at [132].

⁴⁵² Cremona Statement at [133].

⁴⁵³ Cremona Statement at [133].

⁴⁵⁴ Cremona Statement at [134].

⁴⁵⁵ Cremona Statement at [139(a)], VCG.0001.0002.6818.

⁴⁵⁶ VCG.0001.0002.3270.

- a. accepted Senet’s recommendations;⁴⁵⁷
 - b. proposed changes to two of Crown’s ICSs (being the Introductory Chapter ICS and Junket and Junket and Premium Player Programs ICS) and consulted with Crown about these changes;⁴⁵⁸
 - c. approved those two ICSs and provided Crown with the approved versions of the ICSs.⁴⁵⁹
511. Since the completion of the Senet Legal review, the VCGLR has commenced work to implement relevant changes to the ICSs. These changes seek to:
- a. give effect to the recommendations by Senet;
 - b. address issues that have been identified by the VCGLR as part of its investigation into junket operations at the Melbourne casino; and
 - c. address various other issues identified as part of VCGLR’s monitoring of the Bergin Inquiry.
512. In carrying out this project, the VCGLR determined to amend ICSs in several tranches, where the first tranche of ICSs (the Introductory Chapter and Junket ICSs) were amended and approved by the Commission on 17 December 2020.⁴⁶⁰
513. The VCGLR has yet to receive updated SOPs from Crown in relation to these revised ICSs.
514. The VCGLR also continues to work with Crown to implement the changes to the remaining ICSs.

Question 178

- 178 *Is the VCGLR aware of whether Crown sought and obtained input from AUSTRAC on this issue?*
515. This is a matter that has already been described in detail in the statement of Jason Cremona.
516. However, in summary, the VCGLR is aware that Crown sought input from AUSTRAC shortly before the recommendation was due.⁴⁶¹ In June 2019, AUSTRAC refrained from providing input on the basis that AUSTRAC’s role was to supervise Crown’s compliance with the *Anti-Laundering and Counter Terrorism Financing Act 2006* and *Anti-Laundering and Counter Terrorism Financing Rules Instrument (No. 1)*, and that it was not appropriate for AUSTRAC to provide comment upon Crown’s ICSs.⁴⁶²

Question 179

- 179 *How, if at all, did Crown’s internal control statements change?*

⁴⁵⁷ Cremona Statement at [139(b)]; VCG.0001.0002.3268 at [4].

⁴⁵⁸ VCG.0001.0002.3268 at [6] – [7].

⁴⁵⁹ VCG.0001.0001.6019; VCG.0001.0001.6020; VCG.0001.0001.6021.

⁴⁶⁰ VCG.0001.0002.6811.

⁴⁶¹ Cremona Statement at [107] – [109]; VCG.0001.0002.6425; VCG.0001.0002.3129.

⁴⁶² Cremona Statement at [110] – [111]; VCG.0001.0002.3057; VCG.0001.0002.3058.

517. As part of Recommendation 17 of the Sixth Review, Crown completed a review of its ICSs to address risks associated with money laundering and junket operations with the assistance of Initialism. Further information on this matter can be found in the relevant Commission Papers and meeting minutes regarding Crown's implementation of Recommendation 17, which are all referenced in the statement of Jason Cremona.
518. However, following completion of the review by Crown, the VCGLR determined that it would conduct a further independent review of relevant ICSs to assess whether Crown had appropriately addressed the relevant risks, and to determine whether further amendments to the ICSs may be required.
519. The changes to two of Crown's ICSs, being:
- a. the Introductory Chapter ICS; and
 - b. the Junket and Premium Player Programs ICS,
- are set out in:
- the Commission Paper dated 9 December 2020 on pages 1 to 3;⁴⁶³
 - the draft ICSs provided by Crown to the VCGLR on 27 November 2020;⁴⁶⁴ and
 - the revised ICSs provided by Crown to the VCGLR on 8 December 2020.⁴⁶⁵
520. Please also refer to the answer to questions 176 and 177 above for the history of ICS changes.

MONEY LAUNDERING – VCGLR OBSERVATION

Questions 180 and 181

- 180 *In the VCGLR's Sixth Review, the VCGLR observed that there is scope for additional training of relevant casino staff to increase staff awareness of the applicable reporting obligations and the behavioural activity indicative of money laundering. The VCGLR observed that training in behavioural activity would enhance Crown's reporting to AUSTRAC and thereby assist the law enforcement agencies' efforts.*
- 181 *What staff in particular should Crown train regarding such behaviour?*
521. Since the Sixth Review, issues relevant to money laundering have been considered in the context of the disciplinary action that the VCGLR took between October 2020 and April 2021, and also in the context of a report that was tabled in the Parliament of New South Wales on or about 1 February 2021.
522. On the basis of those matters, the VCGLR currently considers that there is most certainly scope for there to be additional training of relevant casino staff to increase awareness of the applicable reporting obligations and the behavioural activity indicative of money laundering. Indeed, the

⁴⁶³ VCG.0001.0002.3268.

⁴⁶⁴ VCG.0001.0002.6621, VCG.0001.0002.6622, VCG.0001.0002.6623.

⁴⁶⁵ VCG.0001.0002.6605, VCG.0001.0002.6606, VCG.0001.0002.6607.

VCGLR considers such training to be vital in managing the risk of money laundering at the Melbourne Casino.

523. Otherwise, specifically in response to this question, Crown previously informed the VCGLR that “AUSTRAC has advised Crown that it does not provide training to reporting entities, but has encouraged Crown to review the money laundering typologies and other guidance produced by AUSTRAC and to build these into its internal training programs, an approach already adopted by Crown.”⁴⁶⁶
524. The Commission has not been prescriptive on who should be but Crown may wish to consider what RSG training it provides to its staff, over and above the minimum compulsory training for special employees in relation to gaming machines under section 58A of the Casino Control Act, particularly in relation to senior management. Crown may also wish to ensure that RSG training content appropriately tailored to the role occupied by a particular employees.

Question 182

182 *In VCGLR’s experience, what behaviours are indicative of money laundering?*

525. AUSTRAC’s typologies paper on money laundering and terrorism financing indicators⁴⁶⁷ show various methods/indicators regarding these matters, including behaviours relevant to gambling.
526. Broadly in a gaming or casino context however, the following are some behaviours that are generally considered indicative of money laundering:
- a. unexplained sources of wealth;
 - b. large amounts of cash that cannot be attributed to a particular person, player or entity;
 - c. situations where large amounts of cash are inserted into EGMs and removed with little or no play and similar activity on table games involving cash buy-in with minimal play, less than 30% loss, and then requesting a cheque from the venue;
 - d. cheque buying, which occurs when a person wins a jackpot (**the winner**) and a second patron pays the winner for the jackpot amount (sometimes more than the jackpot amount) and receives the jackpot cheque from the venue instead of the winner (the VCGLR notes that this is more common in gaming venues, and it does not know whether this is common in the casino environment); and
 - e. one fairly primitive indicator involves two players playing a game where the odds of winning are roughly 50%. For example this could occur on roulette when, in conjunction, one person bets on red and the other on black. Over an extended period this would almost be a cost neutral exercise (0 is neither red or black). A cheque would be requested at departure with the two players able to demonstrate extended game play.

⁴⁶⁶ VCG.0001.0001.0039, pdf page 3.

⁴⁶⁷ <https://www.austrac.gov.au/business/how-comply-guidance-and-resources/guidance-resources/typologies-paper-austrac-money-laundering-and-terrorism-financing-indicators>.

Question 183

183 To VCGLR's knowledge, has Crown taken any steps in response to this observation [referred to in Question 180]?

527. The VCGLR is not aware of the steps Crown has taken in response to this observation.

RECOMMENDATIONS**Question 184**

184 To the extent not expressly covered above, please identify:

- a. The steps taken by Crown Melbourne to implement each of the formal recommendations made in the Sixth Review;
- b. Whether, in the VCGLR's opinion, those steps are adequate;
- c. Whether, in the VCGLR's opinion, the formal recommendations made in the Sixth Review have been properly implemented.
- d. What, if any, legislative reforms you think are necessary to address how Crown Melbourne deals with the responsible service of gambling;
- e. What, if any, legislative reforms you think are necessary to address how Crown Melbourne deals with the VCGLR.

528. Crown implemented the recommendations outlined in the Sixth Review. The steps taken by Crown in respect of each recommendation are set out in **Annexure C**. With Recommendation 17, notwithstanding Crown had implemented the recommendation, the Commission directed Crown to undertake further work to the extent that it considered further work was necessary for the VCGLR to be satisfied about the extent to which Crown might have complied with both the spirit and also the form of Recommendation 17.

529. Otherwise, the VCGLR has submitted various legislative amendments for consideration by DJCS, which seek to strengthen the VCGLR's regulatory powers in respect of the Melbourne casino. While these proposals may not be directly relevant to how Crown addresses the recommendations, some of these legislative amendments may nevertheless assist the VCGLR to increase regulatory oversight by the VCGLR of Crown more generally. These include proposals to:

- a. increase the maximum fine penalty for disciplinary action taken against the casino operator;
- b. confer powers on the VCGLR to compel the production of legally privileged documents from the casino operator;
- c. amend section 121(4) of the Casino Control Act to require the casino operator to comply with requirements under ICSs approved by the Commission (rather than 'implement' them)

and to increase the penalty arising for a specific breach of that provision, which is currently set at 50 penalty units;⁴⁶⁸

- d. clarify that the definition of ‘gaming equipment’ in the Casino Control Act extends to any equipment used in relation to gaming machines. This proposal arose from a previous complaint received by the VCGLR concerning the use of ‘button picks’ by patrons at the Melbourne casino to engage in continuous play on gaming machines, where these button picks were supplied by Crown staff. During the VCGLR’s investigation of this issue, it was noted that there is uncertainty as to whether the definition of ‘gaming equipment’ in the Casino Control Act captures button picks, which would then require approval by the VCGLR. Note that the Commission decided to issue a direction to Crown to ban the use of button picks on 7 March 2019;⁴⁶⁹
 - e. amend the mental element required in proving certain offences, such as removal of the term ‘knowingly’ from section 81AAC of the Casino Control Act in relation to the offence of allowing intoxicated persons to gamble at the casino; and
 - f. impose obligations on the casino operator to take reasonable steps to prevent excluded patrons from entering the casino.
530. In addition to these matters, the VCGLR also notes that there are certain differences between the legislative regimes that apply in the context of liquor regulation, as distinct from gambling regulation. Among other things, these differences include provisions for the acceptance of enforceable undertaking in respect of liquor regulation, which do not apply in the context of gambling regulation. They also include matters associated with the application of demerit points in respect of liquor licensees that do not apply in the context of gambling regulation.⁴⁷⁰
531. Furthermore, there are also aspects of other licence-based regulatory environments that are not part of the gaming regulation environment that exists in Victoria insofar as it concerns the Melbourne Casino. For example, there are several powers that are conferred on the Australian Securities and Investments Commission via Chapter 7 of the *Corporations Act 2001* in the context of licensed financial services providers that are not a part of the regulatory regime that the VCGLR administers. Among others, these include specific provisions which require financial services licensees to expressly report breaches to ASIC. This presently exists only in a limited form in the Casino Control Act to the extent that a Casino Licensee is required to report matters that relate to changes in situation of the licensee, pursuant to section 57 of the Casino Control Act.
532. Furthermore, Chapter 7 of the *Corporations Act 2001* also contains a power under section 912C by which ASIC can compel a licensee to give written answers to specific questions that ASIC

⁴⁶⁸ In contrast, the maximum penalty associated with a contravention of section 124(4) of the *Casino Control Act 1992* (NSW) is 200 penalty units. Similar to section 121(4) of the Victorian legislation, this provision specifies that the casino operator must not contravene a requirement of an approved internal control or administrative or accounting procedure.

⁴⁶⁹ VCG.0001.0002.8155.

⁴⁷⁰ Under Part 4A of the *Liquor Control Reform Act (Vic) 1998 (LCRA Act)*, licensees incur demerit points on their liquor licence if there has been a non-compliance incident in relation to that licence. The VCGLR is aware that the late night general licence (Liquor Lic. No. 31951050) held by Crown Melbourne has in the past been the subject of two demerit points. The offences that caused the demerit points to be accrued were two counts under s.108(4)(a) of the LCRA – supply liquor to an intoxicated person. The Demerit points expired on the 7 October 2020 (three years after they were incurred).

has posed to that licensee. The regulatory regime, insofar as it concerns the Melbourne Casino does not include such a power, notwithstanding that it is analogous to the license-based regime that exists in Chapter 7.

533. The China investigation that was finalised in late February 2021 and the disciplinary proceeding that was finalised in April 2021 are particularly acute examples of instances where the VCGLR might have benefited and/or made use of a specific breach reporting provision, an enforceable undertaking power and/or an analogous power to that which exists in the context of section 912C of the *Corporations Act 2001*.
534. In its final submissions to this Royal Commission, the VCGLR will identify any further reforms to the regulatory framework which it considers are desirable.

ANNEXURE A**GLOSSARY OF TERMS DEFINED IN THE VCGLR'S ANSWERS**

Term	Definition
Amending Act	<i>Gambling Regulation Amendment (Gaming Machine Arrangements) Act 2017 (Vic).</i>
ARM	Automated risk monitoring.
ATS	Automated Terminal Stations.
AUSTRAC	The Australian Transaction Reports and Analysis Centre is the Commonwealth regulatory agency for AML/CTF.
Casino Control Act	<i>Casino Control Act 1991 (Vic).</i>
CAT	Crisis Assessment Team.
CCOV	Coroners Court of Victoria.
Code of Conduct	Responsible gambling code of conduct (see paragraph 120 above).
Crown	This expression is used where it is not necessary or helpful to distinguish between the parent company, Crown Resorts, and the casino operator, Crown Melbourne.
Crown Melbourne	Crown Melbourne Limited ACN 006 973 262 is the holder of the Melbourne Casino Licence and the “casino operator” for the purposes of this review. It was initially an ASX listed company under the names Crown Casino Ltd and Crown Limited.
Crown Resorts	Crown Resorts Limited ACN 125 709 953 is an ASX listed, Australian public company. It is Crown Melbourne’s ultimate holding company. It was established (under the name “Crown Limited”) to effect a demerger of media and gambling assets from PBL. It is an approved associate of the casino operator.
CRRGC	Crown Resorts Responsible Gaming Committee.
DAA	Data Analysis Australia.
DJCS	Department of Justice and Community Safety.
EGM	Electronic gaming machine.
ERCC	Executive Risk and Compliance Committee.
FATGs	A fully-automated table game is a table game where bets are made and winnings are paid through a terminal, and the game event itself is randomly generated by an approved device.
Fifth Review	The Fifth Review of the Casino Licence and Operator, undertaken in 2013 by the VCGLR.
FRT	Facial recognition technology.
Gambling Regulation Act	<i>Gambling Regulation Act 2003 (Vic).</i>
GM	General Manager.
GRIP	Crown’s Gambling Resumption Information Program.
GRIP session	If a voluntary exclusion order is revoked, the patron will be asked to attend the RGSC to attend a GRIP session (page 109 of Sixth Review Report).
GRIP SE	A GRIP SE is a Gambling Resumption Information Pack facilitated after successfully revoking self exclusion.

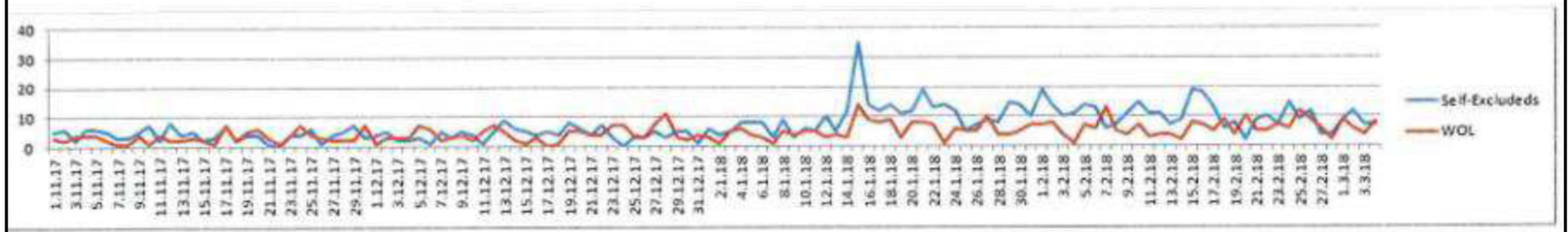
Term	Definition
GRIP TO	A GRIP TO is a Gambling Resumption Information Pack facilitated after completion of the 90 day Time Out program (page 178 of the Sixth Review Report).
ICS	Internal Control Statement.
IGS	Intralot Gaming Services Pty Ltd (ACN 136 775 673). IGS manages the overall monitoring system for gaming machines in Victoria, as well as for managing Crown's YourPlay system.
LMA	Licence Management and Audit (Sub-Division of the VCGLR, in the Licensing Division).
OLGR	Office of Liquor and Gaming Regulation.
Play Period(s)	All interactions with patrons regarding length of play, reminders to take breaks and enforced breaks (page 178 of the Sixth Review Report). Crown's real time monitoring, 'Play Periods', is a program that identifies continuous ratings without appropriate breaks during a 24 hour period (see paragraph 131 above).
Register	Crown Melbourne's Responsible Gambling Register (see paragraph 52 above).
Review Team	The review team established within the VCGLR to conduct the Sixth Review pursuant to section 25 of the <i>Casino Control Act 1991</i> (Vic).
RG Report	Responsible Gambling Report.
RG Strategic Plan	Responsible Gambling Strategic Plan.
RGA	Responsible Gaming Advisor.
RGLO	Responsible Gambling Liaison Officer.
RGMAC	Responsible Gambling Ministerial Advisory Council.
RGP	Responsible Gambling Psychologist.
RGSC	Responsible Gambling Support Centre.
RG WOL	Responsible Gambling Withdrawal of Licence.
RSA	Responsible Service of Alcohol.
RSG	Responsible Service of Gambling.
SATGs	A semi-automated table game is a table game where bets are made and winnings are paid through a terminal, but the game is conducted conventionally by a dealer.
SE	Self-excluded/exclusion.
SEER	Surveillance Event Entry Register.
Sig.club	Crown Signature Club.
SIMU	Security Investigations Management Unit.
Sixth Review	Sixth Review of the Casino Operator and Licence, June 2018.
SME	Subject Matter Expert.
Strategy and Data	Crown's Strategy and Data team.
SYCO	SYCO is Crown's patron database management system.
TG	Table Games.
TOPAs	Time Out Program Agreements.
TPE	Third party exclusion.
VRGF	The Victorian Responsible Gambling Foundation, the body established under the Victorian Responsible Gambling Foundation Act 2011 and governed by a board comprising three members of the Parliament of

Term	Definition
	Victoria elected jointly by the Legislative Council and the Legislative Assembly, and up to eight members appointed by the Governor in Council, has the objectives to reduce the prevalence of problem gambling and the severity of harm related to gambling and to foster responsible gambling.
VCGLR	Victorian Commission for Gambling and Liquor Regulation.
WOL	Withdrawal of Licence. A WOL maybe issued to a patron displaying unacceptable gambling behaviour. These include all breaches and enquiries by banned patrons who are not Self Excluded or Excluded (page 178 of the Sixth Review Report).

ANNEXURE B

OUTCOME OF FRT TRIAL RECEIVED FROM CROWN ON 21 March 2018

Results are as follows, with numbers representing Self-Excluded and WOL patrons who were asked to leave as a result of a NEOFACE activation or a live observation. There is a peak from 15/01/18, and then starts to normalise but detections overall remain higher with the additional cameras added.



ANNEXURE C**STEPS TAKEN BY CROWN IN RESPECT OF EACH RECOMMENDATION IN THE SIXTH REVIEW**

Recommendation	Steps taken by Crown to implement	Implemented (Yes/No) (Commission Paper Ref)	Is further work required
<p>1. The VCGLR recommends that, by 1 January 2019, Crown develop, and submit to the VCGLR for approval, a change program to fully engage its independent directors in proactive strategic oversight of the operations of the Melbourne Casino. Particular consideration should be given to:</p> <ul style="list-style-type: none"> • formulating a charter for the Crown Melbourne board • fully documenting, for visibility to the VCGLR, the reporting and decision-making relationships between all of the boards, committees and executive meetings with responsibility for, or oversight of, Melbourne Casino functions, and • elevation of governance to the group board and committees. <p>The submission should identify any changes to regulatory frameworks and how these will be addressed.</p>	<p>The VCGLR refers to Crown's submission dated 24 December 2018 (VCG.0001.0001.0007, internal page 7) in which Crown advised that the following enhancements had been, or will be adopted as part of a change program:</p> <p>(a) Changes to Crown constituent documents;</p> <ol style="list-style-type: none"> i. Adoption of a revised Constitution ii. Adoption of a new board charter <p>(b) Establishment of a new ERCC;</p> <ol style="list-style-type: none"> i. Establishment of a new ERCC which aligns with the governance structure in place at Crown Perth ii. Adoption of an ERCC formal charter, which sets out its primary objectives and functions; iii. Coordination of the timings of ERCC meetings, to precede each relevant Crown Board Committee meeting, so that key matters can be distilled for escalation to these committees <p>(c) Changes to the structure of Crown Operational Committees;</p> <ol style="list-style-type: none"> i. Establishment of two new Crown Operational Committees comprising of members of management: the Compliance Committee and the Fraud Risk Management Committee; ii. Adoption of formal charters for each Crown Operational Committee, so that the Committee's primary objectives and functions are documented; and iii. Coordination of the timing of Committee meetings to precede each scheduled meeting 	<p>Yes (VCG.0001.0001.0007)</p>	<p>No further work is required by Crown.</p>

Recommendation	Steps taken by Crown to implement	Implemented (Yes/No) (Commission Paper Ref)	Is further work required
	of the ERCC, so that key matters can be distilled for escalation to the ERCC.		
<p>2. The VCGLR recommends that, by 1 January 2019, Crown undertake a review of the required qualifications for committee chairs set out in the charters, and ensure that the appointees' actual qualifications match.</p>	<p>The VCGLR refers to Crown's submission dated 24 December 2018 (VCG.0001.0001.0007, internal page 31) in which Crown stated that it had completed a review of the required qualifications of the Crown Board Audit Committee and Compliance Committee chairs. As part of this, Crown:</p> <p>(a) replaced Rowena Danziger as chair of the Crown Audit Committee with Antonia Korsanos, on the basis that the Sixth Review considered it important for that position to have a significant background in accounting and/or financial management disciplines; and</p> <p>(b) advised that no change was required to the position of chair of the Crown Compliance Committee role.</p> <p>After a request from the VCGLR (VCG.0001.0001.0047) that Crown Melbourne also conduct a review of Crown Resorts' committees, Crown provided a further submission dated 3 June 2019 (VCG.0001.0001.0048) which:</p> <p>(a) identified the chairs of the Crown Resorts board committees, and identified that as an ASX listed company, its adherence to the ASX's Corporate Governance Principles and Recommendations (ASX Recommendations) ensures that the appointed committee chairs are suitably skilled and are experienced in accordance with the requirements of the respective committee charters.</p> <p>(b) made reference to the qualifications and experience set out in the Director's Statutory Report in the 2018 Crown Resorts Annual Report.</p>	<p>Yes (VCG.0001.0001.0053)</p>	<p>No further work is required by Crown.</p>
<p>3. The VCGLR recommends that, by 1 July 2019, Crown assess the robustness and effectiveness of its risk framework and systems, including reporting lines in the chain of command, and</p>	<p>The VCGLR refers to Crown's submission dated 1 July 2019, (VCG.0001.0001.0065), in which Crown advised that:</p> <p>(a) an extensive review of Crown's Risk Management Framework has been undertaken since mid-2017,</p>	<p>Yes (VCG.0001.0001.0068), (VCG.0001.0001.0064)</p>	<p>No further work is required by Crown.</p>

Recommendation	Steps taken by Crown to implement	Implemented (Yes/No) (Commission Paper Ref)	Is further work required
<p>upgrade them where required. This assessment should be assisted by external advice.</p>	<p>which resulted in a number of recommendations for enhancement across many aspects of the risk framework;</p> <p>(b) PwC performed a review of Crown’s Risk Management Framework for the VCGLR as part of the Sixth Review in April 2018, and following PwC’s review and taking their input into account, Crown continued its enhancement program;</p> <p>(c) to further enhance the robustness of the enhancements being introduced within the risk management framework, Crown sought advice from an external advisory firm on the major elements of the program.</p> <p>Crown subsequently identified that Deloitte had provided the external advice at a VCGLR Operations meeting.</p> <p>Crown provided the VCGLR with a further submission containing Deloitte’s report on 13 September 2019 (VCG.0001.0001.0056), as well as a submission dated 25 October 2019 (VCG.0001.0001.0057) which referenced each recommendation from the Deloitte Report together with its status as to impact, timeframe for implementation and Crown’s comments (i.e., whether it accepted the recommendation or not). Crown identified that of the 15 recommendations:</p> <p>(a) 10 were accepted, and had been implemented by Crown;</p> <p>(b) three were accepted, but were yet to be implemented;</p> <p>(c) two were rejected by Crown.</p>		
<p>4. The VCGLR recommends that, by 1 July 2019, Crown undertake a robust review of internal controls to ensure that Crown’s regulatory and compliance department is aware of all projects and works in progress for which regulatory approvals might be relevant.</p>	<p>The VCGLR refers to Crown’s submission to the VCGLR dated 2 July 2018 in relation to the final draft of the Sixth Review (VCG.0001.0001.0096), in which it identified (in relation to Recommendation 4) “<i>In this respect, a <u>new business-wide compliance framework</u> has been designed and the roll out has commenced across the business. Further, a new process has been implemented to address any proposed changes to the regulatory environment.</i>”</p>	<p>Yes (VCG.0001.0001.0068)</p>	<p>No further work is required by Crown.</p>

Recommendation	Steps taken by Crown to implement	Implemented (Yes/No) (Commission Paper Ref)	Is further work required
	<p>Crown provided a submission on 1 July 2019 (VCG.0001.0001.0066), which:</p> <p>(a) identified a ‘Gaming Initiatives Form’ was implemented in 2018, to obtain and record sign-off from the Regulatory & Compliance Department (along with the Responsible Gaming, AML, Security, IT and Surveillance Departments) for all gaming initiatives);</p> <p>(b) enclosed its Compliance Framework submission dated 24 December 2018 that reflected the ‘<i>new business-wide compliance framework</i>’.</p>		
<p>5. The VCGLR recommends that Crown convene annual round table sessions briefing key internal staff on the VCGLR’s risk-based approach to regulation, with a particular focus on how that approach relies on the integrity of Crown’s internal processes.</p>	<p>The VCGLR refers to Crown’s submission dated 28 June 2019 (VCG.0001.0001.0069) in which Crown noted that:</p> <p>(a) Crown’s Executive Risk and Compliance Committee (ERC Committee) was briefed on 21 May 2019 on the VCGLR’s risk-based approach to regulation</p> <p>(b) Attendees at the ERC Committee comprised all members of Crown Melbourne’s Executive, along with the Group General Managers from the Risk and Compliance departments.</p> <p>(c) Copies of the ‘VCGLR’s Regulatory Approach’ document and a summary of ‘VCGLR’s Regulatory Approach’ were provided to all attendees, and the ERC Committee was also informed that the VCGLR’s risk-based regulatory approach recognises Crown’s Compliance Framework, including internal controls.</p>	<p>Yes (VCG.0001.0001.0073)</p>	<p>No further work is required by Crown.</p>
<p>6. The VCGLR recommends that, by 1 January 2020, Crown Melbourne review its allocation of staffing resources to increase the number of work hours actually available to responsible gambling and intervention with patrons. This might be achieved by training more gaming staff to undertake assessments and then approach patrons identified as at risk, without the need to contact a RGLO. However, this will only be effective if those staff have sufficient time aside from their gaming duties</p>	<p>The VCGLR refers to:</p> <p>(a) Crown’s initial response to the recommendations in the final draft of the Sixth Review, dated 2 July 2018 (VCG.0001.0001.0096), it identified that “<i>Crown had already commenced the process of employing an additional five Responsible Gaming staff members</i>”.</p> <p>(b) Crown’s submission dated 23 December 2019 (VCG.0001.0001.0074), in which Crown stated that:</p> <p>i. 5 additional RGAs had been employed, increasing the total number of RGAs from 7 to 12</p>	<p>Yes (VCG.0001.0001.0080)</p>	<p>No further work is required by Crown.</p> <p>In an advice to the VCGLR dated 7 April 2020 (VCG.0001.0001.0078) VRGF put forward 5 main reasons why it did not consider Crown’s response to Recommendation 6 to be adequate:</p> <p>1. There is no presented evidence that the revised staffing levels/resourcing match demand or are based on an assessment of needed interventions/research evidence.</p>

Recommendation	Steps taken by Crown to implement	Implemented (Yes/No) (Commission Paper Ref)	Is further work required
	<p>ii. considered and reviewed training provided to operational staff as well as increasing the number of gaming staff receiving advanced training. Following this review, Crown commenced delivery in March 2020 of advanced level training to the 'Table Games' Area Managers (330 additional staff).</p>		<p>2. Staff allocation in terms of rosters, processes and capacity is not addressed, yet is the matter central to the recommendation.</p> <p>3. The increase in referrals based on increased RGA staff allocation indicate significant scope for further increases in requests for interventions and the possibility that there will be continued intervention opportunities being missed.</p> <p>4. The response does not include any evaluation or revisitation of staff levels or tasks to assure the regulator that changes in demand or in the impacts of RSG training can be taken into account.</p> <p>5. The Increase in management training and the proposed changes to RSG training, while welcomed, do not fully utilise observable signs and have some potential gaps (e.g. FATG) which will undermine their effectiveness.</p> <p>The VCGLR considered each of the five reasons put forward by the VRGF were outside the scope of recommendation 6. (VCG.0001.0001.0079)</p>
<p>7. The VCGLR recommends that Crown Melbourne use observable signs in conjunction with other harm minimisation measures such as data analytics to identify patrons at risk of being harmed from gambling.</p>	<p>The VCGLR refers to Crown's submission dated 30 December 2019 (VCG.0001.0001.0082), in which Crown stated that it had introduced:</p> <p>(a) a data analytics tool for carded players (members), the 'Crown Model' to proactively identify opportunities for interventions with members who may be at risk of harm from their gambling; and</p> <p>(b) a new real-time play period monitoring tool, which provides greater accuracy in reporting, allowing</p>	<p>Yes (VCG.0001.0001.0088)</p>	<p>No further work is required by Crown.</p>

Recommendation	Steps taken by Crown to implement	Implemented (Yes/No) (Commission Paper Ref)	Is further work required
	intervention at 12, 20 and 24 hours of continuous play.		
<p>8. The VCGLR recommends that Crown Melbourne proceed with development and implementation of comprehensive data analytics tools for all patrons, to proactively identify for intervention patrons at risk of harm from gambling. These tools would utilise both historical data (with parameters developed from the second player model), and real-time monitoring of play periods. Crown Melbourne should look to models in other jurisdictions, and consult with external data analytics experts, with a view to implementing worldclass, proactive approaches with real-time (or near-real time) operational effectiveness. In particular:</p> <p>(a) for carded play (that is, player activity which can be systematically tracked), Crown Melbourne will have in operation a comprehensive real-time player data analytics tool by 1 January 2020, and</p> <p>(b) for un-carded play (that is, all other player activity), Crown Melbourne will, by 1 January 2019, commence a comprehensive study of all the practical options for a real time player data analytics tool, with a view to reporting in detail (including legal, technical and methodological issues) to the VCGLR by 1 January 2020 and the tool being in operation by 1 July 2022.</p>	<p>The VCGLR refers to Crown’s submission dated 30 December 2019 (VCG.0001.0001.0082), in which it identified that it had introduced:</p> <p>(a) a data analytics tool for carded players (members) (Crown Model)</p> <p>(b) a new real-time play period monitoring tool (Play Periods monitoring),</p> <p>thereby satisfying Recommendation 8(a).</p> <p>On 24 December 2018, Crown advised the VCGLR (VCG.0001.0002.3045) that it had commenced its study on exploring options available to it and would be assessing and analysing the research and expert evidence available, which supports data analytics tools on uncarded play that may enhance Crown’s responsible gaming framework.</p> <p>As part of its submission on 30 December 2019 (VCG.0001.0001.0082), Crown provided (starting from internal page 35), that it had:</p> <p>(a) conducted a comprehensive literature search on electronic databases;</p> <p>(b) identified that Focal Research was developing a system that could identify gamblers of interest that were playing uncarded on an EGM;</p> <p>(c) identified that the UK Betting and Gaming Council was introducing Artificial Intelligence technology called the Anonymous Player Awareness System (APAS);</p> <p>(d) sought and obtained legal advice on the implications of tracking patrons using data analytics tools, and concluded that there was no legal impediment to pursue investigations in the area of uncarded play interventions.</p>	<p>Yes, in relation to 8(a) and 8(b) only (VCG.0001.0001.0088)</p> <p>No, in relation to 8(c) (VCG.0001.0001.0088)</p>	<p>No further work is required by Crown.</p>
<p>9. The VCGLR recommends that Crown Melbourne arrange, at its expense, for an independent assessment of the real-time player data analytics tool for carded play (see</p>	<p>The VCGLR refers to Crown’s letter to the VCGLR dated 8 October 2020, in which Crown requested an extension for completion of Recommendation 9 on the basis that that Crown had ceased gaming operations from 23 March 2020</p>	<p>No (VCG.0001.0001.0054)</p> <p>The VCGLR approved Crown’s request dated 9</p>	<p>No further work is required by Crown.</p>

Recommendation	Steps taken by Crown to implement	Implemented (Yes/No) (Commission Paper Ref)	Is further work required
<p>Recommendation 8(a)), to be completed 12 months after implementation of the tool. The independent assessment is to be undertaken by a person approved by the VCGLR, after consultation with Crown.</p>	<p>as a result of the COVID-19 pandemic and subsequent Federal and State government directives, and that the only gaming data that could be used to effect the requirements of Recommendation 9 was limited to the early months of 2020 (under three months' of data).</p> <p>In that letter, Crown noted that it had made contract with two respected consultants (Dr Jonathan Parke and Dr Robert Heirene) who it considered suitable to conduct the Recommendation 9 assessment, and who were available to undertake the assessment.</p>	<p>October 2020 (VCG.0001.0001.0089) to extend the completion date of Recommendation by 15 months from the date of recommencement of gaming on the main gaming floor of the casino (therefore due 25 February 2022) (VCG.0001.0001.0090).</p>	
<p>10. The VCGLR recommends that, by 1 July 2019, Crown Melbourne undertake a comprehensive review of its policy for the making and revocation of voluntary exclusion orders under section 72(2A) of the Casino Control Act. The comprehensive review should be undertaken in conjunction with the VCGLR, VRGF and other relevant external stakeholders. The review should be undertaken with a view to implementing policies that facilitate:</p> <ul style="list-style-type: none"> • Crown Melbourne issuing short term exclusion orders for three, six, 12 or 24 months under section 72 of the Casino Control Act, considering the specific circumstances of the person and their preferred time period for exclusion, and conditional on the person undertaking to comply with the order and with other matters (such as obtaining treatment), and • Crown Melbourne reviewing voluntary exclusion orders which are more than 10 years old to consider whether the continued operation of these orders serves a useful purpose, with a view to retaining only those orders that are beneficial to the persons who are subject to them, and can 	<p>The VCGLR refers to Crown's submission regarding Recommendation 10 dated 28 June 2019 (VCG.0001.0001.0009) and to the VCGLR's response to Question 86 above. In responding to Recommendation 10, Crown:</p> <ol style="list-style-type: none"> conducted a review into literature and practice in relation to its self-exclusion and revocation practices; participated in six tripartite meetings involving the VCGLR and the VRGF; and sought independent expert advice from Professor Alex Blaszczyński (an "other relevant external stakeholder" as per the wording in the recommendation) in relation to recommendation 10. Professor Blaszczyński did not meet with the VCGLR or the VRGF — he provided consulting services directly to Crown. 	<p>Yes (VCG.0001.0001.0011)</p>	<p>On 15 April 2021, the Commission directed Crown in accordance with section 26 of the <i>Casino Control Act 1991</i> to provide it with data to assist with ongoing monitoring of three and six-month TOPAs. This followed an earlier direction requesting data from the initial TOPAs trial.</p> <p>The Commission requires that the above TOPAs data is provided in six-month tranches, commencing with the first tranche by 31 January 2022 (representing 1 July 2021 to 31 December 2021). The second tranche by 31 July 2022 (representing 1 January 2022 to 30 June 2022) and so on.</p>

Recommendation	Steps taken by Crown to implement	Implemented (Yes/No) (Commission Paper Ref)	Is further work required
<p>be adequately enforced. The VCGLR further recommends that the review of such orders occurs in an orderly manner between 1 July 2019 and 30 June 2020.</p>			
<p>11. The VCGLR recommends that, by 1 July 2019, Crown Melbourne develop and implement a policy and procedure to facilitate Crown Melbourne issuing involuntary exclusion orders under section 72(1) of the Casino Control Act at the request of family members and friends in appropriate cases. The policy and procedure should be developed in conjunction with the VCGLR, VRGF and other external stakeholders. Crown Melbourne should include information about this option in all its responsible gambling publications, website and regularly provide information to relevant stakeholders, such as Gambler's Help and other similar organisations, about this option.</p>	<p>The VCGLR refers to Crown's submission dated 28 June 2019 (VCG.0001.0001.0012) and to the VCGLR's response to Question 96 above. In summary, Crown Melbourne took the following steps regarding Recommendation 11:</p> <ul style="list-style-type: none"> (a) it sought information from Crown Perth in the formulation of Crown Melbourne's TPE Program; (b) conducted a review into literature and practice in relation to TPE Programs; (c) sought independent expert advice from Professor Alex Blaszczyński; and (d) participated in six tripartite meetings involving the VCGLR and the VRGF. 	<p>Yes (VCG.0001.0001.0016)</p>	<p>No further work is required by Crown.</p>
<p>12. The VCGLR recommends that, by 1 July 2019, Crown Melbourne expand FRT to cameras on all entrances to the casino and that Crown Melbourne provide written updates on a quarterly basis on its effectiveness to the VCGLR</p>	<p>The VCGLR refers to Crown's submission dated 28 May 2019 (VCG.0001.0001.0051). In summary, Crown took the following steps to implement Recommendation 12</p> <ul style="list-style-type: none"> (a) Crown completed the installation of Facial Recognition Camera at all public entrances to the casino. Crown Melbourne also informed the VCGLR that it had commenced installation of a number of Facial Recognition Cameras to external entrances to the Complex. (b) Crown stated that it would provide its first update to the VCGLR for the quarter commencing 1 July 2019 in October 2019 and quarterly thereafter. 	<p>Yes (VCG.0001.0001.0053)</p>	<p>Crown is providing quarterly written updates to the VCGLR.</p>
<p>13. The VCGLR recommends that, as part of developing a new responsible gambling strategy, by 1 July 2019, Crown Melbourne rebrand or refresh its responsible gambling messaging and publish new responsible</p>	<p>The VCGLR refers to Crown's submission dated 29 June 2019 (VCG.0001.0001.0067) regarding Recommendation 13. In summary, Crown took the following steps to implement Recommendation 13:</p>	<p>Yes (VCG.0001.0001.0068)</p>	<p>No further work is required by Crown.</p>

Recommendation	Steps taken by Crown to implement	Implemented (Yes/No) (Commission Paper Ref)	Is further work required
<p>gambling messages throughout the casino, in all Crown Melbourne publications, including online and social media platforms.</p>	<p>(a) Crown assessed and reviewed its responsible gaming logo and tagline, and determined to adopt a new brand at Crown.</p> <p>(b) The new design and tagline took into account Crown's RG Strategic Plan.</p> <p>(c) The Crown Resorts Responsible Gaming Board Committee approved the new branding, and Crown began the rollout of the new branding as per its RG Strategic Plan.</p>		
<p>14. The VCGLR recommends that, by 1 July 2019, Crown Melbourne develop and implement a responsible gambling strategy focusing on the minimisation of gambling related harm to persons attending the casino. The strategy should address:</p> <ul style="list-style-type: none"> • early proactive intervention initiatives • player data analytics • proactive engagement with pre-commitment • intervening with local players with continuous play based on shorter timeframes which are more reflective of responsible gambling • the role of all staff in minimising harm • the effective use and monitoring of exclusion orders • internal reporting arrangements • integrating responsible gambling into proposals for trialling or introduction of new products and equipment • performance measures to assess the performance of the RGLOs, RGSC and casino staff in relation to harm minimisation • the roles of the CRRGC and the Responsible Gambling Management 	<p>The VCGLR refers to Crown's submission dated 29 June 2019 (VCG.0001.0001.0017) regarding Recommendation 14 and to the Commission Paper dated 9 October 2019 (VCG.0001.0001.0019). In summary, Crown took the following steps to implement Recommendation 14:</p> <p>(a) Crown developed an RG Strategic Plan 2018-20 (the first formal responsible gambling plan for Crown's Melbourne casino) which nominally covered the 2018 to 2020 period. Crown advised the VCGLR that it devoted over a year developing and drafting the Strategic Plan.</p> <p>(b) Crown's submission stated: "<i>The Strategic Plan was developed with a wide-ranging current state analysis as the foundation for setting the direction. Multiple lenses of analysis were provided by internal workshops, operating data analysis, external best practise and expert advisor input on a range of concepts, helping to frame the current challenges and identify the most relevant strategic priorities.</i>"</p> <p>(c) Crown's submission also stated that it undertook: "<i>a broad research and industry analysis to assess its responsible gambling programs and processes. This research and analysis provided a strong foundation on which to develop the RG Strategic Plan</i>". Crown outlined key research it performed of global land based overseas casinos, including those in the United Kingdom, Central Europe, Macau, Singapore, Canada, and New Zealand. Crown also researched the</p>	<p>Yes (VCG.0001.0001.0019)</p>	<p>No further work is required by Crown.</p>

Recommendation	Steps taken by Crown to implement	Implemented (Yes/No) (Commission Paper Ref)	Is further work required
<p>Committee in driving harm prevention strategies based on world's best practice</p> <ul style="list-style-type: none"> the objectives of the RGSC in relation to minimising harm to patrons, and the RSG as a fundamental core business consideration when making strategic decisions regarding casino operations. 	<p>status of key harm minimisation measures across all Australian casinos.</p> <p>(d) Crown advised that its Responsible Gaming framework was informed by regular review and incorporation of the Canada-based Responsible Gambling Council's 'RG Check' accreditation framework and the 'Reno Model' developed in 2004 by Professor Alex Blaszczynski.</p> <p>(e) In response to the specific responsible gambling strategies identified in sub-paragraphs (a) to (l) of Recommendation 14, the VCGLR requested Crown to prepare a schedule that mapped sub-paragraphs (a) to (l) against Crown's Strategic Plan. This was because the VCGLR's assessment to the Strategic Plan noted that there was no specific evidence which linked the plan to sub-paragraphs (a) to (l). Crown provided the schedule in response on 27 August 2019 (VCG.0001.0001.0018).</p>		
<p>15. The VCGLR recommends that, within three months of implementing the new responsible gambling strategy (Recommendation 14), there is regular reporting to the CRRGC for it to maintain oversight of Crown Melbourne's harm minimisation strategy for responsible gambling. Regular reports every two months should include numbers and types of interventions and other harm minimisation activities of RGSC and other staff, details of the number and nature of referrals to external service providers, exclusion orders, breaches, revocation and appeals, as well as results from player data analytics and other initiatives to minimise gambling related harm. These reports should also be made available to the VCGLR for monitoring purposes. (The VCGLR intends to share this information, as appropriate, with the VRGF).</p>	<p>The VCGLR refers to Crown's submission dated 1 October 2019 (VCG.0001.0001.0059), in which Crown advised that:</p> <p>(a) regular reporting to the CRRGC was being expanded to include the types of interventions that comprise harm minimisation activities, referrals, player data and other activity as comprises the functions of the Responsible Gaming Centre; and</p> <p>(b) the next Committee meeting would be held on 9 October 2019, at which the first of such additional reporting would be presented.</p> <p>On 26 November 2019, Crown provided a further submission to the VCGLR (VCG.0001.0001.0060) enclosing the new RG report, which had been provided to the Crown Resorts Limited Responsible Gaming Committee meeting on 9 October 2019.</p>	<p>Yes (VCG.0001.0001.0064)</p>	<p>Crown is providing CRRGC RG reports to the VCGLR.</p>

Recommendation	Steps taken by Crown to implement	Implemented (Yes/No) (Commission Paper Ref)	Is further work required
16. The VCGLR recommends that within three months of implementing the strategy, a charter is developed for the Crown Melbourne Responsible Gaming Management Committee (staff committee) which includes reference to the role and responsibility of driving a harm minimisation culture.	The VCGLR refers to Crown's submission dated 1 October 2019 (VCG.0001.0001.0027) which included a copy of the proposed Crown Melbourne Responsible Gaming Management Committee charter.	Yes (VCG.0001.0001.0032)	No further work is required by Crown.
17. The VCGLR recommends that, by 1 July 2019, Crown undertake a robust review (with external assistance) of relevant ICSs, including input from AUSTRAC, to ensure that anti-money laundering risks are appropriately addressed.	The VCGLR refers to Crown's submission dated 1 July 2019, (VCG.0001.0001.0037), in which Crown advised that: (a) it had conducted a review (assisted by Initialism) of all of its ICSs to assess which ICSs are relevant to the assessment and management of money laundering risks and whether any amendments to ICS are appropriate to ensure that anti-money laundering risks are appropriately addressed; (b) it had made amendments to relevant ICSs to strengthen its junket operations and money laundering risks; (c) it was developing a new joint AML/CTF program; and (d) it had been informed by AUSTRAC that it was not appropriate for AUSTRAC to provide comment upon ICSs	Yes (VCG.0001.0001.0041)	The Commission determined to conduct its own independent review of Crown's ICSs to strengthen their overall operation and minimise potential risks. Senet Legal's recommendations following its review of Crown's ICSs were accepted by the Commission. The VCGLR is liaising with Crown on the relevant amendments and or/action required to implement Senet's recommendations. To date, Crown has amended the 'Introductory Chapter' and 'Junkets and Premium Player' ICSs.
18. The VCGLR recommends, in all future submissions by Crown Melbourne to the VCGLR for approvals under the Casino Control Act or Gambling Regulation Act, that Crown document: <ul style="list-style-type: none"> • the purpose • obligations under relevant provisions of legislation, the Transaction Documents, and existing approvals • what changes the grant of the approval would make to products, rules and procedures, etc. 	The VCGLR refers to Crown's submission dated 11 October 2019 (VCG.0001.0001.0028) in which Crown advised that: (a) it had developed a template for submissions in response to recommendation 18, introducing each of the points noted in the recommendation; and (b) it had made submissions to the VCGLR, utilising the amended template, since July 2018.	Yes (VCG.0001.0001.0032)	No further work is required by Crown

Recommendation	Steps taken by Crown to implement	Implemented (Yes/No) (Commission Paper Ref)	Is further work required
<ul style="list-style-type: none"> risks associated with the approval and how they will be treated how responsible gambling considerations have been taken into account in the process and the measures Crown will implement to mitigate the risk of gambling related harm, and which areas of Crown will be responsible for managing implementation. 			
<p>19. The VCGLR recommends that, by 1 July 2019, Crown Melbourne implement a policy to make an exclusion order under section 72 of the Casino Control Act in appropriate cases where a person has engaged in significant unacceptable conduct in the casino or is the subject of serious criminal charges.</p>	<p>On 2 July 2018, Crown provided a submission to the VCGLR in relation to the final draft of the Sixth Review (VCG.0001.0001.0096), in which it identified (in relation to Recommendation 19): <i>“Crown notes that it has had a policy in place to issue Exclusion Orders for unacceptable behaviour for over ten years and does issue Exclusion Orders for this purpose in appropriate circumstances. Crown also notes that it issues withdrawal of licence notices to persons in appropriate circumstances, as it is entitled to do as a common law right, as those notices cover broader areas of the Crown property than the more limited area covered by Exclusion Orders”</i></p> <p>On 27 May 2019 (VCG.0001.0001.0042), Crown provided the VCGLR with a copy of its Unacceptable Behaviour Policy, with slight modifications to align its language with that of Recommendation 19.</p> <p>The VCGLR advised Crown on 6 August 2019 (VCG.0001.0001.0043) that Crown had implemented Recommendation 19 subject to Crown making further amendments to its Unacceptable Behaviour Policy to provide greater clarity to staff about when to issue an exclusion order, WOL or both.</p> <p>Crown subsequently provided the VCGLR with two further submissions dated:</p> <p>(a) 3 December 2019 (VCG.0001.0001.0044), in which it advised that clarity was provided in another separate and existing policy statement entitled <i>“Withdrawal of</i></p>	<p>Yes (VCG.0001.0001.0046)</p>	<p>No further work is required by Crown</p>

Recommendation	Steps taken by Crown to implement	Implemented (Yes/No) (Commission Paper Ref)	Is further work required
	<p><i>Licence – Exclusion/Self Exclusion (Exclusion) Policy</i>”, and as it was not necessary to make any further amendments to its Unacceptable Behaviour Policy;</p> <p>(b) and 9 January 2020 (VCG.0001.0002.8152, VCG.0001.0002.8153, VCG.0001.0002.8154), in which it made further proposed amendments to the Exclusion Policy.</p>		
<p>20. The VCGLR recommends that, between November 2019 and March 2020, VCGLR Commissioners and directors of the Crown Resorts board meet to review the implementation of the recommendations set out in this report.</p>	<p>A meeting was initially scheduled to take place before the due date of March 2020, which was later postponed due to the unavailability of several independent Crown Resorts directors. This meeting was rescheduled on a number of further occasions due to the impact of COVID-19 (Crown Melbourne temporarily closed on 23 March 2020 as a result of COVID-19 restrictions) and the New South Wales Casino Inquiry (on August 25 August 2020, the VCGLR agreed to Crown Resort’s request to postpone the meeting until hearings associated with the NSW Casino Inquiry had been completed).</p> <p>The meeting was scheduled to take place on 10 February 2021.</p>	<p>No (VCG.0001.0001.0054) The VCGLR considered there was little merit in proceeding with the meeting (and that Recommendation 20 had been effectively acquitted), as:</p> <ul style="list-style-type: none"> • Crown Melbourne had implemented the majority of all Sixth Review recommendations; • Throughout the implementation period, Crown Melbourne provided extensive information to the VCGLR regarding its implementation of each recommendation. 	<p>No further work is required by Crown</p>