

4 July 2013

Peter Achterstraat
Auditor-General
GPO Box 12
Sydney NSW 2001

Dear Auditor-General

Second Sydney Casino Assessment

I write to request that you audit the panel assessment which recently recommended that the State government proceed with Crown's proposal for a second Sydney casino on public land at Barangaroo.

The panel was chaired by David Murray and was established to determine the net benefits of granting a gaming licence at Barangaroo as well as the conditions and potential taxes and levies that should apply to ensure the highest public benefit. It was later required to assess this proposal against an alternative presented by Echo Entertainment for an extension of its exclusivity licence.

The integrity of the review has been called into question and needs to be independently assessed.

The process did not involve public submissions and I am not aware of any discussions with gambling experts, community groups or welfare organisations. Public opinion polls indicate that there is strong community opposition to a second Sydney casino.

I was unable to obtain specific terms of reference for the assessment despite a *Government Information (Public Access) Act 2009* request, which leads me to question whether social impacts were considered. I am also concerned that the process was not a genuine competitive process between two proposals that negotiates better outcomes.

Media reports uncovered a financial relationship between Crown and Deloitte, which provided commercial advice. They also revealed that the panel chair hosted a Liberal Party fundraiser and the Premier's department prepared media scripts for the panel to defend the Crown proposal before any assessment was made.

Rules for unsolicited proposals were changed just before James Packer's proposal to prevent the need for independent evaluation before the Government deals with one company.

The unsolicited proposals process is meant to be about innovative ideas that bring real public benefit, but it appears to have been used to push through an expansion of gambling and privatisation of public land.

Vital public confidence in a rigorous and politically independent process has been lost and I believe you have a role to assess community concerns, in line with your organisation's aims to ensure financial probity and prudence in the use of public resources.



Could you please audit the David Murray review to ensure the process was thorough and independent and aimed at achieving a positive social and economic outcome for Sydney and New South Wales?

Yours sincerely

A handwritten signature in black ink, appearing to be 'AG', with a horizontal line extending to the right.

Alex Greenwich
Member for Sydney