

THE POKIES PLAY YOU

Victorian Government must be tougher on Crown

Friday, April 27, 2018

The Alliance for Gambling Reform today welcomed the [record \\$300,000 fine](#) imposed on Crown Resorts for tampering with poker machines at its Melbourne property but called on the Victorian Government to take much stronger action as part of its 5 yearly review of the Crown Melbourne licence.

Alliance director and spokesman Tim Costello said the investigation and fine raises a series of issues, particularly given the [vehemence of denials](#) made by the leadership of Crown Resorts Ltd after the allegations were first made by Andrew Wilkie MP last year.

“Australia has a long history of weak gambling regulation so this [rare six-figure fine](#) of a major gambling company clearly raises serious questions about the culture and operation at Australia’s biggest casino,” Mr Costello said.

According to the Victorian Commission for Gambling and Liquor Regulation (VCGLR) [statement](#) today, Crown is blaming “a small group of Crown staff who did not believe approval was required and who failed to consult internally, or with the VCGLR, to check whether approval was required before commencing the trial”.

“What sort of accountability has been demonstrated over the culture at Crown Melbourne where a small group of rogue staff was prepared to illegally use blanking plates on poker machines?” Mr Costello asked.

“Rather than relying on whistleblowers, Parliamentary privilege and a regulatory investigation to get to the bottom of these matters, Crown should have self-reported the tampering trial to the VCGLR when it first received customer complaints. This situation has parallels to what happened at AMP where the culture did not lead to honest self-reporting to the regulator when transgressions were discovered.”

“In this situation where Crown has suffered the biggest fine in its 25 year history, you shouldn’t just blame anonymous staff, but instead show some clear accountability amongst senior executives and the directors, most of whom have been personally selected by the controlling shareholder, James Packer.”

The Victorian Government is currently conducting its [5 yearly licence review](#) of Crown and The Alliance made [this submission](#) last year calling for a new licence condition which limits any individual shareholder to no more than 20% of the company. Rival Australian gambling giants such as Tabcorp and The Star Entertainment operate with 10% maximum shareholder restrictions imposed by the NSW and/or Queensland governments.

“There have been [so many governance issues](#) involving Crown and its controlling shareholder since the last 5 yearly review that The Alliance now believes the Victorian Government should use this opportunity under the law to impose a new licence condition which requires James Packer to reduce his voting power over the Crown Melbourne licence to less than 20%,” Mr Costello said.

The Alliance is also hoping the government will impose new licence conditions about disclosure of various gambling harm metrics at Crown which are currently kept secret. The detail of these were outlined in this strong Victorian Inter-Church Gambling Taskforce [submission](#) to the Crown licence review.

The Alliance notes that Andrew Wilkie MP has also been making strong statements about Crown’s licence review and that the VCGLR issued [this clarifying statement](#) about the review process on April 26.

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