

# Regulatory Capability

What does it mean and how do we acquire it?

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# The Bergin Inquiry



# Regulatory framework - terms of reference

- efficacy of the objectives of the *Casino Control Act*
- ability to respond to risks
- recommendations to enhance future capability
- domestic and international best practice

# Crown's corporate culture and character

## Crown must 'blow itself up to save itself'

### Clean-out

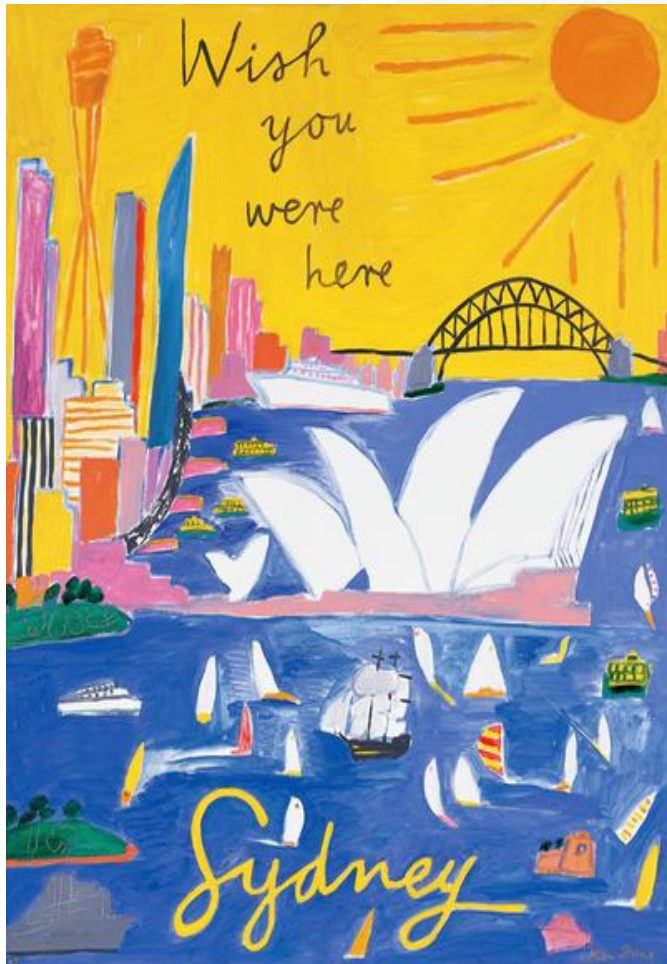
Changes to the Crown Resorts board  
since the release of the NSW casino inquiry report

SOURCE: COMPANY ANNOUNCEMENTS





# Sydney 1992 and now



# NSW casino regulatory environment

1992	2020
<ul style="list-style-type: none"><li>• <b>Prescriptive</b></li><li>• <b>Independent casino regulator</b></li><li>• <b>Specialist casino inspectors</b></li><li>• <b>Regulator approved junket operators</b></li><li>• <b>Periodic review of suitability every 3 years</b></li><li>• <b>Regulator approved detailed systems of controls and procedures</b></li><li>• <b>Prohibitions of providing credit</b></li></ul>	<ul style="list-style-type: none"><li>• Risk-based</li><li>• More generalist regulator</li><li>• Gaming, clubs, and liquor licensing inspectors</li><li>• Casino operator responsible for junket operators</li><li>• Periodic review of suitability every 5 years</li><li>• Operator devises internal controls for day-to-day operations</li><li>• Credit can be provided to junket operators or premium players</li></ul>

# Recommendations

Manage casino  
risk with right  
regulatory model

## ERA OF LIGHT-TOUCH REGULATION IS OVER

*Bergin inquiry* The report on Crown operations is set to reverse the co-regulatory supervision favoured by most Australian governments and compliance authorities, writes Tom Burton.

Regulators  
should focus on  
gambling only

AFR

# Regulatory capability lessons





# Interface of different regulatory systems

## Gaming Regulators

- › Ensuring integrity of gaming products and systems
- › Ensure the suitability of those in the gaming industry
- › Minimise harms

## AUSTRAC

- › Detecting, deterring and disrupting criminal abuse of the financial system to protect community from serious organised crime



## Police

- › Maintaining public order and safety
- › Enforcing the criminal law
- › Detecting and investigating criminal activities

## ASIC

- › National corporate regulator
- › Regulate company and financial services and those entities within it
- › Promote confident and informed participation by investors and consumers

# What's next?

