



## NEW SOUTH WALES CASINO CONTROL AUTHORITY

### **PUBLIC SUBMISSIONS TO YEAR 2003 SECTION 31 INVESTIGATION**

This file contains the 9 public submissions made to the Casino Control Authority year 2003 Investigation under section 31 of the *Casino Control Act 1992*. The Authority has deleted material where confidentiality has been sought and also material that might be considered defamatory to persons other than the casino operator. The Authority has determined not to release any attachments referred to in, or provided with, the submissions.

#### **Persons Who Made Submissions**

1. Tourism Task Force Australia Limited
2. The Hon. George Souris, M.P.
3. The Council of Churches in NSW
4. Gamblers Help Line
5. Wesley Gambling Counselling Service
6. The Salvation Army
7. Australian Liquor, Hospitality and Miscellaneous Workers Union
8. Norm Hooper
9. Alexander Preston



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**DEVELOPING TOURISM & INFRASTRUCTURE**

June 24 2003

Ms Susan Heylin  
Licencing Manager  
NSW Casino Control Authority  
GPO Box 3970  
Sydney NSW 2001  
Fax: (02) 9299 7427

Dear Ms Heylin,

## **REVIEW OF STAR CITY CASINO LICENCE**

TTF Australia is the peak national industry group developing tourism and infrastructure. It represents chief executives of the 200 most prestigious investors, operators, regulators and developers in Australia's tourism, transport and infrastructure industries. We write in response to your call for public submissions into the operations of Star City.

We strongly believe that Star City is suitable to retain the Sydney casino licence and that it is in the public interest for the casino licence to remain in force.

Star City is an important part of the tourism product of New South Wales, with 16 per cent of international visitors to NSW (over 418,000 persons) visiting the Casino during their trip (International Visitor Survey 1999). There is no doubt that the tourism dollar would be damaged if NSW did not have a casino. People interested in this segment of the tourism industry would be lost to other States, or to other international destinations.

Tourists from Malaysia, Hong Kong, and China are the most likely among international tourists to visit Star City Casino, with 37% of all these tourists visiting NSW including it on their itinerary. The Casino is thus providing an important niche product for these groups, which market research has shown, are looking for greater night-time entertainment opportunities, and are not as interested in the nature based attractions of Australia as traditional tourist markets from Europe and America. We believe that Star City runs a world class casino – it is an excellent facility and is



constantly upgrading its gaming facilities, restaurants, bars and other facilities to keep the complex ahead of the competition.

The casino is a key attraction of the Darling Harbour tourism precinct that assists in attracting high spending visitors to the eastern side of the City. These visitors provide considerable flow-on benefits for the local retailers, cafes and restaurants in the area as well as for the other attractions such as the Sydney Aquarium, the National Maritime Museum and the Powerhouse Museum. Many of the visitors to Star City also stay overnight in the Darling Harbour hotels and contribute to the viability of the local accommodation industry.

Star City is also an important destination for interstate visitors and day-trippers from other parts of NSW. It is estimated that about 10 per cent of Star City's 6 million customers are tourists - the tourist product that it supplies is not limited to gambling, with the complex providing a range of other tourist services. Star City has staged some of the world's most popular stage shows during the three years under review (2000 - 2003). These include Sound of Music, Mamma Mia, Singin' In the Rain, Annie and Oliver. Again, these high quality shows attract tourists from interstate and overseas.

Star City also provides a venue for large events and functions, and TTF last year held our Annual Sport and Tourism Youth Foundation Dinner in the main Ballroom, one of the few locations in Sydney that can cater for a seated dinner for over 800 guests! Star City is a long-time sponsor of the Sport and Tourism Foundation scholarship program that assists worthy sportsmen and tourism representatives to move ahead in their careers.

Star City employs about 2500 people and these people receive invaluable experience in the hospitality industry. It also pays millions of dollars in salaries and wages which helps to boost the local economy. The casino trains the majority of its staff, particularly those in the gaming and food and beverage areas, and as an accredited training organization, it helps prepare people for the workforce. The company is preparing thousands of people to be of valuable assistance to the wider NSW tourism industry.

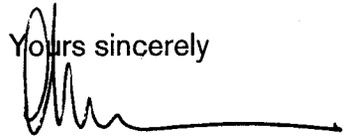
Star City also provides direct benefits to the Government and to the community:

- It pays more than \$100 million a year in taxes to the State Government. This frees up funds for tourism initiatives throughout the State.
- Star City has been an excellent corporate citizen since inception. We are aware that the casino pays two per cent of all gaming revenue - around \$10 million a year - in to the Casino Community Benefit Fund. This money is used for counselling and assistance programs for problem gamblers as well as a range of community projects.

Over the last two years, Star City has received virtually no negative publicity. It is clearly being managed and run professionally. We are aware that the company has worked hard to deal with the issues raised in the McClellan report in 2000 and this work has clearly paid off.

We strongly recommend Star City as a suitable operator of the casino. Please do not hesitate to contact me if you have any further questions regarding this submission – or would like to discuss any of the points listed above.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Chris Brown', with a long horizontal flourish extending to the right.

CHRISTOPHER BROWN  
Managing Director & CEO

**THE HON. GEORGE SOURIS, M.P.**  
MEMBER FOR UPPER HUNTER  
SHADOW MINISTER FOR STATE DEVELOPMENT  
SHADOW MINISTER FOR GAMING & RACING

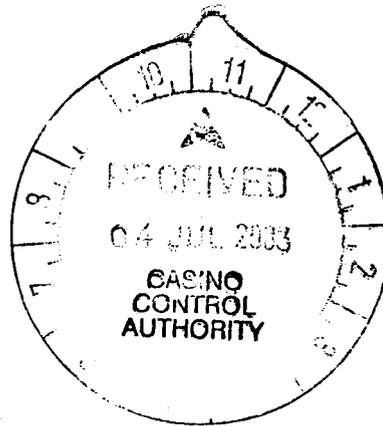


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1<sup>st</sup> July 2003

File ref: gsl030703/a

The Chairman  
Casino Control Authority  
GPO Box 3970  
SYDNEY NSW 2001



Dear Chairman

I am pleased to submit herewith the NSW Opposition's Submission to the 2003 Investigation under Section 31 of the Casino Control Act 1992.

Yours faithfully

A handwritten signature in black ink, appearing to read "George Souris".

The Hon George Souris MP  
Shadow Minister for Gaming & Racing  
Shadow Minister for State Development





## SUBMISSION

### TO THE NEW SOUTH WALES CASINO CONTROL AUTHORITY

#### Introduction

I am pleased to make this submission on behalf of the NSW Opposition in response to the statutory obligation imposed under Section 31 of the Casino Control Act 1992.

The published Terms of Reference focuses the investigation on two aspects: a) the suitability of Star City Pty Ltd as the operator of the Casino licence, and b) whether the licence should continue.

#### a) Star City Pty Ltd

In the period prior to my assumption of the portfolio of Gaming, I am mindful that my predecessor wrote on 01.02.02 to the Casino Control Authority in relation to the Section 31 review report, that:-

*"I write to compliment the work being undertaken by Star City Casino and the TABCORP organisation in their efforts to implement the McClelland recommendations of the past year.*

*I understand some significant cultural changes have been undertaken by the organization, particularly in relation to the Endeavour Room.*

*From any anecdotal evidence that comes my way and from observations on several occasions with my own eyes, I can see genuine attempts at improvement.*

*As a strong critic of the regulatory environment surrounding casino gaming in NSW, I think Star City Casino and TABCORP have demonstrated their own willingness to improve operations."*

When I assumed the portfolio, I undertook a review of the operation of the Casino including discussions with management and my own review of compliance and adoption of the 2002 Section 31 Review. The operator had adopted satisfactorily most if not all of the recommendations.

In those twelve months or so, there was an election campaign. During that period no MP, Government, Opposition or Independent, that I can recall, raised any confronting or negative issue in relation to the Casino. In fact, other than general news, likewise was there no substantial confronting or negative issues raised in the media.

My general feeling, based <sup>on</sup> information available to me, about the Casino is that primary responsibilities such as the responsible service of alcohol and responsible gaming are handled well.



Indeed, [REDACTED] was refused admittance to the Casino on 03.06.03 evening under the Casino's responsible service of alcohol obligations.

Star City Casino provides a venue well beyond gaming. The premises includes the Lyric Theatre where some of the greatest musicals have been staged, the Showroom featuring world renowned shows such as "Frank" and a wide range of restaurants, food outlets and bar facilities and other entertainments including dance floors and bar lounges, not to mention the international class hotel.

In fact, Star City has become something of an anchor for the general Darling Harbour tourist precinct.

Accordingly, the Opposition believes that the current operator is suitable to continue to give effect to the Casino licence and the Act.

b) The Casino Licence

The Inquiry is reviewing whether or not there ought to be a Casino licence in NSW.

Allow me to state at the outset that it is the NSW Opposition's policy to maintain a Casino licence in NSW and that there be only one such licence in the State.

The Gaming environment is diverse in NSW and in Sydney in particular. Licensed Clubs provide gaming and entertainment, as do hotels comprising an overall total of 104,000 poker machines. Keno is also available and at Broken Hill, Two-Up as well.

There is a world leading racing industry in the State representing three codes of racing. In Sydney some of the richest racing prize money is contested.

In a world where telephone, computer totalisator wagering and even internet gaming exists, as well as Club and Pub TAB, together with the outlets for gaming and racing outlined above, it must be said that there is a diverse and highly competitive market in existence.

Sydney is an international city which attracts tourism (both international and domestic) and it is to an extent that the Casino, the Lyric Theatre etc at Star City is part of the attraction of Sydney.

Based on NSW gaming taxation receipts, it could arguably be asserted that the gaming market is finite. Gaming taxation has remained reasonably constant at around an overall \$1.1 billion for the past 4 or 5 years. It might therefore be worthwhile to consider the question that, based on gaming taxation, the existence of a casino in NSW or otherwise would not materially affect the overall level of gaming and wagering in NSW other than through a reduction in in-bound tourism diverted elsewhere in the world or to other States.

Finally it should be noted that a Casino licence in NSW provides considerable economic benefit & jobs together with multiplier effects that are in the interest of the people of NSW.

Accordingly, I believe on balance, it is in the public interest that the Casino licence remain in force.

Hon G. Souris MP  
Shadow Minister for Gaming & Racing

1<sup>st</sup> July 2003

# The Council of Churches in N.S.W.

Incorporated  
ABN 24 348 552 048

## Advancing a Christian Perspective

Representing the Anglican Church (Diocese of Sydney), Baptist Church, Christian Reformed Churches,  
Churches of Christ, Fellowship of Congregational Churches, Presbyterian Church and The Salvation Army.

Secretary: Rev Bruce Thornton OAM

President: Rev Chris Moroney

July 22, 2003

The Chief Executive,  
New South Wales Casino Control Authority.  
GPO Box 3970,  
SYDNEY NSW 2001.

Dear Mr Farrell,

### Submission re s31 Casino Control Act 1992.

I acknowledge your letter of 3 July concerning the above received 10 July and considered by the Executive Committee of the NSW Council of Churches at its meeting of 15 July, 2003 and enclose herewith a Submission from the Council.

Because of the shortness of time between the call for submissions and the closing date of 28 July the NSW Council of Churches has not been able to engage in any substantive research as it would have desired.

The enclosed submission restates and emphasizes the Councils long held position and makes some suggestions and recommendations for improvement.

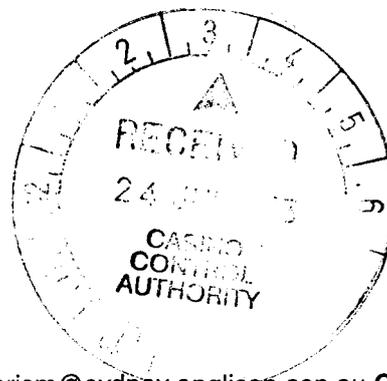
We respectfully request that the next call for submissions is made at least three months in advance of the closing date.

Yours sincerely,



(Rev) I.B. Thornton.

Council Secretary.



**Contact - President:** Telephone: (02) 9265 1661 Email: [chrism@sydney.anglican.asn.au](mailto:chrism@sydney.anglican.asn.au) **Council Secretary:** Tel/Fax (02) 9744 7755 Mob. 0438 603255, Email: [thornton@pnc.com.au](mailto:thornton@pnc.com.au).  
**Postal Address:** PO. Box 2029, BURWOOD NORTH NSW 2134.

## **THE COUNCIL OF CHURCHES IN NEW SOUTH WALES**

Representing the Anglican Church (Diocese of Sydney), Baptist Churches, Christian Reformed Churches, Churches of Christ, The Fellowship of Congregational Churches, The Presbyterian Church and The Salvation Army

### **SUBMISSION**

#### **INTRODUCTION:**

The NSW Council of Churches appreciates the opportunity to comment to the Authority on the investigation of the Sydney Casino Operator and Licence under Section 31 of the Casino Control Act 1992.

We note the terms of reference of the investigation, and the two main questions, namely whether or not:

- Star City Pty Ltd, the operator of the Sydney Casino, is suitable to continue to give effect to the casino licence and the Act; and
- it is in the public interest that the casino licence should continue in force.

We are not in a position to assess the suitability of Star City as an operator and will leave that to others. Our focus and concern continues to be on the latter question:

#### **Does the Casino serve the best interests of the Community?**

We in the churches would say, "No, it does not." Some have argued recently that gambling has a positive economic impact – it provides jobs and opportunities for general spending in the venues catering for it. But this is far outweighed by the economic, social and spiritual harm caused by the gambling lifestyle as it impacts on individuals, families and the community at large.

Historically, the NSW Council of Churches has had a longstanding concern about the operation of a casino in Sydney. Basically the Council opposed the whole concept and fostered public debate and individual dialogue with the then Premier Neville Wran when the suggestion to establish a casino was first mooted in the 1970s. Since that time the Council has sought to monitor the initial plans, location, tendering process, the ongoing general operation of the facility and the effects of gambling within the community.

We have to recognize, however, that the Sydney Casino is a fait accompli. It is one popular part of the gambling scene in this state, the hub of this type of activity because of its high profile and extensive advertising. This racks up the demand for gambling statewide as a form of entertainment and there are many willing to cater to it and profit by it, not least the NSW State Government through its taxes. The Government needs the gaming revenues to balance its budget. So while we cannot realistically expect that the present Government or even a future one would kill the golden egg-laying goose, we can keep on highlighting the damage done and arguing for measures which might contain and lessen it. We acknowledge that there is a fund to assist addicts and victims; we wonder how helpful this is in the face of the problems generated.

In a similar submission three years ago we commented that demands on church charitable agencies as a direct result of gambling had increased over the previous five years. These trends have continued, whether due to casino gambling or to the general proliferation of gaming machines provided by pubs and clubs. In the short time available for this submission, we as an umbrella body of churches are not in a position to assess these trends fully and give the required statistics; the welfare provider agencies of some of our member churches such as Anglicare and the Salvation Army may be better equipped to do this.

But just this week a letter in the Sydney Morning Herald gave a powerful and poignant illustration of the impact of gambling addiction on one family. Janet Hall wrote:

*Wake up, Australia. The debate around gambling has focused on the "positive economic impact of gambling", the good works and community spirit the clubs and pubs, and the potential impact of an additional tax on poker machines.*

*There is little consideration given to the other side of the gambling coin.*

*Over ten years of torment, fear and pain I lost my home, life savings and finally my husband. The consequences of his gambling addiction became overwhelming and my husband took his own life.*

*I have lived everybody's worst nightmare and tragedy, yet there is no national appeal or heart-rending support for victims of gambling, let alone families left after suicide.*

*A socially unacceptable tragedy brought about by a very socially acceptable, and constantly encouraged, addiction.*

*An additional Government tax on gaming machines serves only to strengthen society's addiction to, and support of, yet another parasitic industry of human destruction.*

*The next time you participate in any "subsidized" activity provided by the gambling industry, spare a thought for those of us who have paid for it with our blood, hardship, heartache and grief."*

In sad microcosm, this illustrates that it is not only economic problems that directly result from gambling but also broken relationships, failed businesses, dysfunctional families, criminal behaviour, psychiatric problems – and suicides. While not all gamblers are severely addicted, even many middle-range gamblers suffer and cause much harm to themselves and their families. As a matter of conscience and compassion we as Christians cannot but speak out against our community's passion for gambling.

We have to look at least three areas of concern:

## **1. Welfare**

The agencies can testify that demands for welfare assistance have continued to climb annually, with an ever-increasing line of people seeking donations of food and clothing and financial assistance to help pay for rent, electricity, telephone, medical treatment, admitting that gambling losses are the reason. It would be interesting to know the child welfare ramifications also. In a previous submission we noted the cases of children being left in cars while their parents gambled at the casino. Thankfully, perhaps this at least has been dealt with.

**At that time we recommended that:**

- the casino management implement a proactive policy of identifying potential problem gamblers before they become “hooked” on their pastime and incorporate a provision into client services and public relations that can refer problem gamblers to an appropriate counselling agency for assistance.
- People identified as being addicted to gambling should be barred from the casino. [We are aware of and approve self-exclusion measures.]
- Parents who neglect their children by leaving them alone in motor vehicles parked at the casino while they gamble should not only be prosecuted but also be permanently barred from the casino.

We wish to add further harm reduction recommendations, or to endorse some that are being tried:

- The removal of ATMs from casino premises (and clubs and hotels) to make it harder for people to spend beyond their limits.
- The lowering of the commonest stake in gaming machines (“pokies”) from \$10 to \$5 per turn.
- Reducing the hours that venues are open.

## **2. The Moral Question**

Gambling was at one time referred to as “the gambling racket”. Now it is “the gambling industry”. Racket or industry, it is certain that the millions of dollars spent annually on games of chance at the casino (and other agencies) are being redirected by the spending public from groceries, clothing for the family, recreation, health and general well being. The result is misery for many. Yet it is argued that it is the right of the individual to participate in whatever form of pleasure seeking and recreation one may choose, irrespective of the consequences. As an American observer put it:

*“We are arriving at an absurd condition that might be called liberation socialism. Everyone has the right to live exactly as he or she pleases but if something goes wrong, some abstraction called “society” is to blame and must pay the bill for the damages. Everyone must be free to make risky choices and everyone must be protected from unpleasing consequences by social insurance that is provided by government, which is to say by nobody. In consequence, there is a moral deficit of huge and growing proportions.”* [Peter Johnson, Law Professor at Berkeley University.]

## **3. Truth in Advertising:**

Advertising always sells images far from reality. In the case of the casino and gambling generally this happens to an absurd degree. Unlike a normal purchase of goods from a store where a return is guaranteed gambling has no such guarantee. If truth in advertising were to apply here, instead of images of glamour and fun we would learn the odds against a windfall and would see the real images of despair, whether that of the actual gambler or of his or her family.

### **Our previous recommendation:**

- In view of the growing numbers of people with a gambling addiction we recommend that the casino rethink how it presents the image of “everyone’s a lucky winner” to the public through advertising and that careful consideration be given to ways to warn people that they just may lose their money.

- Better still, (a pipe dream?) a ban on casino and gambling advertising altogether! There is no way it can tell the truth and achieve its purpose.

#### **4. Chaplaincy**

In the past, through dialogue with the Salvation Army Chaplains Department the Council sought to examine ways of providing a special service for people with a gambling addiction who frequent the Sydney Casino. Our investigations revealed that while the Salvation Army did have some involvement on a minimal scale in assisting problem gamblers through either a direct or indirect contact with the casino they did not have sufficient personnel to cover the expected need and therefore were not able at that time to become involved in a proposal by the NSW Council of Churches to apply to casino management for the establishment of a chaplain's office at the casino.

We were told that while there are human resources personnel available for staff, there is no ongoing professional referral mechanism in place to refer problem gamblers to counseling or welfare services. The public's interests would certainly be better served if the casino management were to consider establishing a chaplain's office on the premises. Despite practical and ethical problems, and the potential difficulty in finding a suitable chaplain prepared to take on this role, we repeat this recommendation made in 2000.

**Recommendation:** That the casino management consider funding establishment of a casino Chaplaincy to care for the needs of patrons with gambling addictions.

#### **Conclusion:**

The Casino is, after all, a place which promises the world to all but will only ever deliver a slice of it to a very limited few. In reality it is a place where disappointment and heartache hits many particularly when their quest for enjoyment and wealth turns into loss and often a nightmare of addiction. That's the type of business it is and that's the type of business it must remain if it is to continue to operate.

The question that the Authority must ask in investigating the suitability of the operator to continue managing the facility cannot be answered in isolation from the overall short and long-term damage that such an establishment inflicts on the community.

On behalf of the NSW Council of Churches –

**Ray Hoekzema – Immediate Past President.**  
**Rev Bruce Thornton OAM – Council Secretary.**

July 2003



## GAMBLERS HELP LINE

**Hon Sec Jim Hickson  
5 Nannawilli Street  
BERKELEY NSW 2506  
Phone/Fax 02 4271 2297**

**Chief Executive  
NSW Casino Control Authority  
FAX (02) 9299 7427**

**Dear Sir/Madam**

**Please find Gamblers Help Line's submission for consideration into the investigation of the Sydney Casino operator and licence under section 31 of the Casino Control Act 1992.**

**It has been for many years Gamblers Help Line bone of contention regarding this licence Star City held and abused.**

**After the report of the inquiry by Mr P.D. McClellan QC, pursuant to section 143 of the Casino Control Act 1992, handed down December 2000, although in his report Mr McClellan had concluded Star City had developed significant problems in its private gaming area known as the Endeavour Room the culture was inappropriate, and effective procedures were not in place to deal with prostitution, loan sharking, the service of alcohol, money laundering and sexual harassment.**

**In publicly releasing the report on the 22nd December 2000, the Authority Chairman indicated the Authority endorses Mr McClellan's recommendation and will implement those recommendations for which it has responsibility, the Authority will also conduct a review of the situation in 12 months as recommended by Mr McClellan.**

**Although Gamblers Help Line thought all this was merely window dressing the problem. After the review of progress of Star City as recommended by the year 2000 section 31 investigation and the subsequent action taken by Star City has more than allayed any fears that these changes would be minimal, with the personal presentation of Star City's future to Gamblers Help Line by M/s Virginia Baker and Mr Peter Grimshaw, certainly changed the views held by this organisation**

**With Tabcorp now the holder of the Casino licence the great improvement surrounding Star City has been overwhelming and therefore Gamblers Help Line acknowledges Star City Pty Ltd the operator of the Sydney Casino is most suitable to continue to give effect to the Casino licence and the Act, and it be in the public interest that the Casino licence continue in force.**

**Jim Hickson  
Hon Sec Gamblers Help Line  
24th July 3000.**



**WESLEY MISSION**  
WESLEY COUNSELLING SERVICES

Our ref: CC:RB  
Your ref: Ron Harrex

24 July 2003

The Chairperson  
Casino Control Authority  
GPO Box 3970  
SYDNEY NSW 2001

Fax. 9299 7426

Dear sir/madam,

**2003 INVESTIGATION UNDER SECTION 31 OF THE CASINO  
CONTROL ACT 1992**

Wesley Counselling Services has involvement with Star City in a number of ways, including:

- Providing gambling counselling for persons affected by problem gambling through Wesley Gambling Counselling Service;
- Providing legal advice and representation for persons affected by problem gambling through Wesley Community Legal Service, including court representation of persons prosecuted for contravening casino exclusion orders;
- Providing on-call crisis counselling in contractual arrangements with the Casino;
- Providing counselling assessments of persons applying to have exclusion orders or self-exclusion deeds ended pursuant to contractual arrangements with the Casino.
- Provision of intellectual information for the purpose of the development of an "in-house" Responsible Staff Training Program.

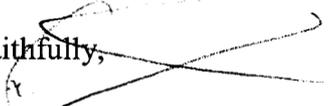
The efforts of Ms Virginia Baker in referring patrons for counselling and working with our staff have been of great assistance.

Information provided by clients in counselling to our staff does not indicate any matter that would suggest that Star City's licence should not continue. In particular there have been no reports of the provision of free alcohol to patrons.

Wesley Community Legal Service have been representing a Star City patron in court proceedings relating to a small-time loan shark who appears to be operating on the fringe of the casino. Information has been provided to the Casino Control Authority. It appears that the person in question had been careful to avoid coming to the notice of the casino or CCA, which indicates that efforts are being made to stamp out loan sharking at the casino.

Should you have any further questions, please do not hesitate to contact me.

Yours faithfully,

  
Rev. Chester Carter  
Manager, Wesley Gambling Counselling Service/President NSWCPG

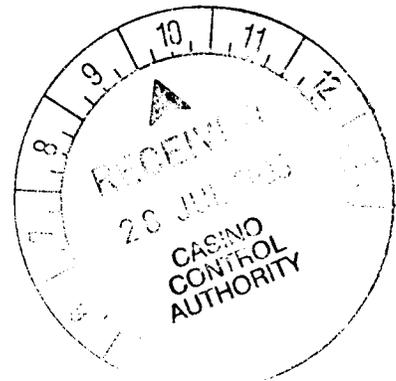
  
CASINO  
CONTROL  
AUTHORITY



THE CHIEF SECRETARY  
SYDNEY

25 July 2003

Mr Brian Farrell  
Chief Executive  
NSW Casino Control Authority  
Level 17  
GPO Box 3970  
SYDNEY NSW 2001



Dear Mr Farrell,

**Investigation of the Sydney Casino Operator  
and License Under Section 31  
of the Casino Control Act 1992**

The Salvation Army is grateful for the opportunity to make a submission to the Casino Control Authority under Section 31 of the Casino Control Act 1992.

While The Salvation Army does not have enough knowledge of the management issues surrounding the licence of the Star City Casino or its operators to make an informed comment on these matters, we wish to make a submission in relation to Items 5.2 and 5.3 in the Terms of Reference.

Gambling is seeking gain at the expense of others, solely on the basis of chance. The Salvation Army is acutely aware of the suffering and deprivation experienced by many people as the result of this practice. Our social welfare experience indicates

that many of those who gamble tend to disregard their primary responsibilities, and not infrequently bring embarrassment and hurt to those dependent on them.

- In 1997 – 1998 Australians lost \$10.8 billion on commercial gambling
- This equals to an average loss of \$760 per Australia adult, or 3 per cent of household disposable income
- In 1997 – 1998 residents of New South Wales and Victoria spent the most on gambling.

(The figures quoted are from the Australian Gambling Industries Inquiry Report)

The inherent consequence of gambling is that it tends to make the financial arrangements of the person or a community dependent on chance rather than upon a reward for labour.

Since gambling is motivated by selfishness, it runs counter to the best interests of the community as a whole.

Often it begins in an apparently harmless way, but its continued practice may lead to dependency and undermines the personality and character of the gambler.

Studies have shown that incidences of depression, suicide ideation and actual suicide attempts are common place amongst problem gamblers. It is estimated that about 2.1% of the adult population are experiencing significant problems with gambling.

The Salvation Army believes that as a society we should not be prepared to tolerate this level of social concern brought about directly by gambling.

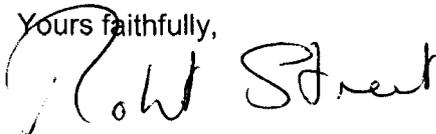
Gambling has infiltrated all levels of society. The introduction of the gaming machine has particularly facilitated the frequenting of the Casino by persons who before its introduction, would not have become involved in organised readily available gambling opportunities. Residents of New South Wales spend in excess of \$500 per person over the age of 18 each year on this form of gambling.

We further believe that by the advertising of their range of non gambling operations eg. restaurants and entertainment options, casino operators are seeking to entice people on to their premises with the intent of encouraging them to access the gambling facilities. The lure of these options often appeals to people who are least able to afford to gamble.

The Salvation Army urges the Authority when looking at the re-issuing of the licence to Star City Casino, that it gives consideration to protecting those who can least afford to gamble and therefore most likely to be adversely affected by the Casinos operations by:

1. Limiting the operation of the hours of the Casino
2. Limiting the advertising of the Casino and particularly its associated operations, restaurants etc.
3. Banning all ATMs in the Star City complex
4. Prohibiting the redemption of chartered coach and bus tickets for money or chips
5. Reducing the number of liquor outlets on the Star City complex.

Yours faithfully,



Robert Street  
Lt-Colonel

**CHIEF SECRETARY**

Cc Major G Lingard – Recovery Services Command  
Major M Sanz – Moral and Social Issues Council



**The Australian Liquor, Hospitality  
and Miscellaneous Workers Union  
(LHMU)**

**Submission to the NSW Casino Control Authority  
29<sup>th</sup> July 2003**

Re: Investigation under Section 31 of the Casino Control Act 1992 ("the Act"), the NSW Casino Control Authority ("the Authority") is required to investigate and form an opinion as to whether or not:

- a) Star City Pty Ltd, the operator of the Sydney Casino, is suitable to continue to give effect to the Casino licence and the Act; and
- b) it is in the public interest that the Casino licence should continue in force.

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## **[1] Introduction**

The Australian Liquor, Hospitality and Miscellaneous Workers Union ("LHMU") is the Union representing Casino employees nationally (other than North Queensland).

This submission is made in respect of Star City Casino and in response to the call for submissions in relation to the investigation into the Casino operator and license under s.31 of *The Casino Control Act 1992* ("the Act").

This submission, made on behalf of our members at Star City Casino supports the operator, Star City Pty Ltd, as suitable to continue to give effect to the Casino license under the Act and that it is in the public interest for the license to continue in force for another three years.

However, in saying this, the LHMU does have serious concerns which we say should be appropriately addressed as part of this mechanism prior to the renewal of the license.

The LHMU's submission will be confined to the Union's specific concerns which fit into the terms of reference as follows:

<b>No.</b>	<b>Term of reference</b>	<b>LHMU Issues to be addressed</b>
3.	The impact of the use of the Casino premises on tourism, employment and economic development generally in Sydney and New South Wales.	<ul style="list-style-type: none"><li>• Employment</li><li>• Technology</li></ul>

- |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                         |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|
| <p>5. 5. The effect of the Casino in relation to the public interest including, but not limited to:</p> <p>5.1 the impact or potential of findings by the Authority in relation to the matters referred to in paragraphs 1 to 4 above; and</p> <p>5.2 the impact or potential impact of Casino operations on individuals who attend, or who may attend the Casino and their families; and</p> <p>5.3 the impact or potential impact of the Casino on the public interest having regard to submissions made to the Authority by the public.</p> | <ul style="list-style-type: none"> <li>● Ownership</li> <li>● Security</li> </ul>                                                       |
| <p>7. Specific matters referred to in the 2000 s.31 report and the 2002 s.31 review report, including:</p> <p>7.1 the operation of the private gaming rooms</p>                                                                                                                                                                                                                                                                                                                                                                                | <ul style="list-style-type: none"> <li>● Passive smoking in Hi-roller rooms</li> <li>● New Poker Machine Room for Hi rollers</li> </ul> |
| <p>8. Such other matters as the Authority considers relevant.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <ul style="list-style-type: none"> <li>● Safety of Employees and Patrons in the Casino Environs</li> </ul>                              |

**[2] Employment**

The first term of reference to be addressed in the Union's submission is the impact of the use of the Casino premises on employment in Sydney and New South Wales.

In 1997, the permanent Casino site opened in Pymont with approximately 4000 employees.

In October 2002, when the new Star City Enterprise Agreement was certified in the Australian Industrial Relations Commission, the Casino had a total of 2286 employees covered by the Agreement. We believe that the total number of employees (including management) is now closer to 3100.

The Casino has dramatically reduced the number of employees since it opened in its permanent site. The figures indicate a decline in employee numbers at Star City Casino which is of great concern to the Union. If these trends continue, in three years time at the next license renewal there will be considerably fewer employees again.

The reduction in the number of employees at Star City Casino is clearly evident considering the following department specific information:

Table Games:

In October 2002 there were 843 Permanent Dealers, 186 Gaming Supervisors and 3 Casual Dealers, a total number of 1,032.

In July 2003 there were 813 Permanent Dealers, 172 Gaming Supervisors and 15 Casual Dealers, a total number of 1,000.

Public Area Cleaning:

When Star City opened in 1997 there were around 500 Public Area cleaners. In 2003 there are 130.

The Union's members in Public Areas cleaning consistently say there are not enough cleaners to do the job. Members of the Union complain that staffing levels do not take into account sick calls, and when an employee is off sick they are not replaced.

### Hotel Operations:

In February 2003 there were 51 Room Attendants, 10 Housepersons, 4 Linen, 2 Clerks, and 11 Supervisors, a total number of 78.

Just 4 months later, in June 2003 there were 49 Room Attendants, and 23 other staff, a total number of 72.

### Contractors

Whilst levels of employment within the Casino are in decline, the Union has on several occasions had to pursue the Casino in relation to the use of contract labour and not utilising their directly employed labour. The Star City Enterprise Agreement commits them to using directly employed labour wherever possible. This is an ongoing issue in both the Security and Public Area departments of the Casino.

The trend away from full time employment and towards part time employment is also relevant to employment levels in NSW. The Casino is known as one of Sydney's largest employers; a description that is rapidly becoming less impressive the longer the Casino continues to operate.

We ask that at each license review, the number of employees is taken into account and attempts to limit the reduction should be made.

### **[3] Technology**

The impact of the use of the Casino premises on employment and the economic development generally in Sydney and New South Wales is evident in the Casino's proposals regarding technology.

The Union notes that through a variety of provisions of the Act the Authority must approve of all gaming equipment utilised at the Casino and virtually all operational procedures connected with the conduct of gaming and cashier operations including

dealing procedures, gaming staff training, the maximum and minimum numbers of individual games, table configurations and pit operations.

We say that this the Authority's power is relevant to the introduction of new technology resulting in job losses at Star City Casino and that this should be considered in any of the CCA's decision making.

Electronic Gaming Department:

Star City is planning to modify poker machines to include a ticket printer which would allows a customer to print their own voucher. This voucher would then be taken to the Cashier to be exchanged for cash. Currently an Electronic Gaming Technician has to be called to manually write the voucher and open the machine.

Star City has stated that 'ticket printers' on poker machines would initially be introduced into the Endeavour Room with a view to introducing ticket printers into main gaming floor machines.

Star City is as yet unable to predict the affect this would have on Electronic Gaming staff, however, the effects are potentially devastating.

There would be an impact on Electronic Gaming Technicians as they would be a reduced need for Electronic Gaming Technicians to write poker machine vouchers.

The 'ticket voucher' would reduce or eliminate the need for hopper fills in poker machines. This would affect staff who perform 'hopper fills' every morning and the security guards who guard the trolleys of coins in the process.

Further the idea of a machine whereby money is exchanged for a ticket is proposed which would have an impact on the number of cashier staff in these areas.

In addition to the impact on employees, this approach is inconsistent with the harm minimisation approach for poker machine gamblers. Inevitably the "chore" of lining up

at a booth for payment or lining up at a redeeming ATM-like machine will encourage continued playing rather than less.

Apart from loss of staff numbers, there is the potential for criminal activity and money laundering. This is particularly pertinent as the introduction is flagged for the Endeavour Room, the area looked at in terms of criminal activities in the last s.31 review.

#### Table Games:

In the last few years, the number of table games at Star City Casino has been reduced, while the number of poker machines has risen. Table games as a feature of a Casino sets Star City apart from clubs and pubs in NSW. Without them there is very little distinction. The Casino currently has 200 gaming tables and 1,498 electronic gaming machines.

Technology has not just had an effect on the number of table games operated by employees but is set to be challenged by electronic games such as Rapid Table Gaming products such as 'Rapid Roulette'. This is an electronic game form of Roulette introduced to Star City early 2003. 'StarGames', the creator of the machine market their product as, "involving the use of touch screens to place bets while essentially allowing all other elements of the game to remain intact".

According to StarGames, 'Rapid Roulette':

- 1) Significantly reduces operation costs by eliminating supervisory levels,
- 2) Increases productivity by hosting more games per hour and eliminating manual labour, and
- 3) Increases security features with the elimination of betting chips.

Table games dealers are concerned that 'Rapid Roulette' will have the effect of deskilling them because the game only requires the dealer to spin the ball on the roulette table and all other functions are computerised.

The Union expects that Star City will introduce electronic games in the future such as electronic versions of current table games such as Sic Bo and Big Wheel, similar to 'Rapid Roulette'. According to StarGames, "the continued dominance of the product on the floor has led to further development of the Rapid Table Gaming Products range that will see games like Sic Bo and Big Wheel continue where 'Rapid Roulette' has pioneered."

At the same time, Stargames has secured an exclusive licensing agreement with Crown Casino to provide Rapid Roulette - a new form of roulette that reduces the number of Casino staff needed to supervise a game, while allowing more players around a main computer terminal".

New rules for table games were introduced 1<sup>st</sup> July 2003.

#### Automation of the Wardrobe Department

Star City is in the process of updating their systems in the Wardrobe Department which will result in the loss of jobs and duties through the introduction of new technology.

Currently staff enter an individual number onto a keypad machine linked to a machine which has all uniforms hung from a conveyor. Once the conveyor stops at the correct uniform the uniforms are taken off the conveyor by Wardrobe staff and given to the employee.

Star City proposes the automation of this process through the installation of a new machine which would no longer need wardrobe staff to hand the uniform the employee. The employee would be able to press their individual number onto the keypad and take their own uniform. Star City already has past the quote stage and is now in process of getting capital expenditure approval from TABCORP.

The Union certainly does not oppose new technology but when that technology has the impact of greatly reducing the number of jobs across departments in Sydney's only Casino, it is not a change that we encourage.

We do say that the Casino is in a very privileged position as the only Casino in Sydney. With that privilege comes a responsibility to maximise rather than minimise staff levels. Jobs are an extremely important part of the equation justifying such an issue and is consistent with TABCORP's description of itself as an "employer of choice" which "believes in:

- The importance of providing opportunities for development at all levels.
- The need for diversity in its workforce.
- Providing flexibility to enable employees to achieve a satisfactory work / life balance."

#### **[4] Ownership**

The terms of reference direct our attention to the effect of the Casino in relation to the public interest.

Following the takeover of Jupiters, TABCORP now has what could be seen as a near monopoly on the Eastern Coast of Australia with four Casinos now gathered in its stable.

TABCORP is now the fifth largest gaming company in the world and is Australia's largest gambling and entertainment group.

The Union says that this massive ownership stake should make TABCORP a responsible employer with a commitment to its employees and to creating employment opportunities rather than technological advances which eradicate the need for staff. If the Casino is allowed to pursue technology driven job cuts and becomes an "electronic" Casino, there is considerable doubt in our mind as to why it would be continued as the sole "Casino" in Sydney.

## **[5] Level of Security**

Also in the public interest is the concern about security levels at Star City. The LHMU has been aware for some time about the lack of security officers at Star City Casino which had 5,483,000 visitors last year. To overcome this lack of security, the Police are often seen in or about the Casino. Contractors have recently been engaged to patrol the retail arcade at the Casino. This in itself has caused problems with non Star City trained officers working with very little support in this area.

The reduction in security numbers undoubtedly has an affect on response time in the event of an incident. Likewise, if a number of incidents occur at the same time Star City do not have adequate numbers of guards to deal with the situation. This issue has been raised consistently by Security Officers and other staff members.

The Union asserts that staffing levels in security are reaching crisis point. On the day shift on 17<sup>th</sup> July 2003, there were only 10 security officers on duty. The minimum requirement for the first hour of day shift (0700 to 0800) is:

- 4 at doorways
- 4 at poker machine emptying (hard drop)
- 1 for pit float check
- 1 for assisting with trolley return on hard drop.

If anything happens, there is nobody to attend.

Security officers are often unable to alternate people in different positions as required by health and safety standards because they cannot get "eyes on" (i.e. surveillance) due to the shortage of personnel in both security & surveillance.

Further, after 12 hour shifts, security officers are sometimes asked to stay for an extra 4 hours which must reduce their effectiveness.

Due to the shortages, there is no time for security officers to rove and observe on the gaming floors, resulting in less detection of unwanted behaviour as a result. There are many larger items (eg bags and coats) being allowed on the gaming floor, where previously this was monitored much more closely.

It is rare for security officers to patrol the Casino's car park located underneath Star City and there is no manned external security around the building with only cameras in place.

There is an obvious need to hire more Security Officers and a CCA set minimum number of security officers is urgently required.

The private gaming rooms located upstairs has one officer who is also required to do the main gaming floor as well as other duties.

At the last license review, Star City Casino employed 160 security officers. The number of security officers now is 78.

Before, there were 2 investigators, now there is 1.

The main concern for employees as well as the general public who visit the Casino is that the lack of security at the main car park entry is open to a loaded vehicle being parked down there at anytime and remotely detonated.

### Surveillance

There has been a reduction of over 20-25% staff in the Surveillance Department in the last year. The Surveillance Department has to monitor Table Games as well as general security.

With the reduction in Surveillance numbers the LHMU is concerned employee and patron safety are being placed at risk. The reduction in staffing numbers has reduced Surveillance's ability to watch for suspicious behaviour.

There can be between fifty to sixty ATLS ('Asked to Leave') in a night. Security Officers have identified problems with ATLS coming back into the Casino.

There is a clear need to hire more Surveillance Officers.

#### **[6] Passive Smoking in Hi roller rooms**

The terms of reference direct our attention to the operation of the private gaming rooms.

The Smoke Free Environment Act 2000 came into force for the Casino in September 2000. The legislation is not far reaching enough to provide a smoke free environment for employees and patrons.

The exemption for the hi roller rooms needs to be lifted and brought into line with the rest of the Casino. In its design, Star City has plenty of outdoor spaces for patrons who wish to smoke.

The risk to health from environmental tobacco smoke particularly in these smaller "select" areas is unnecessary and dangerous. While the legislation envisaged that the exemption applied to private gaming rooms, the Union is aware of marketing to the public, for example, to members of the Australian Jockey Club.

#### **[7] New Poker Machine Room for Hi rollers**

##### Cash handling

In May/June 2003 The LHMU and Star City went to the Australian Industrial Relations Commission to resolve a dispute in the Electronic Gaming Department over a new procedure called a 'handpay'.

The 'handpay' procedure would involve Electronic Gaming Representatives handling cash and therefore placing them at risk to physical assault and crime such as robbery.

The Commission date had been preceded by meetings between the LHMU and Star City in which we consistently made clear our concerns at our members having to carry cash on the floor.

What makes this issue so concerning is that the Union believes that Star City had not received approval from the Authority for the new procedure. Once aware, the LHMU wrote to the Authority with the effect that the CCA invoked a cap of \$1,000 on the new procedure.

As you would imagine the Union has particularly grave concerns about the risks this proposal would create for the safety of these electronic gaming employees. The LHMU views this as very relevant to the conduct of gaming over which the Authority has jurisdiction.

The Casino has carried out a risk assessment which has determined there to be "*a possible medium likelihood of significant risk*". This is not a satisfactory outcome when considering the introduction of a new method of paying out patrons.

## **[8] Safety of Employees and Patrons in the Casino Environs**

Also relevant to this review is the safety of employees and patrons in the environs of Star City. The LHMU takes very seriously any potential or immediate risk to personal safety or safety of property.

### Internal Reporting of Occupational Health & Safety incidents

Concerns exist about the effectiveness of the reporting procedure hazards in the workplace. The LHMU regularly receives complaints from members who have raised Occupational Health and Safety matters through the appropriate channels only to have no action taken.

In June/July 2003, the LHMU formally raised with Star City a number of OH&S issues which have not been acted upon when raised by staff through internal channels. These issues are raised verbally with Supervisors or Managers with no action being taken.

Currently incident reporting forms and hazard identification forms are only found in the sick bay at Star City. The Union met with Star City in July when management stated that they are in the process of modifying these forms and ensuring they are located throughout the Casino. The timeframe for this is the end of August.

The Union is in the process of conducting a safety survey/audit of security and safety at the Casino. In particular the level of incidences of personal safety property damage reported to Star City.

Union members have reported a steady increase in threats of physical violence from unhappy patrons and that these concerns are not taken seriously. Members are conscious of incidents at other Casinos such as the gunman at Crown Casino, the gunman at Adelaide Casino playing at several tables with a gun in his back pocket and insufficient security to remove him, the 1999 Treasury Casino shooting inside the Casino, as well as numerous report from Casinos overseas. Recently, the incident where the patron drove his car through Star City's doors is indicative of high levels of anger that can accompany being asked to leave or losing one's life savings at the tables or machines.

In an effort to allay the fear of employees, many of whom have been threatened with physical violence by customers, the Union undertook some research into walk-through recognition equipment to identify the presence of weapons as a necessary step to create a safer workplace.

Threats to employees include verbal threats to workers and their families, instances of physical abuse, and death threats such as: 'If I had a gun, I'd kill you now' or 'I'll be waiting for you at 4am'.

Non intrusive metal detectors were part of a claim served on management in agreement negotiations last year but were strongly opposed by Star City management. The matter continues to be raised with no resultant action. The CCA "have no view" on the matter. This is not acceptable.

### Car Park Security

Star City has 2500 car parking spaces underneath the Casino. There are strict guidelines as to employees having access to the carpark. Most Star City staff are banned from parking underneath Star City except morning shift staff who start at 4am. Staff have raised with Star City the possibility of those who finish at 4am parking underneath the Casino. Staff have also raised the idea of staff parking underneath the Casino at non-peak times.

The carpark subsidised and recommended by Star City for its employees is the Harbourside Carpark. For those finishing work late at night there have been numerous complaints. Staff have complained of the lift not working and having to use the stairwells which are dirty and often contain urine, faecal remains and vermin.

Staff have complained at inadequate security with many places for potential perpetrators to hide. When staff start their shift during the day the car park is packed and staff are required to park deep inside the car park. Late at night and early in the morning when staff go to get their car the car park is almost empty.

There appear to be high incidents of unreported property damage (i.e. to motor vehicles). Staff consistently complain the car park area is not safe. Dealers have said they have been approached after work by patrons who refer to them by name expressing displeasure with losing money at their table

### Light Rail

The light rail is used by many Star City employees and patrons to travel to work or play at the Casino.

Travel on the light rail is promoted and is free for Star City employees from Central to Star City and return. Staff have raised concerns at the lack of security at the Light Rail stations, particularly at Harbourside, at night.

The situation has now reached a point where staff are becoming more and more seriously concerned for their own and patron safety.

The main points in issue can be summarised as follows:

- Personal safety – actual reported incidents of threats and assaults eg recent kidnapping, knives on gaming floor.
- Personal property damage and loss of property eg car break in twice in 1 week in the staff nominated carpark.
- Concerns are not flowing on from Star City to the carpark management.
- Security employees are expected to provide normal functions as well as patrons/staff safety with too few in number to do so effectively.

The Union does not think the Casino takes employees concerns seriously enough. The CCA has the regulatory and statutory power to ensure that Star City is a safe place to work and visit for all staff and the millions of patrons who visit each year.

## **[9] Conclusion**

The LHMU is a key player in the Casino industry by virtue of our membership among Casino employees.

Through the s31 CCA investigation, the Union seeks that the contents of this submission are considered in the process of deciding whether Star City Pty Ltd is suitable to continue to give effect to the Casino licence and that it is in the public interest that the Casino licence should continue in force.

On the basis that our concerns as outlined are addressed as part of this investigation, we give our support to the renewal of the Casino's license for another three years.



Handwritten signature of Tim Ferrari in black ink, written in a cursive style. The signature is positioned above a horizontal dashed line.

**TIM FERRARI**

**ASSISTANT NATIONAL SECRETARY**

Australian Liquor, Hospitality and Miscellaneous Workers Union

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*Submitted 29<sup>th</sup> July 2003*



**The Australian Liquor, Hospitality  
and Miscellaneous Workers Union  
(LHMU)**

**Supplementary Submission to the NSW Casino Control  
Authority**

**31<sup>st</sup> July 2003**

Re: Investigation under Section 31 of the Casino Control Act 1992 ("the Act"), the NSW Casino Control Authority ("the Authority") is required to investigate and form an opinion as to whether or not:

- a) Star City Pty Ltd, the operator of the Sydney Casino, is suitable to continue to give effect to the Casino licence and the Act; and
- b) it is in the public interest that the Casino licence should continue in force.

## **Passive Smoking**

In Part 6 of the Union's submissions, we referred to the Smoke Free Environment Act 2000 and stated our view that the legislation is not far reaching enough to provide a smoke free and safe environment for employees and patrons. This submission was made primarily in relation to the exemption in the legislation for the Endeavour Room/Hi roller areas.

The Union would also like to make some additional submissions written by some of our members from table games in relation to the operation of the legislation on the main gaming floor. It is in the public interest to have this issue considered as part of the s31 investigation.

The smoking restrictions on the main gaming floor are not as effective as they should be, especially in relation to implementation. Patrons take no notice of the restrictions because of the following reasons:

- There are insufficient signs;
- The signs are only written in English and there are a large number of *international visitors to the Casino*;
- Some staff are not trained properly to enforce the restrictions;
- Smoking and non smoking areas are not clearly defined;
- Levels of roving security staff to enforce the restrictions are inadequate.

Patrons respond in different ways when dealers request that they refrain from smoking in the restricted areas. Some patrons ignore the dealer's request and continue to puff away. Other patrons say they did not realise and ask where they can smoke. While other patrons hide their lit cigarettes behind their backs because they have been told before and know it is forbidden.

There is not a night that goes by without dealers having to ask patrons to smoke elsewhere.

On at least four occasions in the last year, one particular dealer has worked on the main gaming floor when there have been fires in the rubbish bins caused by cigarettes. This raises the possibility of a more serious fire that could be started this way.

There is a great concern that the effects of passive smoking will return to haunt Star City employees in the future, while smoking related illnesses are already affecting employees causing them to have time off work now.

Proper enforcement of the smoking restrictions will create a far better and healthier working and gaming environment for both employees and patrons at Star City Casino.

Furthermore, all employees and patrons should have the right to a healthy, totally smoke free environment instead of the current exemptions that exist in certain areas.



**TIM FERRARI**

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*Submitted 31<sup>st</sup> July 2003*



16 Norfolk St  
Mt Kuituma NSW,  
24/7/03.

To The N.S.W Casino Control Authority,  
Re Investigation of The Sydney Casino

In regards to The original licence to conduct the then Sydney Harbour Casino in the early 1990's, the term of the licence was for a period 'Only'. Such time when it expires would be an appropriate time for The Casino Establishment to become the property of The State of N.S.W. How Fair Are Casinos Today With Combined Computer and Technology Towards Uneducated and Unaware Players.

Today's electronics relating to gambling should not be tolerated in any form.

None has basically - The Pure Random Means of Obtaining a Fair Accepted Outcome.

Even Roulette has been proven a joke (if when players have the area of the experiment in theory added to be manipulated by finesse, plus other devious means, cards added to be shuffled in various ways even under strict supervision, to influence the run of play in the following shoe, to conform to The House's Desires.

Poker Machines especially Linked Machines have been proven to the experienced in gambling relative awareness added to be manipulated from within the system.

The latest technology relating to all electronics should never have been allowed within what is supposed to be Pure Random Outcomes.

How electronic Roulette, especially the American Roulette version, with a 5.26% House Edge on All Labeled Stakes amounting to a 10.52% tax on all winning bets involved the terms of The Right to Hold The Casino licence, under 'honesty and integrity' or manipulation relating to Customs

Basically the original licence was granted for Casino gambling relating to table games.

Though the licence was granted on a Once Only non-refundable lump sum payment of \$376 m, a time was placed on the granting of the licence.

How logical intelligent people allowed for the licence to be granted to operators outside Australian borders when clear thinking and aware, to how gambling by Pure Random means, with reasonable limits of minimum to maximum, even when conducted in the custom of pre-legalised casino days, players had the opportunity to either share their losses or let their winnings ride from a \$2.00 stake minimum to \$500.00 maximum on a single zero only wheel. to 2<sup>9</sup> allowed players their choice speculating as 1, \$2, 2, \$4, 3, \$8, 4, \$16, 5, \$32, 6, \$64, 7, 128, 8, 256 and 9, \$500 or as having no problem placing their ninth wager of either sequence at \$512.00.

To-days limits of \$25.00 on a 1/1 bet in Roulette reduces the area of speculating from 2<sup>9</sup> as when a \$2.00 unit is the unit (as 1/2/12), with \$25.00 deleting the area to, - with \$25.00 minimum to \$1,000.00 maximum 2<sup>6</sup> as \$800.00 as from 256 portions to at \$25.00, to 64 portions only.

The American Roulette style games of Roulette should never have been allowed, even in America as the 1/5, players who desire to bet \$25.00 and \$100.00 etc are able to bet on Roulette (as in England, France Monte Carlo and Lebanon, to The Indian Rule, paying only 1.35% commission on 1/1 speculations, and the dozens.

The custom of players having their right of seeing the ball 'put in play' with time then to make their bet does not relate to The Electronic controlled games that is even played in large clubs at from \$1.00 minimum to \$160.00 (as 2<sup>11</sup>) maximum.

Players have to be fore warned, Electronic Controlled Roulette is not a Pure Random Game of Chance.

Players must place their bets within a 30 second time limit, then the computer has at least from 5.0 seconds to 10.0 seconds to programme the animated version similar to poker machines with a mapping system working as a random (note not a pure random outcome) number, such would seek 1-0 between usually 128 (as  $2^7=128$ ) which identifies a position on a virtual reel (as with 128 in this instance - stops).

With each of the stops on the large virtual reel are mapped onto a smaller reel. Such then is used to display the symbols on the gaming machine which is visible to player.

One does not have to be an Einstein to accept, that of the 128 varied smaller reel like symbols holders, one only of 128 can eventuate to the Big Jack Pot.

I was commissioned by a gambler who had been advised by one of the 500 odd who had sought my logical approach relating to gambling, to get my opinion of Electronic Roulette.

I'd already previously been warned of the new technology associated with computerised poker machines.

Within six hours playing various Electronic Controlled Computerised Roulette Games, such shows to the way, with one having no way of obtaining an advantage, that mapping of events occur. Such ensures that the House obtains their percentage.

A quick eye will note the changing of programme and flow, as an example one can forecast what pathway on more than what would be accepted on a Pure Random Chance, a ball would follow to a certain result. Such information is no financial advantage to player.

It is now over twelve years (1991) when I realised that The Casino Licence would be granted and such was a fore-gone conclusion.

I made a submission to Sir Laurence Streets Inquiry into the Establishment of Casinos In N.S.W.

1. Profits received by State Government to fund Hospitals. Such was accepted by the then Liberal Government, Mick Green was the premier and Anne Cohen was the treasurer, or at least in control of the establishing of N.S.W Casinos.
2. The most important issue of the day which still remains to-day is the lack of education awareness.

I'm so fed up with the pompous arrogance and ignorance of those that should know better, who ignored the wisdom of Sir Laurence Streets recommendation, on Page 72 of his handed down report, what was and had been for the previous in excess of ten years my goal in life, to have our children become aware of what's still at school, not only why they will refrain from gambling with an insight into gambling awareness, they'll be able to confront the world's problems with a clear reasoning as to why, for every dollar speculated on a poker machines, b. Card Machines, c. T.A.B and even when using the most modern educational tool in gambling related awareness playing for cash at Hoopers Australian Roulette, Had even Kerry Packer would lose \$1m when betting with 100 x \$10,000-00 within 900 wents at a commission rate that is charged on most gambling games of chance (as 14.28% of tabled stakes.)

You most probably may be aware when I confronted Peter McClelland's previous inquiry that I had very little success in convincing academics about Casino Swell as a physical related probability, or hit times at the damn wheel.

level of teaching, that I could offer players who were prepared to accept 1/1 on a Odds and b also on EVENS in Legalized Casino Two-Up, I could allow them to follow the Martingale Method of betting as well as allow them to toss the two fair (as unbiased) pennies by rules set out by an Act of Parliament in N.S.W. to the rules (and strictly abiding by such) as to how the pennies are placed on their sides to Tossing, each opposite to each other. b Pennies must both be spinning whilst air-borne when tossed a reasonable height above the spinners head, that I could give both means of speculating the chance to re-set up their losing bets up to 5-0 occasions.

As a The Odd player, I'll give them on their first bet after each win \$6-00 versus their \$4-00 and when they win, I'll follow up giving them after each of their successes \$6-00 of mine against \$4-00 of theirs, up until they lose 5-0 in a sequence.

After winning 1st bet as my \$6-00 vs their \$4-00, when I win, then they (I have \$10-00) they must set me at 1/1 up until they lose 5-0 x consecutive occasions (over following 4-0 consecutive)

On b, I'll also give them the same conditions. When I win 5-0 in a sequence to have \$160-00 returned for my \$6-00 speculated against what academics would argue that I should receive for my \$6-00 all the way at 1/1 to 5-0 in a sequence \$192-00, I know before I start, that I should be offering \$8-00 v \$2-00 on 1st time I stake up the bet and then double up the next 4-0 at 1/1 as to receive still \$160-00 whilst scholars will insist that at \$8-00 on my 1st bet when successful at 1/1 over 5-0 straight I should be receiving \$256-00. Such however is only as stated as \$8-00 v \$2-00 plus 1/1 over next 4-0, &c

1/1 chance of win or lose both ways.  
Gambling is educational. It is also so  
soul destroying whilst such also is educational.

Today (I'm now near 71 year of age.) Students  
must be now taught at school New World  
mathematics, especially physical Theorem  
of mathematical probability perpetuity.

My good friend (now deceased) who was a  
mathematical statistician with E.S. (R prior  
to the 0 being added, who was David  
Murray's God Father accepted my Hooper's  
Spiral of Probability and associated Rings  
of (finite) Possibilities to being one of the  
greatest finds in mathematics of the 20<sup>th</sup>  
century. He warned me not to get my hopes  
up, as saying, "I most likely will be dead  
30 years before such are accepted."

I how-ever believe that my theorem relative  
to Casino Two-Up is the greatest of my research.

Both Einstein and Hans Lister (along with  
every other statistician have accepted, "If  
one cannot win at level stakes in gambling,  
one cannot construct figures to obtain a  
profit. (Such is correct when one is aware of the value of each 1-0.)

I can assure all at 1/1 accepted bets, I'd  
win for my \$1-00 at 1/1 all up 5-0 times  
on the Anti-Martingale method of betting,  
for each \$1-00 I'd table stake not \$1-00  
on average returning \$2-00 on average  
breaking EVEN. Only in Casino Two-Up I'd  
obtain on average \$2.07 out as \$1-00 of mine  
vs 1.07 of opponents = \$2.07 x 5 p = 38-00 events  
for 1-0 x 5-0 of nominated prior to first ten, on  
either of a Odds or b Evens.

a) 1-0 + 1-07 = 2-07 on 1st x 2-07 on 2nd x 2-07 on  
3rd x 2-07 on 4<sup>th</sup> and x 2-07 on 5<sup>th</sup> = 38-00 outcomes for  
5-0 of selected a Odds and also b 5-0 of selected EVENS.

Why such eventuates is simply to a number of variables, taking in the human weakness of not being accepted to being a good calculator of probability as 1,

- Also 2, The shape and weight of a penny.
- 3, Air resistance also allow for a coin (as penny) to turn no more than three times within the area of the averaged ten in Two-Up.
- 4, Due to How pennies are set up on trip prior to being tossed, along with the Ring Keeper allowed to 'Bar the Ten' recinds, the pure randomness of the event. (even though such is declared a random outcome)
- 5, Each spinner's ten due to strict set rules which insists on both pennies 'MUST BE TURNING' whilst airborne, with such ten within reason ensuring of pennies spinning in 'unison' with the other, requires within each experiment, for other than 'Once', as one of each showing uppermost being the outcome, other than when 'One Only' coin bounces over, or the spin is not 100-0% in unison.

Research conducted since the early 1970's when I'd won in excess of \$35,000-00 as a semi professional gambler at 'West Point Casino' in Tasmania, due to betting on a method (as system) that had allowed me to win at every two up game that I'd visited (illegal games of two up), (when implementing, as including the betting on 5-0 x consecutive 'Ones' in betting when method calculated for me to place a bet in excess of \$14-00 as a tabled stake, was only allowed to occur at West Point Legalised Casino at the time, with a successful bet placed on 5-0 x consecutive 'Ones' paid out at 30/1 against, when at the time (prior to my research of Two-Up relating in conjunction with the study over in excess of 30 years) the tossing of a penny was (and still is) accepted as a 'Pure Random Event' (as  $1-0 \div 0.5 \times 2^5 = 64-0$  times of two pennies at pure random for chance of a success  $(\frac{1}{32})$  of 5-0 x consecutive of either Odds or Evens eventuating).

To-day most likely some academics may now accept after my persistence lobbying and publishing of two books 1 'Hoopers Be Aware So Beware' and 2 'Hoopers Winning Spinning and Cheating' that Casino Two-Up (or any toss of a coin or coins especially a penny, due to size, shape and weight, in consideration to the propelling motion, or action when turning such is not a Pure Random come by Outcome, though due to 'strict rules' as set out by an 'Act of Parliament' being abided by is still classified as a Random Outcome.

Why had I spent a greater part of my last 30 years attempting to allow Society in General to accept the reality that as in Casino Two-Up over-all, the formula associated with Casino Two-Up forming of two fair (as unbiased) pennies consists of two different calculations within finite Outcomes.

1 Relating to 'Chance of 5-0x consecutive 'Ours' becoming, instead of  $1-0 \div 0.5 \times 2^5 p = 64-0 \div 2-0$ , for 1-0 chance of a collect within 32-0 various only possible ways that 5-0x 0.5 chances can succeed at Pure Random as 'Ours' in 32-0 opportunity as 3.125% yet to place a wager for such to eventuate defines such to 32-0 Wins on 'Ours' Odds (when Odds is selected) (as nominated as 'Ours' (the spinners choice) 'Ours' when selecting 5-0x consecutive 'Ours' (as Odds) requires to place now not 32-0 betting transactions within the area of the experiment but a plus 1-0 for when successful on 5-0x consecutive 'Ours' in conjunction with losing on 32-0x single events of 'EVENS' 33-0 chance by Pure Random turning of two fair as unbiased pennies (to being a 32/1 against myself.)

As such at Pure Random  $1-0 \div 0.5 \times 2^5 \div 2-0 + 1-0 = 33-0$  as  $100-0 \div 33-0 = 3-03\%$  (© Copyrighted by N.H Hooper, Sept 1992) In conjunction with the following.

2 Formula relating to Casino Two-Up Outcome of 5-0x consecutive 'Ours'  $= 1-0 \div 0.5 \times (2^5 p = 64) \div 8 \times 4.75 = 38-0 \div 2-0$  to establish  $1-0 + 1-0$  of 0.5 stake speculations  $= 40-0 \div 2-0 = 20-0 \times 1.6 = 1-0 \times 32-0$  (or  $20-0 \times 1-0 = 0.625 \times 32-0$ ).

Such increases the normal acceptance of 3.125% as commission charged in legalised Casino Two-11p from  $3.125\% \times 1.6 = 5.0\%$ , as The House in Casino Two-11p receives from both a Head players and b Tail players  $\frac{1}{20}$  of total (over the long term) tabled stakes. As  $100.0\% \div 20.0 = 5.0\%$

Such calculates to 10.0% commission on All Players Winnings.

Incidentally Why and How does the chances of 5.0x consecutive EVENS eventuate to near-identical formula?

Such is due to, over the area of the experiment there're on averaged 13 Spinners turns to ten.

Each on average are accepted to ten approximately 3.0 Spins of either Odd or Even.

One only of 13.0 completes turn at spinning with a 'One' outcome, when turning out on 5.0x consecutive Ones (as Odds).

The remaining 12.0 spinners ten out when spinning the opposite 0.5 of 0.5 chance of their nominated (either a head or tail) elected to Spin for.

As in Hooper's 'Winning Spinning and Cheating' on Page 25 in B, Such demonstrates the 'Finite' Reality as to  $\frac{12}{13}$  of each experiment requires less than  $1.0 \div 0.5 \times 2^4 \div 2.0 = 16.0 + 3.0 = 19.0 + 1.0 = 20.0$  occasions when The Player when speculating on 5.0x consecutive EVENS (in Casino Two-11p only, due to such not complying to a Pure Random Come by eventuality. Such in conjunction with 5.0x consecutive Ones = 20.0 tabled stakes required  $\times 1.6 = 32.0$  return from their opponent The Martingale player, of 32.0 vulgar fractions of their unit.

Such in all research in association with Casino Two-11p allows such to overall venture to being a true Random accepted experiment as 5.0% rate of commission on all tabled stakes of both a Head and b Tail players. On Odds & Evens to 5.0x 0.5 chances when all players are allowed to place 1.0 v 1.0 wagers

such eventuates to The Anti-Martingale Player within the area of the experiment over each on average 38.0 accepted events of Odds v EVENS as,  $20.0 \times 1.0$  against (over 20.0 tabled stakes speculated over 38.0 outcomes to receive from The Martingale Player as for their 20<sup>th</sup> Win = 32.0 times their tabled stake. Such leads to an example as to Why dedicated researchers, especially when delving into the out of normal, require funding for their Research.

To-day the only reward one may obtain is when one can contact others who think out of and above the square, who accept all knowledge as Power.

A similar situation practice by Money Lenders when lending say \$2,000.00 for borrower to pay back say at 25.0% within the shrunken period of nine months and not the normal period of 12.0 months. Such increase the interest on a fixed 25.0% interest raising from \$500.00 to \$666.66. As such a normal accepted \$2,000.00 application for a loan reduced to 9.0 payments from normal accepted 12.0 (in calculation to be paid over 12.0 months =  $\$2000 \div 9 \times 12 = \$2,666.66$ ).

One must ask Why have certain groups of bureaucrats the power to stifle knowledge, due simply because as such is at present as education is, those over-seeing such hold the whip in hand.

Hooper Spiral of Probability deleted the 20<sup>th</sup> Century thinking, that De-Moivre's Bell Shape Curve of Error proved that there was an error in mathematics.

"Hooper Spiral and associated Rings (finite) of Possibilities" proves How and Why Finite Expectancies require additional teachings.

Today's advantage towards Social Benefits from my recommendation to Sir Lawrence Street's Inquiry in 1991-92 has screwed in the vicinity of \$100m plus raising around \$20m per year from Casino Expenditure.

Such has been denied going towards the recommended School and Work Place Education and no doubt in an

indirect manner allowed for one associated with-  
in the power of fraternity who combined  
with the majority of such groups accept  
that the 2-6% levy place on Casino Expenditure  
was their God Given Right, irrespective as to  
their in-ability to educate those, who when  
aware of the economics relevant with to-days  
gambling would become recreational players  
spared from being problem gamblers.

I've no doubt that funding from the 2-0%  
levy on Casino Expenditure was directed  
towards the funding of a Political group  
indirectly to finance a person chances to  
be elected to The Legislated Council in the  
previous N.S.W State Election.

With such enormous funding meant, as  
recommended by myself for gambling  
awareness in Education to be taught in Schools  
and, when Sir Lawrence Street brought up the  
matter, mentioning also in The Work Place.

I accepted such to be in my recommendation.

Such led to Sir Lawrence Streets No 1 recommend-  
being as on Page 73 of his handed down report  
1. A continued media campaign to raise the  
level of awareness of problem gambling in  
the community. The campaign should include  
education in schools and in The Work place.

I believed that 0.125% would have been  
sufficient for education to be set-up. Yet to-day  
ten years plus later, due to teachers not being  
qualified sufficiently even with close to \$100m  
raised, such has been ignored.

Funding must be allotted to the private sector,  
to enable the real awareness of of gambling economics  
to be taught within society.

The National spending of Household funding has  
risen from 3-0% to close to 4-0% since such 2-0%  
levy was introduced. Such was to be earmarked for Education.  
All who I had approached to give my assistance

when aware that funds were available refused my help and all mentioning that when they could obtain funding, they wanted it for themselves, as their own organization. (So other than education.)

As such the majority of the \$100m probably has been spent employing un-educated counsellors, provided with salaries, car, offices set up with modern equipment without 'One Brain Razor' going towards Public School Awareness in Education, with the gambling percentage increased 25.0%.

I educated my children on problems that may arise from lack of knowledge and awareness with an earlier model of Hooper's Australian Roulette, that is set out for the education in gambling (as to being a gaming awareness in economics, plus allowing them to obtain the enjoyment from a recreational means that allowed them to be aware with game set-out as a simulated mathematical calculation of a Poker Machines, by Card Machines and T.A.B.

Such allows under parents' guidance the explanation as to 'Why' only six of every seven chips speculated is returned to players.

Also players become aware, that the only certainty in gambling related games of chance, is that overall 'The Commission' (as the 'Vigorish') has to be paid.

Players even those I've counselled accept 'Why bet' speculating a dollar to receive only \$0.85<sup>c</sup> returned.

I enclose a parcel with Hooper's Aust. Roulette, which I give free (at limited numbers due to my being a pensioner though, have given out free in excess of 150 games) to those who had a problem with gambling. I've also given free games to Schools, politicians and School Board of Studies. Yet I'm still as I was back in the 1980s a lonely figure, basically a 'One Out' for gambling education.

How-ever some schools do use such for an educational purpose.

With Casino Two-Up awareness governments could set up in a Clubs, b, Pubs and c even allow Casinos to introduce the game on a three spread layer as 1. Allowing players to bet from \$0.05 minimum to \$2.00 (even \$5.00) as  $\$2.00 = \frac{1}{2} p = 64.0$ , or at  $\$5.00 = 2^{7.5}$  (approx). at 14.28% with the Six Zeros increasing coverage from 36.0 mathematical probability expectancy to 42.0, as six only of every seven returned - 14.28% commission, as with a Poker Machines, b, Card Machines and c T.A.B.

2. Allowing on second spread bets from \$1.00 to \$100.00 as  $\approx 2^7$  Note  $2^7 =$  number of cumulations in doubling up as 1- 2- 4- 8- 16- 32- 64- as with  $2^7 = 64.0$  final bet in full though requiring plus 63.0 = 127.0 units speculated to reach this point in play. Such as 2 Spread would on 1/1 place bets (as in Monte Carlo and Lebanon as well as England, France and The U.S.A though they play 'one zero only' as well as The In Prison Rule, reducing overseas commission to players down to 1.35%) - reduce on Hooper's Aunt Roulette from 14.28% with In Prison Rule on all 1/1 placed bets down to 7.14% of tabled stakes.

On 3<sup>rd</sup> Spread various other calculated odds could be offered as to minus In Prison to having on 1/1 chances 1.3 To 1.0 (as 2.3 For 1.0) returned  $\times 18 = 41.4$  of 42.0 as  $42.0 \div 0.6$  (as commission proportion) =  $\frac{1}{70}^{\text{th}}$  into 100.0 = 1.428% on bets on 1/1 chance of \$5.00 minimum to \$1,000.00 maximum, at less than 2<sup>9</sup>. as 5-10-20-40-80-160-320-640 with 9<sup>th</sup> limited to 1,000. Note most, if not all gambling reputable institutions would allow the player the opportunity to place bet of 1280. Such requires a bank of \$2555.00. (Note dice and cards delete 'The House of Finance'.)

Why gambling awareness is so important and especially requiring experienced (probably ex-gambling) aware players as teachers is to-day gambling no longer is

to be accepted as 'functioning' on pure random expectancies. (Electronics deletes pure random to a random m/pk)

It takes an experience supervisor or player to pick up on a pure random chance changed to a random outcome

Such is Why Casino Two-Up Education is a worthy exercise relevant to Gambling Education.

Even as such certain players and observers can expect (as in Racing Events) with the human element involved a difference 'One Way' or 'The Other'.

People do not realise just how close (if not there already) we're to Internet Gaming.

Such how-ever should be controlled totally by a form of Government.

With the Olive Twist view taken at present by yes inexperienced economic advisors connected to The Club Industry, our State Government with backing from Federal Government over-seen by responsible people within Society both Public and Private areas, to harness the gambling expenditure for Societies Benefits. \*

Such leads to Education and then those who feel they can obtain easy money from the use of their funds, are free to test themselves against a Public Supported G.S.T, as a 'Speed Severance Tax'

Such even in the Legalised Version of Casino Two-Up on Odds v Evens, as One requiring 5.0 x consecutive Wins, one as The Anti Martingale Player can expect a sequence of runs between Wins of either 5.0 x 0.5 chances of both Odds and Evens to obtain runs of in excess of 150 against their chance of success. How-ever one has to accept that they would have obtained at 1.0 v 1.0, 2.0 x 12.0 v/E/Us as 24.0 plus 40.0 returned from a 32.0 from previous and 32.0 from the following returns as 64.0 for 40.0 on averaged speculated over  $150 + 2 = 152$  outcomes.

\* Government would retain in excess of 90.0% of expenditure. As against to-days on average to eventually include 10.0% plus of G.S.T. An excess of a 100.0% increase towards social benefits.

Gambling is God's Gift to Society. Such can be the equaliser between the Rich and the Poor.

What how-ever is or would be the raising problem, is that those who don't a, smoke, b, drink alcohol and c gamble could eventually control Society through obtaining excessive benefits from those less fortunate.

Such is Why Education is essential in relation to a, b and c, with those responsible to calculate out the equation similar to those who oversee this inquiry.

I hope that some good in the best interest for Society in general prevails.

I suggest that consideration has to be investigated to electronic/computer gambling with such scrutinized by surveillance and aware personnel. Society more so to-day require experienced Watch-dogs to over-view what concerns the general public. The earmarked 2.0% levy must be returned to Education.

Governments require all possible funds especially in N.S.W., as one major disaster associated - especially with our Water Supply (as Warragamba Dam) could bankrupt our State.

Such is an additional reason as to Why I stay out of my rocking chair at 71 years of age.

We all have a responsibility to Society in general. Though we love our Clubs and consider Pubs and Casinos as a part in our lives, we as the people of N.S.W who elect our State Governments cannot stand by and allow our gambling institutions to dictate conditions to a responsible government.

I commend the stance both Bob Carr and Michael Egan is now taking re gambling expenditure. Such is long overdue and Why I stood for State Parliament (for Awareness).

I would like to see Your Inquiry recommend that The Casino Community Fund sponsor Water Purifiers through out all State School. Such would cost less than \$300-00

minimum per year with 2-0 Purifiers for each school.  
 Our children require the protection of arriving home after school in the evening, being as healthy water wise as they were when they left home that morning.

Such in conjunction with a Water Conservation b Hospitals and c Education, along with governments allowed sufficient funds to subsidise Government Transport from gambling expenditure would not only ensure a worthy government of public support, such would preserve N.S.W as The No 1 State in Australia

Yours Sincerely  
 Norman H Hooper

telephone 02-88073498

P.S. Could you kindly please send me a returned photo copy of this letter as I've for the lack of time not re-read over it.

With Thanks

Norm Hooper

I enclose following Photo-stat extracts from Productivity Commission Inquiry and for proof as to Who is the equal to any other re educational awareness, you will note, even though I'd made a great effort to inform the Productivity Commission intelligence that Casino Two Up was a 5.0% ratio of commission charge against players, they incorrectly (adamant that they were correct) quoted Casino Two Up rate of commission against both a head and a tail players as 3.0% as under quoting Casinos profit on Casino Two-Ups excessive commission rate by 40.0%.

I desire also for it to be recorded, that Casino Two-Up with the implementing of a Johnson Rule on success of 5.0% consecutive Pres (deleting commission charge to near 2.5% would constitute a fairer back into Casino Gambling (Norm Hooper)

**NEW SOUTH WALES  
CASINO CONTROL AUTHORITY  
Level 17, 309 Kent Street, Sydney NSW 2000.  
Tel: (02) 8234 8800 Fax (02) 9299 7427**

**Investigation:** into suitability of Star City Casino  
Conducted under section 31 of the  
Casino Control Act 1992.

**Date:** 8<sup>th</sup> September 2003

**Open Submission:** Open Submission: Offences  
relating to [REDACTED] motor vehicle -  
registration no [REDACTED]

**Filed For:** Alexander Preston

**Re: Submissions for investigation into suitability of Star City Casino conducted under Section 31 of the Casino Control Act 1992.**

I hereby forward my two submissions in the following order.

**Open and Confidential Submissions.**

The *Open Submission* relates to:

Offences related to [REDACTED] motor vehicle registration no [REDACTED]  
[REDACTED]  
[REDACTED]

**In support of my submissions I report on:**

- a) Documents, which have come to into existence or my possession through court proceedings.
- b) Documents, which have come to my knowledge in the discovery process.
- c) Documents which have come to into existence through legal correspondence in different Courts and law jurisdictions;
- d) Documents to which I have been given access through the FOI Act;
- e) Correspondence with Authorities;
- f) Documents which I have received from unknown sources;
- g) Very limited oral information from different individuals and sources, the substance of which I believe to be true and factual.

**Open Submission:**

Offences relating to [REDACTED] motor vehicle registration no [REDACTED]

**Background:**

Through the subpoena under the direction of the District Court of New South Wales and correspondence with legal representatives of [REDACTED] and Star City Casino/Showboat Australia Pty Ltd, I have obtained a number of documents outlining a number of discrepancies concerning the customer history recorded in RTA records and State Revenue Office database for [REDACTED] motor vehicle, registration no [REDACTED]  
[REDACTED]

The above motor vehicle was purchased/leased and registered in 1993 by and to [REDACTED] and there is no record of any changes to ownership of the vehicle at issue here until it was sold in 1997 to [REDACTED] (See SCI-A pages 25 and 124 to 132 of attached document).

**Offences:**

The facts and information concealed from the RTA and State Revenue Office is as follows:

- a) [REDACTED] purchased/took over the lease of the above motor vehicle from the original owner [REDACTED] in 1993 (See SCI-A pages 32-51 of the attached document).
- b) Neither [REDACTED] nor [REDACTED] notified the RTA or State Revenue Office of this purchase (See SCI-A pages 124-156).
- c) [REDACTED] did not pay stamp duty when taking over the lease of the vehicle (See SCI-A pages 124-156).
- d) [REDACTED] failed to transfer the registration of the vehicle as required by law and he did not return the registration plates to the RTA within 14 days as specified under the RTA Act (See SCI-A pages 124-156).
- e) [REDACTED] subleased the vehicle to [REDACTED] but [REDACTED] paid no stamp duty on the sublease (See SCI-A pages 52-73 and 124-156).
- f) When the sublease with [REDACTED] finished in November 1996, the vehicle was subleased to Star City Casino/Showboat Australia Pty Limited, again no stamp duty was paid by Star City Casino/Showboat Australia Pty Limited on sublease of vehicle (See SCI-A pages 74-95 and 124-156).
- g) The sublease with Star City Casino/Showboat Australia Pty Limited finished in November 1997. Soon after the vehicle was sold to [REDACTED] by [REDACTED] (See SCI-A pages 118-132).
- h) Until [REDACTED] sold [REDACTED] motor vehicle in 1997 he renewed the registration in the name of [REDACTED] without [REDACTED] authorisation (See SCI-A pages 124-152 and 157-163).
- i) Star City Casino/Showboat Australia Pty Limited subleased the [REDACTED] motor vehicle from 1996 to late 1997 without [REDACTED] (register owner of the vehicle) [REDACTED] authorisation (See SCI-A pages 157-163).

- j) [REDACTED] while he was [REDACTED] signed the transfer and registration document for [REDACTED] motor vehicle when he sold the vehicle in 1997 to [REDACTED] without authorisation (Power of Attorney) of [REDACTED] (See SCI-A pages 153-163).
- k) [REDACTED] while [REDACTED] deliberately failed to inform the RTA of the full and true value of the sale price of [REDACTED] motor vehicle in 1997 on the transfer of registration document, which he signed, when it was sold to [REDACTED] (See SCI-A pages 123 and 154).
- l) In 1997 when the lease for [REDACTED] motor vehicle, registration No [REDACTED] expired. The sum of \$64,253.90 for pay out of the lease was paid to [REDACTED] by Star City Casino/Showboat Australia Pty Ltd to enable [REDACTED] at the time to obtain full rights to the vehicle (See SCI-A pages 113, 121 and 182).
- m) [REDACTED] then sold [REDACTED] motor vehicle and all proceeds were paid through [REDACTED] to Star City/Showboat Australia Pty Limited (See SCI-A pages 123 and 182).
- n) There was no clause or conditions in [REDACTED] contract with [REDACTED] which entitled [REDACTED] to borrow funds from the company for personal use (See SCI-A pages 74-95).

I informed the authority in writing of the above offences and provided them with a few bound copies of documents and relevant legislative law.

"As you are aware the [REDACTED] referred to in the material has not been employed by Star City Casino for a number of years and has not held a licence from the Casino Control Authority since that time. In this respect the Authority is in no position to take action against any former licensee and conducting an investigation solely for that purpose would be pointless. Accordingly, if the purpose of your submission is to seek some action, against the specific person mentioned in your letter, then you should pursue your allegations with an organization(s) that might be able to take action in respect of whatever illegal activity it is that you allege".

Although I do not know what information and documents the Authority did provide to outside counsel to obtain legal advice, after examining the Authority's response, in my opinion, the public should be concerned at the level of ignorance showed by the CCA to the relevant law and operation of Casino.

In my letter dated 29 January 2003 which accompanied two binders containing relevant material; and the second letter and documents which were received by the Authority on 24 February 2003, it was clear that allegation of offences is not just limited to [REDACTED] of Casino, but more importantly to Star City Casino/ Showboat Australia Pty Limited.

The argument that those allegations were solely related to [REDACTED] is so ridiculous and contrary to the evidence that even [REDACTED] Star City Casino's correspondence and statement of claim signed and logged in Court are in contradiction to the Authority's finding (*See SCI-A page 168 and 182 paragraph highlighted in red*).

[REDACTED] legal representative, in their letter (*See SCI-A page 182 paragraph highlighted in red*) dated 1 July 1999 state:

"We have now been able to obtain further instructions from our client in relation to this matter who has inform us that [REDACTED] motor vehicle to which reference is made in the release was not owned by our client but was lease to his then employer, Showboat Australia Pty Limited ("Showboat"). When the vehicle was sold, the lease was paid out by Showboat and the whole of the purchase price received for the vehicle was paid to Showboat. Our client received no money from the sale."

Under the Casino Control Act 1992 and legislation the Authority, if competent, should have been informed of the above allegation/offences in 1998 not just by [REDACTED] of Star City Casino, at the time but also more importantly by Star City Casino. Since 1998 Star City Casino has been informed in a number of different correspondence and affidavits logged in the Court that the alleged offences are not limited to [REDACTED] and that the Star City Casino is equally responsible as a co-offender (*See SCI-A pages 164-179, 182-183 and 186-191*).

A more disturbing point is that [REDACTED] and Star City Casino in their correspondence acknowledge their obligations under the Casino Control Act 1992 and legislation and they claim that the CCA was informed. This is evidence supported in the [REDACTED] and Star City Casino legal representative correspondence dated 17 October 2001 (*see SCI-A pages 184-185 paragraphs highlighted in red*), in which they state:

"With respect to the republication to the Casino Control Authority, the nature of the business of Star City and its licensing requirements for a casino licence require Star City Casino to report any serious allegations of misconduct against staff of Star City Casino to the Casino Control Authority."

If the claim of [REDACTED] and Star City Casino is a true statement, then one would and should assume that the Authority was informed and had full knowledge of allegations/offences, that undoubtedly the Casino operator was engaged in illegal and dishonest conduct and the State was defrauded. Intentionally, CCA chose not to take any action against Star City Casino or [REDACTED] at the time as they knew if they did so, the legitimacy of the operator to obtain a Casino licence would be in danger and that was not the Authority's wishes.

I would like to go on record by saying that, if the Authority follows this path it would not be long before harm to the individual members of the public and their families would rise to a level that would be socially and financially very costly, if not impossible, to deal with and the Authority would be solely responsible.

Having the attached document and information which I have forwarded, one should assume that there are probably many more documents and information relevant to the

integrity, honesty and suitability of the Casino Operator and their associates which was not provided to the Hon P McClellan in 2000 and will not be provided to the 2003 investigation.

The knowledge and access to forward documents in these two submissions was as result of special circumstances, which the Casino Operator and its managements and staff did not think about in advance and later were unable to cover up.

If the authority in finalising their finding into the suitability of the Casino Operator, mostly relies on the forthcoming and full co-operation of the Casino Operator and their managements and staff, then the public have a right to be assure by the Authority's of the honesty and integrity of the Casino Operator and its managements publicly, in writing and on record, and that, the Casino Control Authority will accept the responsibility for cause of any harm to any individual member of public and their family, if at any time in the future it is found that Star City Casino's operation is contrary to the Casino licence requirement under the Casino Control Act 1992.

In the event that the Authority are unwilling to give any assurance to the public into the integrity an honesty of the Operator and its management, then the public must be informed and cautious to take the necessary steps and precautions in dealing with the Casino as Hon McClellan did in his report in 2000.

  
Date: 10<sup>th</sup> September 2003

Filed for:



Alexander Preston