



TERMS OF REFERENCE

INQUIRY UNDER SECTION 143 OF THE CASINO CONTROL ACT 1992

Preamble

The Casino Liquor and Gaming Control Authority is an independent statutory authority, constituted under the *Casino, Liquor and Gaming Control Authority Act 2007*, with licensing and related regulatory responsibilities under the liquor and gaming laws.

Under the *Casino Control Act 1992*, the Authority is specifically responsible for:

- ensuring that the management and operation of the casino remains free from criminal influence or exploitation;
- ensuring that gaming in the casino is conducted honestly; and
- containing and controlling the potential of a casino to cause harm to the public interest and to individuals and families.

The Authority's statutory functions include keeping under constant review all matters connected with the casino and the activities of the casino operator, persons associated with the casino operator, and persons who are in a position to exercise direct or indirect control over the casino operator or persons associated with the casino operator.

On 2 February 2012, Echo Entertainment Group announced to the ASX that the Managing Director of The Star casino had "left the company", and that his "employment has ended after his behaviour in a social work setting".

The Authority sought and received information from Echo as to the circumstances of the Managing Director's departure from the company.

The 2 February 2012 ASX announcement generated significant public commentary about The Star casino. This has resulted in the Authority being provided with information from a number of sources about aspects of The Star casino's management and operations.

Most of this information had been known by the Authority, and, where warranted, investigated, as part of the comprehensive five-yearly review of the casino licence conducted under s.31 of the Act in 2011. Some information is additional to that provided to the s.31 investigation, and other information concerns events that appear to have taken place after the s.31 investigation report was completed on 2 December 2011.

The Authority investigates all relevant information it receives at any time as part of its responsibility to keep the casino under constant review. It has decided, therefore, to undertake a formal investigation into recent events and the new information it has received.

Establishment of Inquiry

The Casino, Liquor and Gaming Control Authority appoints Ms Gail Furness SC to preside over an inquiry to be held under s.143(1) of the *Casino Control Act 1992*.

The inquiry is to inquire into, and report upon, the following matters:

- the circumstances surrounding the cessation of the employment with Echo Entertainment Group of Mr Sid Vaikunta as Managing Director of The Star casino, including in relation to Echo Entertainment's obligations under the *Casino Control Act 1992* and otherwise to inform the Authority of relevant information;
- any issues relevant to the Authority's responsibilities under the *Casino Control Act 1992* that arise from information received by the Authority or the inquiry in relation to The Star casino since 2 December 2011; and
- any matters relevant to the above.

Ms Furness has the powers and authorities conferred on a commissioner by Division 2 of Part 2 of the *Royal Commissions Act 1923* (except for section 17(4) and (5)).

The inquiry is not bound by the rules or practice of evidence and the presiding person may inform herself on any matter in such manner as she considers appropriate.

The inquiry will invite public submissions on its terms of reference to be received on or before 8 March 2012.

The inquiry will be conducted in private.

The inquiry may refer any matter involving any allegations of criminality to the NSW Police.

Report of Inquiry

The report of the inquiry may include recommendations relevant to the matters above.

The report of the inquiry is to be submitted to the Authority by 5 April 2012. If necessary and if requested the Authority will be prepared to consider a short extension of the reporting date.

The Authority will make public a report of its findings and recommendations arising from the inquiry and may make public the report of the inquiry itself.

CONFIDENTIAL SUBMISSIONS etc MAY BE MADE TO THE INQUIRY AT:

- Email – brearley@clgca.nsw.gov.au
- Telephone – (02) 9995 0844

16 February 2012