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PERTH CASINO ROYAL COMMISSION

PUBLIC HEARING - DAY 8

10.00 AM TUESDAY, 18 MAY 2021

COMMISSIONER N J OWEN

COMMISSIONER C F JENKINS

COMMISSIONER C MURPHY

HEARING ROOM 3

MR DAVID LEIGH and MS KIRSTEN NELSON and MS THEA CHEE and MS KARESS DIAS as Counsel Assisting the Perth Casino Royal Commission

MR MICHAEL STULIC as Counsel for Mr Michael Christopher Connolly

MR PAUL D EVANS appeared for Gaming and Wagering Commission of Western Australia

MR JOSHUA BERSON appeared for The Department of Local Government, Sport and Cultural Industries

MR KANAGA DHARMANANDA SC and MR RICHARD LILLY appeared for Crown Resorts Ltd; Burswood Limited; Burswood Nominees Limited; Burswood Resort (Management) Limited; Crown Sydney Gaming Pty Ltd; Southbank Investments Pty Ltd; Riverbank Investments Pty Ltd and Crown Melbourne Limited

10:00AM

COMMISSIONER OWEN: Just before we commence, just another short statement.

5 This afternoon, we will be hearing evidence from Ms Helen Cogan and in paragraph
6 of Ms Cogan's witness statement, she indicates that in the first decade of this
century she was a member of the board of Daughters for Charity Services. I, too,
was a member of that board for some of that time, from the best of my recollection in
the earlier part of the decade. And in addition to that, Ms Cogan and Commissioner
10 Commissioner Jenkins were co-staff members at the then Crown Solicitor's Office and
Commissioner Jenkins has retained a personal friendship with Ms Cogan. The
Commissioners have considered those matters and do not believe that they create any
possible conflict of interest, but it is disclosed as a matter of public record.

15 Now, we have Mr Harrison. Mr Harrison, would you state your full name for the
record, please?

MR HARRISON: Kevin John Harrison.

20 COMMISSIONER OWEN: Do you wish to affirm or swear an oath?

MR HARRISON: Affirm, thanks.

25 **KEVIN JOHN HARRISON, AFFIRMED**

COMMISSIONER OWEN: Mr Harrison, please sit down. Mr Evans.

30 **EXAMINATION-IN-CHIEF BY MR EVANS**

MR EVANS: Mr Harrison you've been summoned to give evidence in the matter
before the commission?
35

MR HARRISON: Yes, I have.

MR EVANS: They are true to the best of your knowledge and belief?

40 MR HARRISON: Yes, I have.

45 **EXHIBIT #GWC.0003.0008.0003 - WITNESS STATEMENT OF KEVIN
JOHN HARRISON**

COMMISSIONER OWEN: Just before we go any further, with witness statements,
unless we are notified to the contrary, a redacted copy of the witness statement will

be made public at the conclusion of the witness's evidence. If there is a request for an earlier production of the witness statement to a particular entity, we will let the parties know. That will be the general procedure, so it's up to the parties if there's a problem to let us know.

MR EVANS: Thank you, Commissioner.

10 **CROSS-EXAMINATION BY MR LEIGH**

MR LEIGH: At paragraph 10 of your witness statement you explain that you were first appointed to the Gaming and Wagering Commission for a three-year term on 15 January 2006, is that correct?

MR HARRISON: Yes.

MR LEIGH: Certainly this morning when I'm talking about the Gaming and Wagering Commission, I'll refer to it as the GWC for brevity. You were then 20 reappointed for two further terms, each one being three years in length, in 2009 and again in 2013; is that correct?

MR HARRISON: Yes.

MR LEIGH: So by the time you completed your time in the GWC in December 25 2015 you had been a member for nine years consecutively, is that right?

MR HARRISON: Somehow it turned out to be ten.

MR LEIGH: When you said "it turned out to be ten"?

MR HARRISON: Where the extra year came in, I think it must have been in the 35 second term.

MR LEIGH: Thank you. Because you had completed with the GWC by December 2015, you were not a member of that body at the time of the machinery of government changes in 2017; that's correct, isn't it?

MR HARRISON: Yes.

MR LEIGH: So when you refer to "department" in your witness statement are you there referring to the Department of Racing, Gaming and Liquor.

MR HARRISON: Yes.

MR LEIGH: In paragraphs 5 and 6 of your witness statement you've set out a brief summary of your career. And you note that you were employed by Hospitality

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Holdings Limited and the ACE Group Pty Ltd and you've listed positions from 1964 until 1991.

5 MR HARRISON: Yes.

MR LEIGH: Do I understand correctly from what you say in your CV that those companies, Hospitality Holdings Limited and the ACE Group Pty Limited, were related companies in a larger group?

10

MR HARRISON: They were related ownership.

MR LEIGH: And so, were you working for both companies but under a single ownership umbrella?

15

MR HARRISON: Yes.

MR LEIGH: And in the course of that time from 1964 until 1991 you worked in a number of accounting-related positions?

20

MR HARRISON: Yes.

MR LEIGH: Additionally you worked between 1982 and 1986 as a director of Noah's Limited, which were managers of various five-star hotels in Australia and New Zealand?

25

MR HARRISON: Yes.

MR LEIGH: While you were working for Noah's were you also still working for Hospitality Holdings Limited or did you leave the one business and then come back to it at a later stage?

30

MR HARRISON: No, I worked for both.

MR LEIGH: You also mentioned that you were taking some courses in accounting, but you did not complete your diploma before you were called up for national service?

35

MR HARRISON: Yes.

40

MR LEIGH: Notwithstanding that you didn't complete your diploma, as a result of your experience with Hospitality Holdings and the ACE Group, do you consider that you had a good understanding of accounting fundamentals and financial management by the time you left that organisation in 1991?

45

MR HARRISON: Yes.

MR LEIGH: And in addition to your commercial work, you've also had extensive

experience on various governmental and corporate boards and committees prior to your appointment to the GWC in 2006; is that right?

5 MR HARRISON: Yes.

MR LEIGH: Some of the more significant roles that you've listed in your witness statement include that you were a Commissioner and then Chairman with the Western Australian Tourism Commission between 1993 and 1996?

10

MR HARRISON: Yes, except actually it should be '97, because after I retired from full-time employment as Chairman, the government asked me to remain on as a Commissioner for a further year.

15 MR LEIGH: Thank you. You also stated that between 1993 and 1994 you were the chairman of the Rottnest Island Authority?

MR HARRISON: Yes.

20 MR LEIGH: And between 1993 and 1996 the chairman of Events Corp?

MR HARRISON: Yes.

MR LEIGH: And between 1993 and 1996 also, the chairman of Rally Australia?

25

MR HARRISON: Yes.

MR LEIGH: I'm familiar with Rottnest Island Authority and Rally Australia but can you just explain to the Commission what Events Corp is or was?

30

MR HARRISON: Yes, Events Corp was charged with running all the events in Western Australia at the time, similar to Rally Australia, but like the Hopman Cup, world cycling and various other major events.

35 MR LEIGH: And you also list a significant number of other boards and committees, including the state and national bodies in your CV. Am I right in reading that CV as suggesting that you have been involved continuously in board or committee positions for approximately 30 years?

40 MR HARRISON: Until 1996. And after that, because of my health, I stopped a lot of my employment with committees and boards.

45 MR LEIGH: Alright. Do you consider that, as a result of your experience with boards and committees, you have a good understanding for what is required for the successful operation of such boards and committees?

MR HARRISON: Yes.

MR LEIGH: I'll come back later to what sorts of things those might be. But at this stage, would you agree that one of the key responsibilities for a board or a committee is the provision of a strategic or high-level leadership?

5

MR HARRISON: Yes.

MR LEIGH: You also explain at paragraph 7 of your witness statement that you have chaired a review into the Western Australian Tourism Act 1983?

10

MR HARRISON: Yes.

MR LEIGH: Do you consider, whether as a result of that review or otherwise, that you are proficient at being able to read and understand legislation?

15

MR HARRISON: Yes.

MR LEIGH: I'm going to ask some questions now about your qualifications that were relevant to the work of the GWC. Is it fair to say that before your appointment for the first time in 2006, you didn't have any experience in the organisation, management or regulation of casinos or casino gaming?

20

MR HARRISON: Yes.

MR LEIGH: Is it also fair to say that prior to your appointment in 2006 you didn't have any experience in the wagering, gaming or racing industries?

25

MR HARRISON: Yes.

MR LEIGH: More broadly, although you'd been on a number of governmental boards and committees, prior to being appointed to the GWC, you hadn't had any experience in working for an organisation that was a regulatory agency?

30

MR HARRISON: Yes. The Tourism Commission was marketing and all the other bodies were in the marketing aspects.

35

MR LEIGH: Having had the experience of being on the GWC for the years that you were, looking back, do you think it would have been desirable or helpful if you'd had experience in any of those fields prior to you commencing work with the GWC?

40

MR HARRISON: Yes. Before I joined the GWC, I had virtually been away from the corporate world for ten years and in that time I found there was enormous changes in, for instance, KPIs, in reporting, in communication and in electronics. So, it was really a relearning process for me.

45

MR LEIGH: And then specifically in relation to the particular industry matters that the GWC supervises --- casinos, racing and gaming --- do you think, looking back, it would have been useful if you'd had some experience in those fields before

10:10AM

commencing with the GWC, or not?

MR HARRISON: Could you repeat that question?

5

MR LEIGH: So, looking at the particular fields that the GWC is involved with --- casino, gaming, racing, wagering --- do you consider it would have been useful, looking back now over the experience that you had on the GWC, if you had had experience in any of those fields before you were appointed as a member, or not?

10

MR HARRISON: Well, I had experience from the tourism aspect of it, but other than that, I didn't. So it would have been handy, yes.

MR LEIGH: Looking then as to the actual process of your appointment as a GWC member, at paragraph 11 of your statement you explain how it is that you came to be a member for the first time. If I understand correctly, you say that you were approached by an officer from the office of the Hon. Mark McGowan, who was then the relevant Minister, and the officer called you up to find out whether you might be interested in being a member; is that correct?

20

MR HARRISON: Yes.

MR LEIGH: Do you have any idea how that officer came across your name?

MR HARRISON: I would assume that Minister McGowan suggested it to him because of my past association with him.

25

MR LEIGH: Had you previously done work with Mr McGowan?

MR HARRISON: On an advisory capacity, yes.

30

MR LEIGH: Did the adviser explain to you what it was that a role on the GWC would entail?

MR HARRISON: No.

35

MR LEIGH: Did they have any broad comments as to what it was that the GWC did, that you can recall?

MR HARRISON: No.

40

MR LEIGH: You also say at paragraph 12 that the Minister invited you to send your CV to the then chairman of the GWC, who at that stage I understand was Mr Barry Sargeant; is that correct?

45

MR HARRISON: Yes.

MR LEIGH: Did you send that CV to Mr Sargeant?

10:12AM

MR HARRISON: Yes.

MR LEIGH: Did Mr Sargeant contact you after sending the CV?

5

MR HARRISON: No.

MR LEIGH: There was no further communications, once the CV had been sent off, with Mr Sargeant or any other person?

10

MR HARRISON: No.

MR LEIGH: Prior to accepting the role as a member of the GWC, did you have an opportunity to discuss that role with any other current members of the GWC?

15

MR HARRISON: No.

MR LEIGH: And are you aware of whether any of those other than current members of the GWC were consulted in relation to your being appointed to the role?

20

MR HARRISON: Not that I was aware.

MR LEIGH: I've got some questions I'm going to ask you now about your induction process, and you've talked about that at paragraphs 15 to 22 of your witness statement. So, you explain that when you first commenced with the GWC in 2006, you received a verbal briefing; is that correct?

25

MR HARRISON: Yes.

MR LEIGH: Was that an in-person briefing?

30

MR HARRISON: Yes.

MR LEIGH: You say at paragraph 15 the briefing was by then GWC chairman and then Chief Financial Officer Mr Terry Ng. Do you mean that both Mr Sargeant and Mr Ng were in the same briefing?

35

MR HARRISON: No, separate briefings.

MR LEIGH: There were two briefings that you received?

40

MR HARRISON: Yes.

MR LEIGH: Can you just run us through the content of what each of those different briefings was about?

45

MR HARRISON: In Mr Sargeant's case it was explaining the various government

departments that were involved with the commission; and in Mr Ng's case it was more of the financials and understanding how they work.

5 MR LEIGH: Do you have any recollection now as to what sort of information you were provided in relation to the financial aspect?

MR HARRISON: No. I was given a budget and it explained how the department funded the commission.

10

MR LEIGH: And so that was your understanding at the time, that the department was the agency ---

MR HARRISON: Yes.

15

MR LEIGH: --- which provided the Commission with its funds; is that correct?

MR HARRISON: Well, the funds --- yes, yes.

20

MR LEIGH: And is that the understanding that you had right throughout your time as a member of the GWC?

25

MR HARRISON: No. Most of the funding, of course, came from outside sources, from receipts from the casino and other areas of jurisdiction. But there was a government given to the GWC to cover their costs, which were recovered, which they charged us and we then forwarded onto them.

30

MR LEIGH: Alright. So, if I understand you correctly, you said there was some source of funding from external areas, and the casino was one that you nominated.

MR HARRISON: Yes.

MR LEIGH: And then also funding from the government. Do I have that correct?

35

MR HARRISON: Yes.

MR LEIGH: And in terms of the funding from the casino, do you understand what the source of that funding was?

40

MR HARRISON: Well, from licence fees, a return on the --- a percentage return on the turnover.

45

MR LEIGH: And in terms of that licence fee that the casino paid, do you have any awareness or understanding as to the purpose for which the funds received as the licence fee were to be put?

MR HARRISON: Well, they were used to help fund the department.

10:16AM

MR LEIGH: When you say "they were used to fund the department", how was it that they were used to fund the department?

5 MR HARRISON: Well, in its operations. Sorry, they were used to fund the Commission, not the department.

MR LEIGH: When you say "to fund the Commission" do you have any recollection as to what sorts of things the money would be spent on for the Commission's
10 operations?

MR HARRISON: Um, well, most of the Commission's operations were covered by the department, so the only other expenses really were the Commissioners' fees and incidentals of that nature.

15 MR LEIGH: Alright, I'll come back to the financing issue in more detail later.

Moving now to the briefing that you received from Mr Sargeant, you say at paragraph 16 of your witness statement that the information provided to you was
20 about powers, responsibilities and obligations of the GWC and then, likewise, your personal duties and obligations as a member; is that correct?

MR HARRISON: Yes.

25 MR LEIGH: And then you say that at paragraph 17, to the best of your knowledge, Mr Sargeant gave you relevant legislation, and you've indicated what legislation it was. And then at 18, you say he verbally referred you to the legislation impacting on the GWC's activities as listed in the annual report. Now, by paragraph 18, do you
30 mean that Mr Sargeant went through the annual report with you and pointed out to you legislation that impacted on the GWC's work, or something else?

MR HARRISON: No, he just indicated that I should have a look at the 2005 annual report to update myself on what had happened in the past 12 months.

35 MR LEIGH: You say at paragraph 16 that you don't remember in detail what Mr Sargeant said. Do you recall roughly how long this briefing with him lasted?

MR HARRISON: About one hour.

40 MR LEIGH: And do you recall the gist of what it is that Mr Sargeant said, in particular in relation to the sorts of work that you would be expected to do while a member of the GWC?

45 MR HARRISON: No.

MR LEIGH: Do you remember whether you and Mr Sargeant discussed the regulatory approach of the GWC, and by that I mean the objectives or the outcomes that the GWC was seeking or trying to procure?

10:18AM

MR HARRISON: No.

5 MR LEIGH: Given that you've described this as a verbal briefing, am I right to assume that you did not then receive any written documentation that specifically set out for you what were the powers and duties and function of the GWC?

MR HARRISON: Yes.

10 MR LEIGH: And you explained at paragraph 17 of your statement that you were given some copies of the relevant legislation as it existed at the time?

MR HARRISON: Yes.

15 MR LEIGH: Did you have a chance to read that legislation?

MR HARRISON: Parts of it.

20 MR LEIGH: And did Mr Sargeant go through any of that legislation with you at the time?

MR HARRISON: No.

25 MR LEIGH: Was that the extent of your induction?

MR HARRISON: Yes.

30 MR LEIGH: And when you say that you read parts of the legislation, do you recall whether, having done that, you formed any view as to what it was that was the purpose of the GWC, or the function it was there to achieve?

MR HARRISON: Yes.

35 MR LEIGH: Can you let the Commissioners know what that is or what that was?

MR HARRISON: It was a regulatory body that was focusing on gaming and wagering.

40 MR LEIGH: So focusing on gaming and wagering obviously is the area of focus, the scope. What was it trying to achieve within that scope?

45 MR HARRISON: Oh, to achieve that, it was achieving the objectives of the government in what they wanted and ensuring that they were looking after what the community would be happy with gambling, in a satisfactory nature, and that there was --- protecting the industry and protecting, protecting the gaming people by ensuring that there were rules and regulations in place that didn't disadvantage them.

MR LEIGH: Alright. Just to go through those three for a moment. The first that you

said is you understood one of the things was to ensure that what the government wanted was achieved. What did you understand that the government wanted?

5 MR HARRISON: That gaming by the community was seen as being of a level where there were questions asked about it.

MR LEIGH: So is that then quite similar to the second point that you said in relation to community expectations; that what was happening with gaming was suitable to the
10 community?

MR HARRISON: That's right, yes.

MR LEIGH: And then the third point you said was, in relation to industry, there was
15 a need to protect industry. And I'm paraphrasing, but you said it was important to have rules that did not disadvantage the industry. Is that right?

MR HARRISON: Yes. But did you ask the question just about the casino or about
20 the industry generally?

MR LEIGH: Well, I understood that the questions I was asking were in relation to the casino in particular. But if you would like to talk more broadly, then please do.

MR HARRISON: When I made that comment I was talking about more broadly the
25 racing industry and everybody involved in wagering and gaming.

MR LEIGH: Alright. But does that same point apply to the casino industry in relation to protecting the industry?

30 MR HARRISON: Yes.

MR LEIGH: And in terms of the understanding as to the need to protect that industry, do you recall where that understanding came from? Is that from your
35 review of the legislation or discussions with other persons?

MR HARRISON: No.

MR LEIGH: You can't recall where that view originated?

40 MR HARRISON: No.

MR LEIGH: Alright. You then say in your witness statement at paragraph 32 that the practices and policies of the GWC were designed to maintain public confidence in the integrity of the casino. Is this picking up what you told us before about those
45 three different aspects of the GWC's operation?

MR HARRISON: Yes.

MR LEIGH: And in relation to that point about the confidence, why did you understand it was important to maintain public confidence in the integrity of the casino? What was the effect of that?

5

MR HARRISON: Well, people wanted to see that it was fair in what was happening, you know, in the return on the gaming machines, that there was no --- that there was no --- yes.

10 MR LEIGH: Other than this verbal briefing with Mr Sargeant at the commencement of your time with the GWC, did you receive any formal training prior to commencing your work?

MR HARRISON: No.

15

MR LEIGH: And putting aside the attendances at the Crown Hotel and Casino that you've spoken about in your witness statement, in your second term --- so putting that to one side for the moment --- did you receive any training in the course of your second or third terms?

20

MR HARRISON: No.

MR LEIGH: Did you ever seek such training?

25 MR HARRISON: No.

MR LEIGH: Are you aware of whether any other GWC members ever sought training?

30 MR HARRISON: No, I'm not aware.

MR LEIGH: What did you understand the position to be in respect of the availability of training while you were a member of the GWC?

35 MR HARRISON: I don't remember it being discussed in any detail at all. The only training was really that on-the-job training at the casino, where we learnt about the operational aspects.

MR LEIGH: And are you aware of whether there was any training budget?

40

MR HARRISON: No.

MR LEIGH: At any time while you were a member of the GWC --- and you've mentioned already that there was no discussion of training --- but can you recall whether there was any encouragement, whether by the chairman or the departmental officers or anyone else, that the members should seek training?

45

MR HARRISON: No.

10:25AM

MR LEIGH: Just very briefly returning to what you mentioned a moment ago about the experience going to the casino, I understand from your witness statement that you essentially attended and observed the casino's operations; is that correct?

5

MR HARRISON: Yes.

MR LEIGH: And the persons that were demonstrating that to you, were they all simply casino employees showing you what their job was?

10

MR HARRISON: Accompanied by the Chief Casino Officer.

MR LEIGH: Are you aware whether any of those persons were themselves trained as educators or similar, or were they merely employees?

15

MR HARRISON: No, some were, because we went to a training session for the employees and they had trainers there training them.

MR LEIGH: So you had an opportunity to receive ---

20

MR HARRISON: Well, we didn't sit through it, but were part of it.

MR LEIGH: So you observed it taking place, but you didn't yourself have the training?

25

MR HARRISON: No.

MR LEIGH: Okay. Was there any occasion in relation to those visits to the casino where you did sit through a proper training session, or was it at every stage only seeing it take place ?

30

MR HARRISON: Only seeing them take place.

COMMISSIONER OWEN: Just to round that out, the visits to the casino for what you called "on-the-job training" about the activities of the casino, was there anything equivalent to that for the other aspects of the Gaming and Wagering Commission's tasks? Like, for example, horse racing or ---

35

MR HARRISON: No.

40

MR LEIGH: Next, I'd like to ask some questions about your remuneration, and you indicate at paragraph 24 of your witness statement what that remuneration was. You've explained there that the amount that you received changed over time, and I just want to check the dates at which those changes occurred. First, you indicate at paragraph 10 that you commenced as a GWC member on 1 January 2006.

45

MR HARRISON: Yes.

10:27AM

MR LEIGH: Then at paragraph 24.1, you say that you were initially paid a fee of \$11,500 per annum.

5 MR HARRISON: Yes.

MR LEIGH: Does that mean in that first year, so starting 1 January 2006, in that year you were receiving \$11,500 per annum?

10 MR HARRISON: Yes.

MR LEIGH: Then in 24.2 you say that between 2006 and 2009 your remuneration increased to \$16,500. So should I read that as meaning that at some stage between the years of 2006 and 2009, the remuneration changed, but it wasn't necessarily in 15 2006; is that correct?

MR HARRISON: Yes.

MR LEIGH: And after changing from \$11,500 to \$16,500, your remuneration then 20 essentially stayed the same; is that correct?

MR HARRISON: Yes.

MR LEIGH: Was there ever any discussion between you and other GWC members 25 as to whether it would be appropriate for that remuneration to increase over time?

MR HARRISON: No. The only discussion was in relation to having people on the board who were strong in forensic accounting skills and the thought was that these funds were insufficient to attract those kinds of people. 30

MR LEIGH: And did that discussion ever crystallise into a proposal for an increase in remuneration?

MR HARRISON: No. 35

MR LEIGH: We'll come in due course to the work of the GWC. But from your perspective at a high level, was the remuneration sufficient to compensate you for the amount of time required for you to discharge your duties while you were a member of the GWC? 40

MR HARRISON: No.

MR LEIGH: Can you explain to the Commissioner why that is?

45 MR HARRISON: Because if you were really covering out all the duties, you'd have to spend far more time researching all the various statutes and that, that affect the commission. And so you would only spend so many hours in the month doing it.

Whereas I think if there was a higher remuneration you might have committed more hours.

5 MR LEIGH: I know it's difficult to estimate these sorts of things, but in terms of how much time it would have required you to do your work as a GWC member to the level that you would liked to have done it to, how many days a month or weeks a month do you think you would have had to have worked?

10 MR HARRISON: I think you'd have to at least committed twice the previous time you were putting into it.

MR LEIGH: And we'll return back to the "twice previous time", but I think you said it was 12 to 18 hours approximately that you estimated you were spending?

15

MR HARRISON: Yes.

MR LEIGH: Can I ask some questions now about the relationship between the GWC and the department.

20

MR HARRISON: Yes.

MR LEIGH: Starting at paragraph 40 of your witness statement you say that while you were a member of the GWC, the department provided all staff, administration and key service deliverables. Do you have that?

25

MR HARRISON: Yes.

MR LEIGH: And also that they also provided policies and procedures, including regulation and oversight of the Perth Casino, for the GWC's perusal and approval.

30

MR HARRISON: Yes.

MR LEIGH: In relation to the statement that they provided all the staff, did you consider that at the time you were a GWC member there was a clear delineation in roles for persons who were working as departmental officers and also working for the GWC?

35

MR HARRISON: Not for the Chief Casino Officer.

40

MR LEIGH: What do you mean by that?

MR HARRISON: Well, he had that dual role of carrying out the wishes of the Commission while he was employed by the department.

45

MR LEIGH: And does that nature of that dual role cause you any concerns or did it cause you any concerns?

10:31AM

MR HARRISON: No.

5 MR LEIGH: What do you think the effect was of there being that dual role of carrying out duties for both GWC and the department?

10 MR HARRISON: Well, if it was carried out by the Commission, I don't think there would have been people skilled enough and knowledgeable enough to carry out that role. It was only from the time spent in the department that that position could be filled.

15 MR LEIGH: So from your perspective, thinking about your experience as a member, you don't think it would have been possible to have, for example, a Chief Casino Officer who was solely a GWC officer, as opposed to being also a departmental officer. Is that correct?

MR HARRISON: Yes.

20 MR LEIGH: Did you consider that it was always clear when officers who were discharging roles or functions for the GWC were acting as GWC officers, or acting as departmental officers?

MR HARRISON: No.

25 MR LEIGH: It was not clear?

MR HARRISON: No.

30 MR LEIGH: And why is that?

MR HARRISON: Well, they had to --- most times they were carrying out both roles at the same time.

35 MR LEIGH: Are you aware of the terms and conditions pursuant to which staff were provided to the GWC?

MR HARRISON: No.

40 MR LEIGH: Are you aware perhaps at a high level of whether the staff that were being provided to discharge GWC functions were full-time or part-time employees for the GWC?

MR HARRISON: Well, they didn't have any full-time employees for the GWC.

45 MR LEIGH: So, as best you understand it, none of the people who were doing GWC functions were only doing GWC functions?

MR HARRISON: Oh, yes. Sorry. I thought you meant were they full-time for the

GWC. But they were full-time for the department, that they carried out, for instance inspectors were full-time until I think about '09, '10, '11 and then their job was changed and they were spread more widely around the department's functions.

5

MR LEIGH: Up until that point there were some people who were carrying out purely GWC work and after that time they were doing both GWC and departmental work?

10 MR HARRISON: Yes. The people based at the casino were on a full-time basis.

MR LEIGH: Did you notice any change in the quality of work or effectiveness of work once there was that change that you've talked about, no longer being full-time inspectors?

15

MR HARRISON: No.

MR LEIGH: Are you aware of the rate of pay at which officers were charged to the GWC? So those persons who were, for example, inspectors, are you aware of what amount of revenue they were receiving, what the GWC was paying for?

20

MR HARRISON: No.

MR LEIGH: At paragraphs 51 to 53 of your statement, under the heading "Adequacy of Support", you discuss inspectors working and watching the games 24-7 and inspecting casino operations. So, these are the inspectors we spoke about a moment ago?

25

MR HARRISON: Yes.

30

MR LEIGH: Did you understand that this was the primary service that departmental staff were providing on behalf of the GWC, this watching of tables?

MR HARRISON: They had to --- the total watching was to ensure that the casino's operating manual was being followed, so that was just one of their jobs.

35

MR LEIGH: Can you just tell us, now that you've mentioned it, about the casino's operating manual. What's that?

MR HARRISON: It's a manual that covered all the policy and procedures within the casino.

40

MR LEIGH: And what sort of matters were dealt with in relation to those policies and procedures in the manual?

45

MR HARRISON: Well, everything involved in the operations of the casino, the running of the gaming tables, the whole gamut of the casino operations.

10:35AM

MR LEIGH: When you mentioned the running of the casino tables, does that mean it's focussed on the actual gaming operations of the casino?

5 MR HARRISON: Yes.

MR LEIGH: Just going back to the staff for a moment, did the GWC exercise any oversight in relation to those staff members who did the work of the GWC?

10 MR HARRISON: No.

MR LEIGH: Do you know if the GWC had any policies or procedures that applied to guide those officers when carrying out work for the GWC?

15 MR HARRISON: No.

MR LEIGH: Do you recall whether the GWC ever had any direct interaction with the officers that were carrying out its work?

20 MR HARRISON: Yes.

MR LEIGH: And can you tell us about that?

25 MR HARRISON: Well, on site visits, they related to them then. But nearly everything was done through the Chief Casino Officer.

MR LEIGH: So was the Chief Casino Officer effectively the person who had day-to-day management of GWC staff, and the GWC itself was separated from that staff with its CCO in between; is that correct?

30 MR HARRISON: There's no GWC staff.

MR LEIGH: The staff carrying out the work of the GWC ?

35 MR HARRISON: Oh, yes.

MR LEIGH: Now, at paragraph 53 of your statement, you indicate that you considered the support of the GWC to be adequate.

40 MR HARRISON: Yes.

MR LEIGH: When you say "adequate", do you mean that the quantity or the amount of support that was being provided was adequate, or that the quality of support was adequate?

45 MR HARRISON: The quality. They always presented facts rather than fiction ---

MR LEIGH: Yes.

MR HARRISON: --- in their presentations.

5 MR LEIGH: And did you consider that the work that was being undertaken --- did you consider that all the regulatory aspects which the GWC wished to see undertaken were being undertaken?

10 MR HARRISON: Yes. Except, of course, the problem arose with the junkets, because that couldn't be done.

MR LEIGH: Can you tell us a little bit more what you mean when you say "the problem with the junkets"?

15 MR HARRISON: Well, because the regulations were limited to Western Australia and because we didn't have the empowerment to do it and knowledge from other bodies was limited, such as the police or the international police, we could not carry out the function properly.

20 MR LEIGH: Alright. I'll return to the junket discussion again later. I'm going to ask some questions now about the Chief Casino Officer. I'll refer to the Chief Casino Officer generally as CCO, in the interests of brevity. So, what do you understand the role of the CCO to be?

25 MR HARRISON: Well, he was in charge of all compliance by the casino and he was in liaison between the department and the casino as far as ensuring that the casino manual was properly carried out.

30 MR LEIGH: You mentioned the casino manual at paragraph 35.1 of your statement. You say that the CCO and other staff liaised with the casino to review and update operational risks with the casino operational manual; is that correct?

MR HARRISON: Yes.

35 MR LEIGH: Can you just explain what you mean when you say "update operational risks"?

40 MR HARRISON: Well, to make sure the gaming tables were at a satisfactory standard; any violation reports; that all the internal controls and policies and procedures of the manual were properly carried out.

MR LEIGH: So when you say that the CCO could update operational risks, does that imply that the CCO was able to unilaterally make changes to the casino's operations manual?

45 MR HARRISON: No. Any changes came back to the Commission for approval and then went back to the casino.

10:40AM

MR LEIGH: Then in relation to other matters that you identify in your witness statement for the CCO, you say at paragraph 36 that he also provided information on the risks and controls associated with junket operations, money laundering, cash and electronic transactions. In what way did that information get provided to the GWC?
5

MR HARRISON: Can you repeat that again?

MR LEIGH: The information that you refer to at paragraph 36, in what way did that information get conveyed to the GWC?
10

MR HARRISON: From the Chief Casino Officer.

MR LEIGH: And was it in the form of oral presentations or written briefings? What format did it take?
15

MR HARRISON: Oral presentations.

MR LEIGH: Then you say at paragraph 43 that the CCO also prepared all the briefing papers regarding the casino; is that correct?
20

MR HARRISON: Yes.

MR LEIGH: Was that true throughout the time that you were a member of the GWC?
25

MR HARRISON: Yes.

MR LEIGH: Then at paragraph 49 you describe the CCO as being the second in charge. By that do you mean the person second in charge of the staff carrying out work for the GWC, or something else?
30

MR HARRISON: Well, from memory it changed. It was always the second in charge of the department. But at some stage the CCO I don't think was second in charge of the department.
35

MR LEIGH: Bearing in mind those matters that you've set out in your witness statement, how significant a role do you consider that the CCO played in relation to casino regulation while you were a member of the GWC?
40

MR HARRISON: Oh, he was critical, because in my opinion there was only himself, the director of the department and I can only recall one other person who was capable of carrying out those duties.

MR LEIGH: And how significantly, in your view, did the GWC depend on the work of the CCO?
45

MR HARRISON: Yes, it had to, because it was the gateway to the casino.

MR LEIGH: Similarly, to what extent did the GWC depend on the judgment or the discretion of the CEO?

5 MR HARRISON: It --- it took his guidance, but didn't necessarily agree with it at all times. Did you say the CEO or the CCO?

MR LEIGH: The CCO.

10 MR HARRISON: I'm sorry, I thought you said CEO, the head of the department. No, we at times disagreed with his recommendations.

MR LEIGH: And again, thinking back over the course of your time on the GWC, was it more often than not that you would accept the recommendations of the CCO, or not?
15

MR HARRISON: No, we would accept them, yes.

MR LEIGH: Do you have any sense as to the proportion of advice you would accept as opposed to advice that you would not accept from the CCO?
20

MR HARRISON: The vast majority was accepted.

MR LEIGH: The vast majority. Thank you. Then, in the time that you were a member of the GWC, what was the view of the GWC as to who was responsible for selecting or appointing the CCO? Was it the GWC itself, or was it the department?
25

MR HARRISON: It was the department.

MR LEIGH: And was that the view on the GWC from the time that you became a member?
30

MR HARRISON: Yes.

MR LEIGH: You mention at paragraph 47 of your statement that you were involved in the selection panel for the CCO before Mr Connolly was appointed and at that time I think you were selecting Ms Janine Belling; is that correct?
35

MR HARRISON: Yes.

40

MR LEIGH: Can you just tell the Commissioner how that process worked with the selection panel? Was it a formal application for a position and interviews? How did it work?

MR HARRISON: I think the actual position was for the assistant director of the department who, as it turns out, was then the CCO. I was requested by Barry to join the selection panel with other people in the selection of the department head.
45

10:45AM

MR LEIGH: So, when you said "with other people", were they also GWC members?

MR HARRISON: No, no. They were Public Service Commission staff.

5

MR LEIGH: What is your understanding as to what the situation would have been, had there been a person appointed to this role that you say, the assistant director, and, therefore, also being made the CCO, if the GWC had not been happy with that choice of person as the CCO?

10

MR HARRISON: It never arose.

MR LEIGH: Do you --- and this may be a question that you can't answer, because you may not have considered it --- but if that situation had arisen, would it have been open to the GWC to insist upon a different person for CCO in your view?

15

MR HARRISON: Yes.

MR LEIGH: And how would that have worked?

20

MR HARRISON: Well, you would have had to have requested it through the departmental head to ask for a review of the position.

25

MR LEIGH: And would that have been a review of the position that the person was appointed, as an assistant director of the department, or a review of the automatic linking of the directorship and the CCO-ship?

MR HARRISON: I think of the automatic linking.

30

MR LEIGH: So did you understand that automatic linking to be essentially a policy decision as opposed to a legislative requirement?

35

MR HARRISON: Yes, I think it may have become a legislative requirement towards the end of my term. Excuse me, I'm losing my voice.

MR LEIGH: Alright. So you indicated that you think it may have become a legislative requirement towards the end of your term. Does that mean that you don't recall it being a requirement at the start of your term?

40

MR HARRISON: No.

MR LEIGH: Can I ask some questions now in relation to ---

45

COMMISSIONER OWEN: Just before you do, you said that the role of the Chief Casino Officer was critical and you said that there was only the CEO --- meaning the Director-General of the department, I presume and the deputy director --- and you said "And I can only recall one other person who could carry out those duties". Were

you thinking there of one other person, as in the holder of a particular office, or an individual?

5 MR HARRISON: An individual.

COMMISSIONER OWEN: And can you name that individual?

MR HARRISON: I'll think of the person's name in a minute. He was ---

10 COMMISSIONER OWEN: Alright. If you do think of it, just mention it at some stage.

MR HARRISON: Yes.

15 COMMISSIONER OWEN: And, sorry, was that during the entirety of your ten-year frame?

MR HARRISON: Yes. Michael Egan.

20 COMMISSIONER OWEN: Michael Egan.

MR HARRISON: Yes.

25 MR LEIGH: Thank you, Commissioner. I'm going to ask some questions in relation to the actual work you did while you were a member of the GWC.

MR HARRISON: Yes.

30 MR LEIGH: At paragraph 25 of your witness statement, you estimate that the amount of time to perform your role was approximately 10 to 12 hours per meeting, including preparation and attending; is that correct?

MR HARRISON: Yes.

35 MR LEIGH: Am I correct in reading what you say at paragraph 25 to mean that your role was primarily concerned with preparing for and attending meetings?

MR HARRISON: Yes.

40 MR LEIGH: What form did that preparation take?

MR HARRISON: Preparation was reviewing the papers and some research.

45 MR LEIGH: When you say "reviewing the papers", what papers are you referring to?

MR HARRISON: The board papers provided, which are quite substantial.

10:49AM

MR LEIGH: And those board papers, what do they consist of?

5 MR HARRISON: The previous minutes, any actions from the previous minute that had not been completed, so past papers. And then a list of recommendations for the current meeting and a report on the results for the previous month.

10 MR LEIGH: And the recommendations or the items that you were going to consider, who were the authors of those recommendations?

MR HARRISON: From heads of the various sections within the department. For instance, the CCO reported on all the casino matters, financial manager reported on the finance.

15 MR LEIGH: So in your experience in relation to the casino regulation, was it typically the case that recommendations were written by the CCO?

MR HARRISON: Yes.

20 MR LEIGH: Did you have any input into writing the agendas?

MR HARRISON: No.

25 MR LEIGH: Are you aware of whether any other GWC members had any input into writing the agendas, or putting items onto the agendas?

MR HARRISON: Only from matters arising, yes.

30 MR LEIGH: What do you mean by that?

MR HARRISON: Well, from previous meetings, they may have requested some research to be done into a certain aspect and for the report to come back.

35 MR LEIGH: So when you say "from previous meetings", at least from your perspective, was it ever the case that at some time between meetings you might have an idea or a thought and then communicate that to the department or the CCO and ask for that to be included on an agenda item?

40 MR HARRISON: I never did. Other Commissioners may have.

MR LEIGH: When you say "may have", are you aware of whether any did?

MR HARRISON: No.

45 MR LEIGH: Did you have any discussions with other GWC members out of session? So that is not at the meetings itself but perhaps in the lead-up to the meetings?

10:51AM

MR HARRISON: Yes.

MR LEIGH: Can you tell the Commissioner about those?

5

MR HARRISON: They were general in nature, depending on what --- they were more what was on the agenda. They were just in general, without being specific.

MR LEIGH: Can you recall how often it might be that you would speak with other
10 GWC members prior to attending a meeting?

MR HARRISON: Very occasionally.

MR LEIGH: Then at paragraph 19, you say that several years after you were
15 appointed you were provided with a laptop, which you used to read ---

MR HARRISON: That should read "iPad". Sorry.

MR LEIGH: iPad, thank you. What was the process before you received the iPad?
20 How did you get the agenda and the various documentation that supported the agenda?

MR HARRISON: It was sent to my home by courier.

25 MR LEIGH: In hard copy?

MR HARRISON: Yes.

MR LEIGH: And did you carry out any work for the GWC other than the preparing
30 for and attending meetings?

MR HARRISON: No.

MR LEIGH: At paragraph 26 of your statement, you've made a reference to "ad hoc
35 commitments" and then you've estimated that that may have been an additional six hours perhaps on GWC work. Can you just explain to the Commissioner what you mean by "ad hoc commitments"?

MR HARRISON: Like attending a race meeting, attending the regulators'
40 conference, things of that note.

MR LEIGH: Thank you. I'm going to ask some questions now about conflicts of interest.

45 MR HARRISON: Yes.

MR LEIGH: At paragraphs 54 to 58 of your witness statement, you touch on the

question of conflicts of interest and you explain that you were there given verbal
guidance by Mr Sargeant in relation to conflict of interest procedures and in
particular told that you couldn't be involved in "gaming practices", and that word
5 appears in paragraph 56 of your statement. What do you mean by "gaming
practices"?

10 MR HARRISON: Well, the Casino Control Act in that case prohibited us from
being involved in any gambling.

MR LEIGH: So was that just gambling at the casino that you could not take part in?

MR HARRISON: Oh, no --- well, yes, that's right.

15 MR LEIGH: Was the guidance that you couldn't take part in gaming generally?

MR HARRISON: No.

20 MR LEIGH: Only in relation to the casino?

MR HARRISON: Yes.

MR LEIGH: And did you have any additional understanding as to what might be
necessary for you to observe so as to avoid conflicts of interest?

25 MR HARRISON: No.

MR LEIGH: You don't, in your witness statement, make any mention of any written
or formal conflict of interest policies. Are you aware of the GWC adopting a code of
30 conduct in 2014?

MR HARRISON: Yes, just towards the end of my tenure in 2014, the code of
conduct came out. Before that, I don't remember anything.

35 MR LEIGH: In relation to that code of conduct, I'm curious as to how it came to be.
Was that something that the GWC members had input into?

MR HARRISON: I can't recall. I believe it may have come from the public sector
commission's expansion of our roles within the various departments.

40 MR LEIGH: Do you recall whether the GWC members formally adopted that, or
not?

MR HARRISON: No.

45 MR LEIGH: You then say at paragraph 55:

To the best of my knowledge all perceived conflicts of interest were raised

either prior with the Chairman or at the GWC meeting for rulings. When you say "prior" does that mean before the meetings themselves?

5 MR HARRISON: Yes.

MR LEIGH: Does that mean a GWC member might have privately discussed with the chairman a concern they had about a conflict?

10 MR HARRISON: Yes.

MR LEIGH: And the chairman made a ruling on that concern and it was then never conveyed to the GWC as a whole, or would the GWC as a whole still be informed of whatever the issue was?

15

MR HARRISON: He made a ruling and he informed the meeting of that ruling (inaudible).

20 MR LEIGH: So the chairman would say essentially, "That's a problem" or, "It's not a problem", and thereafter, whatever the decision was, everyone would abide by that decision?

MR HARRISON: Yes.

25 MR LEIGH: In relation to the process that would be followed if a potential conflict had been flagged, what did the GWC do if a person had a potential conflict?

30 MR HARRISON: Well, I can't remember any conflicts arising other than for the chairman. And in that case, he declared them and advised that he received approval from the Minister and so it was just noted in the records.

MR LEIGH: Can you recall now what that potential conflict may have been in respect of?

35 MR HARRISON: In respect of his trip to Macau.

40 MR LEIGH: Then, the final paragraph of your statement, at 58, says that you understood that the conflict of interest policy for staff of the department was similar to the requirements in the Public Sector Management Act. Do you recall any departmental staff, when acting as a GWC officer, ever declaring to the GWC that they had a potential conflict of interest?

MR HARRISON: No.

45 MR LEIGH: In particular, are you aware whether at any time while you were a GWC member there was ever a declaration by Mr Michael Connolly as to whether he had a potential conflict of interest?

MR HARRISON: Yes, no, no declaration.

5 MR LEIGH: Putting aside a formal declaration, were you aware of any potential conflict of interest, perhaps by way of conversation with others?

MR HARRISON: No.

10 MR LEIGH: Are you aware of such a conflict or potential conflict now?

MR HARRISON: Only what I've read in the media.

MR LEIGH: Well, what do you understand from having read things in the media?

15 MR HARRISON: That he had an association with some members of the casino staff.

MR LEIGH: Now that you have been informed of that association and thinking back to what we said earlier as to the significance of the CCO's work for the GWC, do you have any concerns as to whether Mr Connolly's discharge of his duties may have consciously or subconsciously been affected by this association?

20 MR HARRISON: I don't know enough details about that to really comment. There'd be a perception that he had, which I would need to know the full details on that.

25 MR LEIGH: Accepting that you are not in a position to offer a view, if it had been the case that the association had affected the discharge of his functions, could that have impacted upon the work of the GWC?

30 MR HARRISON: Yes.

MR LEIGH: And in what way might that have impacted, if it had been the case?

35 MR HARRISON: Well, I guess inside knowledge would be the word.

MR LEIGH: What do you mean by that?

40 MR HARRISON: Well, in general discussions between them, something could pass that could be detrimental.

MR LEIGH: Moving now to paragraph 20 of your statement for a moment, you explain there that from around the time of your second term in 2008, almost every second meeting was held at the casino.

45 MR HARRISON: Yes.

MR LEIGH: So does that mean that towards the end of 2008, that's when the GWC started meeting at the casino?

11:00AM

MR HARRISON: Yes.

MR LEIGH: Were these meetings --- was the entirety of the meeting being
5 conducted at the casino, or only those parts of the meeting that dealt with casino
matters?

MR HARRISON: No, the entirety of the meeting.

10 MR LEIGH: And whereabouts in the casino were these meetings conducted?

MR HARRISON: In one of the meeting rooms, either in the hotel or in the
conference centre.

15 MR LEIGH: If we can please call up DLG.0002.0002.0001. Do you recognise the
format of this document?

MR HARRISON: Yes.

20 MR LEIGH: And can you just explain to the Commissioner what you understand
this document to be?

MR HARRISON: It's the minutes of a special meeting of the Gaming and Wagering
Commission.

25 MR LEIGH: Just looking at the "Present" list of names, can you see your name there
as attending?

MR HARRISON: Yes.

30 MR LEIGH: And looking in the top, in the heading for that, it shows "Swan Room
lobby floor Burswood Convention Centre".

MR HARRISON: Yes.

35 MR LEIGH: Is that the room you had in mind when you were saying you used to
meet at the casino?

40 MR HARRISON: Well, there were various rooms, they weren't always the same
room. But yes.

MR LEIGH: Do you know whether the casino charged the GWC for the use of its
facilities while it was meeting there?

45 MR HARRISON: No.

MR LEIGH: Did the casino offer refreshments or any other items to members of the

11:01AM

GWC during those meetings?

MR HARRISON: Yes.

5

MR LEIGH: And were those accepted?

MR HARRISON: Yes.

10 MR LEIGH: If so, are you aware of whether they were paid for by the GWC?

MR HARRISON: No.

15 MR LEIGH: Thinking about it now and looking back, do you have any concerns that, by conducting GWC business at the casino and accepting refreshments from the casino, it might give rise to a conflict of interest perception for the whole of the GWC?

20 MR HARRISON: Yes. One of the reasons we conducted those meetings there was because often we would have to approve gaming machines and other natures of the casino. Instead of them dragging the machines and everything to the department, by having them on-site we could look at them a lot quicker.

25 MR LEIGH: So you would actually physically look at a machine in operation at the casino?

MR HARRISON: If we wanted to approve that machine, yes, and that was quite constant.

30 MR LEIGH: Thank you.

MR HARRISON: Sorry, when I say "in operation" they would bring it to the meeting room, not in operation on the floor, because it hadn't been approved at that stage.

35

MR LEIGH: Yes. Thank you . Moving then to the next topic I want to ask you about, which is the nature of the actual work carried out by the Gaming and Wagering Commission, you say at paragraph 29 of your statement that during your appointment the GWC had a strong focus on the floor and operational procedures.

40

MR HARRISON: Yes.

MR LEIGH: And by "floor" do you mean the casino floor?

45 MR HARRISON: Yes. Well, the casino operational manual is what the focus was on.

MR LEIGH: Yes. And so can you just explain to us what that means in practical

11:03AM

terms. When you say it had a focus on the operational procedures, what did the GWC do?

5 MR HARRISON: Well, it ensured that all the machines were operating correctly, that there was no probity issues or things of that nature.

MR LEIGH: By "probity issues", is that issues in relation to casino staff?

10 MR HARRISON: Yes.

MR LEIGH: Is there anything else that relates to?

15 MR HARRISON: Yes. I'm trying to think what they were. I'm trying to think what they were. It was to do with the cash transactions, making sure that they tallied up with the receipts for the commission. They checked the floats, ensured that all the security was in place.

20 MR LEIGH: And these were all matters that the GWC would then review?

MR HARRISON: Yes.

25 MR LEIGH: So, is it fair to say that the GWC was largely focussed on the transactional or operational aspect of casino regulation?

MR HARRISON: Yes.

30 MR LEIGH: How does that focus compare with your experience on other boards or committees?

35 MR HARRISON: Well, this was a regulatory body and there was a need to, I think -- because the casino operational manual was also our operation manual, in effect, so there was a need to ensure that everything in that operations manual was being complied with.

MR LEIGH: And understanding that there may have been that need, how does this compare with your experience on other boards and committees, this level of attention to operational matters?

40 MR HARRISON: No, I haven't experienced anything like that.

MR LEIGH: So, on other boards you didn't have anything like that?

45 MR HARRISON: No.

MR LEIGH: I'm going to ask for us to call up PUB.0004.0005.0107. Thank you for that.

11:06AM

Now Mr Harrison, you can see here we've got the Gaming and Wagering
Commission Act and you can see down at section 7 we have the duties of the
commission. If section 7(1) can be pulled out please. Have you been able to read
5 that?

MR HARRISON: Yes.

MR LEIGH: So, looking at section 7(1)(a), talking about the GWC's duty to
10 administer the law relating to gaming, do you understand that the operational matters
that you've spoken to the commission about were comprehended by that section of
the GWC Act; that it was a question of administering the law relating to gaming?

MR HARRISON: Yes.

15 MR LEIGH: And during the scope of your time, or the time rather that you were a
GWC member, did you have regard to other provisions in section 7 of the GWC Act,
in particular, section 7(1)(ba), (f) and (g)? And I'll ask if we can bring up 7(1)(ba),
please. Looking at that now ---

20

MR HARRISON: Yes.

MR LEIGH: Were you familiar with this in your time as a member?

25 MR HARRISON: Yes.

MR LEIGH: If we can bring up, please, section 7(1)(f).

MR HARRISON: Yes.

30

MR LEIGH: So, thinking now about those duties, can you tell the Commissioner
about any occasions in which you formulated any policies as contemplated by
section 7(1)(ba)?

35 MR HARRISON: New policies?

MR LEIGH: Yes. So, when you were a member of the GWC, can you think of any
occasions where the GWC did formulate or implement policies for the scrutiny,
control and regulation of gaming and wagering?

40

MR HARRISON: No.

MR LEIGH: Similarly, in relation to section 7(1)(f) can you think of any occasion
where the GWC advised the Minister as to any matter related to gambling?

45

MR HARRISON: The chairman met with the Minister on various occasions, but the
only other time --- no, not for gambling, no.

MR LEIGH: And lastly then in relation to 7(1)(g), can you think of any occasions on which the GWC made any recommendations to the Minister in relation to the control or supervision of any particular kinds of gambling or gambling in particular
5 circumstances?

MR HARRISON: No.

MR LEIGH: And in relation to the question as to the making of regulations, I'm
10 going to return to that in relation to the junket issue, but sitting here now and thinking about those aspects of the duties of the GWC, as compared to the administering the law relating to gambling aspect, do you think or could you estimate what the percentage breakdown was in terms of the GWC's work between the operational aspects and those policy aspects that we've just looked at?

15 MR HARRISON: Most of it was operational aspects.

MR LEIGH: Can you, thinking now and casting your mind back, can you recall any
20 occasion where the GWC positively determined whether that was an appropriate breakdown; and, if not, whether there should be some different breakdown between those two roles?

MR HARRISON: No.

25 MR LEIGH: Now, returning to your statement, you've given examples of the policies and procedures of the GWC at paragraph 34, and at 34.1 you explain the approval and monitoring of gaming machines was one of those functions.

30 MR HARRISON: Yes.

MR LEIGH: You also there talk about minimum customer return. Can you just explain to the Commissioner what a "minimum customer return" is?

35 MR HARRISON: Okay. That was in the control of the electronic gaming machines. In Western Australia we had a separate timing on all the machines to in effect slow down the turnover a little bit.

MR LEIGH: And does that mean that one of the roles of the GWC was to scrutinise whether that timing was correct?

40 MR HARRISON: Yes, but also we stipulated the timing on the machine, so the machines had to be especially made for Western Australia.

MR LEIGH: So you both created the standards and then reviewed and enforced the
45 standard; is that correct?

MR HARRISON: Yes, that's right.

11:11AM

MR LEIGH: And then at 34.2 in your witness statement you talk about the licensing process, with probity checks on persons seeking employment at the casino.

5 MR HARRISON: Yes.

MR LEIGH: Is this what you were referring to earlier when you were discussing probity in your evidence before the Commissioner?

10 MR HARRISON: Before, I was talking probity generally, I think. But in this case, yes, it's for the security officers and the Crown staff.

MR LEIGH: And so, again, is this something that the GWC was directly involved in the assessment of probity of employees, or is it something that was done by staff on
15 behalf of the GWC?

MR HARRISON: No, it's done by staff on behalf of them.

MR LEIGH: And did the GWC have any review function in relation to matters
20 affecting the probity of employees?

MR HARRISON: Yes.

MR LEIGH: And can you just tell us in broad terms what that was about?
25

MR HARRISON: They had to have police clearances and we had our own form of probity checking. And if there was a case of misdemeanors or anything, the casino people could be brought before the Commission, for either disqualification from acting as an employee or a fine.
30

MR LEIGH: The next questions I'm going to ask you are in relation to some more details about these sorts of operational matters. But I am noting the time, Commissioner. I wonder if this might be a convenient time.

35 COMMISSIONER OWEN: Why don't you go through until about 20 past 11.

MR LEIGH: Thank you, Commissioner. If we can bring up GWC.0002.0016.0142. Looking at this document, you can look there at 6.2, "EGM Presentations".

40 MR HARRISON: Yes.

MR LEIGH: And then 6.3 is "Crown Casino Juvenile Incident".

MR HARRISON: Yes.
45

MR LEIGH: I'll come back to that one. But for the moment if you please go down to page 20 of this document. Now, can you recognise this style of presentation?

11:14AM

MR HARRISON: Yes.

MR LEIGH: Perhaps I'll ask if we can go back one page. You can see there the
5 cover of the recommendation for this agenda item and there's an explanation that
there's going to be a demonstration of the game by some Crown employees. And,
underneath that, that there's already been a presentation to some staff and those
names of the staff are listed there. In relation to those staff names, do you recognise
those persons, Ms Perry and Mr Mannino?

10 MR HARRISON: Yes.

MR LEIGH: The titles that they have, "Director Liquor" and "Manager Licensing",
are those titles which are departmental or GWC titles?

15 MR HARRISON: Departmental.

MR LEIGH: Then looking down through the actual documents themselves, that you
received as part of this agenda item, so going back down to 20 and then moving
20 steadily between 21 and 36. So, looking at these pages as they come up, in particular
in relation to the graphics, is this essentially showing what the game would look like
to a punter?

MR HARRISON: Yes.
25

MR LEIGH: And what is the purpose of an item such as this being in the agenda for
review by the GWC?

MR HARRISON: The graphics were there to avoid it being seen as a straight poker
30 machine situation, where it could be recognised as being different.

MR LEIGH: And so, was it necessary that it not be seen as a poker machine from
the perspective of the GWC?

MR HARRISON: Yes.
35

MR LEIGH: And why is that?

MR HARRISON: Because the poker machines in Western Australia operated
40 differently to the rest of Australia. And they were there to, again, help with harm
minimisation.

MR LEIGH: Alright. And then if we can please go through from pages 37 to 46,
again just steadily go through.

45 COMMISSIONER OWEN: Sorry, is it poker or pokie machine? It's a question, not
a ---

11:16AM

MR HARRISON: Pokie, yes

COMMISSIONER OWEN: Pokie, is it?

5

MR HARRISON: I don't know.

MR LEIGH: I'll defer to you, Mr Harrison.

10 MR HARRISON: Poker, I think, yes

MR LEIGH: Looking again at these pages, this is coming up as the next part of that agenda item. And again, looking at these screens once more, is that to show us how the game would look if it was approved?

15

MR HARRISON: Yes, and often it was because they were just updating the machines and that there was really no major variation, because one machine was replacing another.

20 MR LEIGH: And how often would the GWC end up looking at items like this, an update of a machine or a new machine?

MR HARRISON: At one stage it was every meeting they were being brought in.

25 MR LEIGH: If we can call up the minutes for the meeting, please, this is GWC.0002.0016.0143. And you can see at page 1 that shows you were present at that meeting.

MR HARRISON: Yes.

30

MR LEIGH: And if we can please go to page 2, and then we'll look under item 6.2. Mr Harrison, can you see there's a reference there to the "EGM Presentations" that matches the agenda we looked at before?

35 MR HARRISON: Yes.

MR LEIGH: And it shows that Crown staff entered the meeting at 9.00, presumably to display the game at that point?

40 MR HARRISON: Yes.

MR LEIGH: And then left the meeting at 9.15. Do you have that?

MR HARRISON: Yes.

45

MR LEIGH: And if we can go back to page 1, please, you can see that the meeting commenced at 8.30.

11:18AM

MR HARRISON: Yes.

5 MR LEIGH: And if we then please go down to page 6, you can see there that the meeting closed at 9.17.

MR HARRISON: Yes.

10 MR LEIGH: So, would you agree that that seems to suggest that the entire length of the meeting in this case was around 45 minutes, of which around 15 minutes were taken up by the presentation of that game?

MR HARRISON: Yes.

15 MR LEIGH: So, looking then back at page 2, under 6.2 you can see that there's a resolution there under 6.2 to approve in principle the game?

MR HARRISON: Yes.

20 MR LEIGH: And because we know that the meeting was closed at 9.17 --- we looked at that a moment ago --- and we can see that the Crown staff left the meeting at 9.15, would you agree that this means that no more than two minutes was spent by the GWC discussing the presentation to decide to approve the game?

25 MR HARRISON: Yes.

30 MR LEIGH: Now, in terms of the reason for this discussion, you've explained already that it's to make sure it's not a poker machine, in essence. Can we please call up PUB.0004.0005.0001 and go to page 40? Looking then at section 22(1)(a), which allows the Commission to declare any game with the exception of poker machines, is that the source of the prohibition, to your knowledge?

MR HARRISON: Yes.

35 MR LEIGH: And so, looking at that and the wording of the statute there, does that mean that the only question that the GWC was asking itself when it was reviewing those presentations was whether or not the game was a poker machine?

40 MR HARRISON: No. It also --- if it was being a substitute machine for a previous machine on the floor, it would have been to see that it was a similarity to a previous machine.

MR LEIGH: Alright. And were there any other checks that you were making?

45 MR HARRISON: No.

MR LEIGH: Thank you. Commissioner, that might be a convenient time.

11:21AM

COMMISSIONER OWEN: We will come back at 11.35. Thank you.

5 **ADJOURNED** [11:21a.m.]

RESUMED [11:37a.m.]

10

COMMISSIONER OWEN: Thank you, please be seated. Yes, Mr Leigh.

MR LEIGH: Can we please call up document GWC.0002.0016.0034 and go to page 20. Now, Mr Harrison, I have a hard copy of this document, which might be quicker
15 for you to read through. Just for the benefit of the transcript, we're looking at a paper which runs through from page 20 to 29 and I'll let you read those first two pages. Mr Harrison, please let me know when you've done so.

20 Just looking in particular at the conclusion on page 21 to the effect that it appears that the GWC has previously adopted the paper and that it represents GWC policy. Do you have that?

MR HARRISON: Sorry, where?

25 MR LEIGH: The second page --- what you have there --- do you see how it concludes in that final paragraph that it appears the paper was previously adopted by the Commission in a December 2005 meeting and represents Commission policy? Do you recall ever seeing this document before?

30 MR HARRISON: No.

MR LEIGH: Do you recall ever seeing the document that follows, which is essentially a memorandum explaining the distinction between poker machines and electronic gaming machines?

35

MR HARRISON: No.

MR LEIGH: If you go through to the seventh page of that paper, which is page 28 on the electronic screens, do you see there it has an explanation as to how persons
40 can tell whether a machine is a poker machine or an electronic gaming machine?

MR HARRISON: Yes.

45 MR LEIGH: Just looking at those five tests that are set out there, do those correspond to the tests that you applied when you were a member of the GWC?

MR HARRISON: Yes.

MR LEIGH: And, would it be fair to say that the guidance that's set out there is quite prescriptive; it doesn't require much by use of way of discretion?

5 MR HARRISON: Yes.

MR LEIGH: In these circumstances, if the GWC was applying this sort of test to assessing games, did the GWC ever consider delegating its function of approving these games to an officer so as to free up the GWC's time to concentrate on other matters?
10

MR HARRISON: No.

MR LEIGH: Thinking about it now, do you think it may have been preferable to delegate in that way so that officers could decide approval of EGMs rather than requiring the GWC to approve each game?
15

MR HARRISON: Yes.

MR LEIGH: The next question I had in relation to operational matters concerns the grants of permits and applications. If we can again call up the previous minutes, being GWC.0002.0016.0143, and if we go to page 4, you can see there, Mr Harrison, in relation to 7.1 there's a gaming function permit.
20

25 MR HARRISON: Yes.

MR LEIGH: Then at 7.4, a little bit further down the page, there is another resolution, the first part of which is also to issue a gaming function.

30 MR HARRISON: Yes.

MR LEIGH: And in relation to 7.2 and 7.4, it appears that the issuing of those permits was not accompanied by any debate, or at least, there's no minuted debate in these minutes. Do you agree with that?
35

MR HARRISON: Yes.

MR LEIGH: If we can just have the screen go down a bit so that 7.2 shows, as well. Again, I repeat my question, Mr Harrison, in relation to 7.2, that there's no apparent debate about the issue.
40

MR HARRISON: Yes.

MR LEIGH: Now, if we can please call up GWC.0002.0016.0142, I'm just going to take you, Mr Harrison, to what the agenda items were for those two matters. If we can please go to page 95, which is where agenda item 7.2 commences. Now, looking at that, Mr Harrison, you can see, just reading that first paragraph of the background
45

11:44AM

MR HARRISON: Yes.

MR LEIGH: --- a single function for eight hours play. And if you look at the last
5 paragraph of that page ---

MR HARRISON: Yes.

MR LEIGH: --- you can see the purpose of that is just for a fundraising activity.
10

MR HARRISON: Yes.

MR LEIGH: Then if we can go to pages 96 and 97, you can see that's the application
15 that follows, and then 98 and 99, and you can see that those are the letters in support
that followed, as well. Now, would you agree, just looking at that paperwork, that
the application in this case was in respect of what might be considered to be a low-
risk event?

MR HARRISON: Yes.
20

MR LEIGH: And were these applications of a kind that were often dealt with by the
GWC?

MR HARRISON: Yes.
25

MR LEIGH: Do you consider that this is an application of a kind that might properly
have been dealt with by way of delegation to an officer rather than requiring the
GWC itself to review the matter?

MR HARRISON: Yes.
30

MR LEIGH: I'm going to take you through one more agenda item and that's at 7.4
that we looked at before. If we could please go to page 100, and again, you can see
35 there the recommendation for the Commission, and I'll just let you read that page. In
particular, just reading the background section, and let me know when you're done.

MR HARRISON: Yes.

MR LEIGH: Then if we could please go to pages 102 to 104 and just step through
40 those. And, Mr Harrison, I'll ask you to look at the application for that function.

MR HARRISON: Yes.

MR LEIGH: And then, lastly, if we can please have up 105 and 106, that's the letter
45 in support of the application, you can see there, from the Fremantle Mosman Park
Cricket Club. So, again, looking at the nature of the application that's been made
here for a gaming permit for a community organisation, would you again agree that

this is an application for what might be characterised as a low-risk event?

MR HARRISON: Yes.

5

MR LEIGH: Then going back to the minutes at page 4, that's at GWC.0002.0016.0143, again, noting that there was no objection, or rather no debate for 7.2 and that for 7.4, the final point, number (iii), says "allow future applications to be considered under delegation".

10

MR HARRISON: Yes.

MR LEIGH: My question is, seeing delegations for applications of this sort is possible, do you consider it might be preferable if the GWC did delegate decisions to officers rather than making those decisions itself?

15

MR HARRISON: Yes.

MR LEIGH: The final matter I want to show you in relation to these minutes is back at GWC.0016.0142 at page 1. At 6.3 there's that reference to Crown Casino Juvenile Incident. We can go to pages 47 to 48 to show the papers. You can see there that the recommendation in the box is just "impose a monetary penalty". So, do you see in the grey "Recommendation" box just above the actual background, there's a recommendation?

20

25

MR HARRISON: Yes.

MR LEIGH: And in relation then to the background, you can see in the first two paragraphs, it essentially explains that there was an incident where a juvenile allegedly gained access to the gaming floor. Do you see that?

30

MR HARRISON: Yes.

MR LEIGH: Then on page 48 you can see there's some dot points that explain the options available to the GWC in dealing with the matter.

35

MR HARRISON: Yes.

MR LEIGH: They include censure or fine.

40

MR HARRISON: Yes.

MR LEIGH: Then if we go to pages 49 to 56, we'll go through step-by-step, that's an attachment where, looking at the date of 10 March 2015, appears to have been from the previous meeting. So if we can just go back two pages and show the date of the current agenda item, you can see that's April 2015.

45

MR HARRISON: Yes.

MR LEIGH: Then going forward two, we can see that the date there is 10 March 2015. So does it appear to you to that this is a situation where we've had a matter considered at a previous meeting, not been decided and bumped off to this meeting?

5

MR HARRISON: Yes.

MR LEIGH: Then if we step down from 49 to 56 steadily, that will just show the materials that have been previously provided in support of the application, so a memorandum there and some information as to the previous suggestion by the officer at 4.3.

10

Now, my question --- sorry, we'll just go to two more things, 57 to 58. You can see there a show cause letter from the GWC to the person concerned ---

15

MR HARRISON: Yes.

MR LEIGH: --- to the casino employee. Are you familiar with those sorts of letters?

20

MR HARRISON: Yes.

MR LEIGH: Then if we can go to 59 to 60, which is the response to that show cause from the employee concerned; again, is that common that the GWC would receive these sorts of responses from persons who were being investigated?

25

MR HARRISON: Yes.

MR LEIGH: Now, we'll just go back to the minutes to see what the action was that was taken by the GWC. That's GWC.0002.0016.0143 at page 2. And, finally, you can see that there's a monetary penalty of \$100.

30

MR HARRISON: Yes.

MR LEIGH: And would you accept that if the penalty is \$100, that suggests the GWC considered the matter to be one of relatively minor importance?

35

MR DHARMANANDA: Mr Commissioner, just to be consistent, the name appears on that particular version, where it doesn't on the other documents that have been redacted.

40

COMMISSIONER OWEN: Yes. We'll take steps to ensure that that redaction is completed.

MR DHARMANANDA: Thank you.

45

COMMISSIONER OWEN: Thank you.

11:52AM

MR LEIGH: Just going back to my question, Mr Harrison ---

MR HARRISON: Yes.

5

MR LEIGH: --- given that the fine ultimately imposed is \$100, is it fair to say that the GWC regarded that as being a relatively minor matter?

MR HARRISON: Yes.

10

MR LEIGH: And looking at all three of the things that I've taken you through --- the examples of the electronic game displays, the examples of the applications for gaming permits and this disciplinary action --- would you accept that all of those things are minor matters that may have been dealt with by delegated authority to an officer?

15

MR HARRISON: Yes, except the last one, that was a second offence, and often the idea was just to call them up to reassure them that if they offended again it would be far more serious. It was more of a warning to behave.

20

MR LEIGH: Thank you. My overall question is in relation to the approach of the Commission in the time that you were there. Did you consider there was scope for the Commission to perhaps focus more on the high-level strategic decisions and then leave these operational matters to officers?

25

MR HARRISON: Yes.

MR LEIGH: I'd like to now ask some questions in relation to delegations during your time as a GWC member.

30

MR HARRISON: Yes.

MR LEIGH: To begin with, what do you understand to be the effect of delegating a statutory power?

35

MR HARRISON: Well, it's in effect giving the powers to the person you delegate to.

MR LEIGH: And after delegation is made, which persons do you understand are then able to delegate those powers?

40

MR HARRISON: Well, in the case of the Commission, the delegation went to the head of the department or, in lieu of him, the deputy head of the department or the Chief Casino Officer.

45

MR LEIGH: And once the delegation had been made, what was your understanding as to whether the GWC could itself continue to exercise those powers?

MR HARRISON: Yes, they continued to.

MR LEIGH: Thank you. So I'm going to show you some delegations that appear to have been made in 2012. The first is GWC.0002.0016.0056. At page 1 we can see there's an agenda item for 24 April 2012 and on page 2 we've got item 8.2 which is
5 entitled "New Commissioner procedures". For the transcript, that commences at 349. But I might provide you, Mr Harrison, with this in hard copy and provide a copy to the Commissioner, as well, just to make it easier to read.

MR HARRISON: Thank you.
10

MR LEIGH: Now, you only need to read the first two pages, essentially up to the heading where it has "Legislation".

MR HARRISON: Yes.
15

MR LEIGH: Now, before I ask you some questions about the content of this document, I'm just going to show you what the resolution was when it was put to the GWC. So if we can draw up GWC.0002.0016.0059, these are the minutes for the Tuesday, 23 April meeting, and you can see that you're shown as in attendance?
20

MR HARRISON: Yes.

MR LEIGH: If we can please now go to page 6, you can see at 8.2 that it appears to have been adopted without debate.
25

MR HARRISON: I would believe there would have been discussion about it.

MR LEIGH: Yes. And do you know what the nature of that discussion might have been?
30

MR HARRISON: No.

MR LEIGH: Alright. If we can please go back to the agenda item at the previous document at page 349. Having had the chance to look over this document now, what do you understand was the basis for the request for a delegation?
35

MR HARRISON: Well, it was to present in a more timely basis, so if they were of a minor nature they could be handled by the Chief Casino Officer.

MR LEIGH: You say "if it's of a minor nature". Can I ask you just to look on the front page in the "Recommendation" box where there's a recommendation as to 1(a)(3) it talks about issuing a direction or an amendment under section 24 of the Casino Control Act.
40

MR HARRISON: Yes.
45

MR LEIGH: Then if we can go to page 355 on the screen, you can see there at item

4, what was the actual language proposed of the language to give direction to the licensee with respect to the system of internal controls and administrative and accounting procedures. How significant do you understand ---

5

MR HARRISON: Sorry, where was that again?

MR LEIGH: Item 4.

10 MR HARRISON: 4. Yes.

MR LEIGH: How significant do you understand the power under section 24 of the Casino Control Act to be?

15 MR HARRISON: Well, it's a full power. It's actually a direction.

MR LEIGH: Do you understand that that power would allow the delegate to make changes to the casino operations manual?

20 MR HARRISON: Yes. But it would always have to come back to the Commission for approval.

MR LEIGH: So, is it your understanding that if a delegate was to exercise that power, it would not take effect until approved by the Commission?

25

MR HARRISON: No --- well, when it's of a minor nature and for the sake of expediency, he would approve them, but they would still have to then come back to the commission for final approval.

30 MR LEIGH: And was it your understanding that until it came back to the Commission, any direction that had been issued was not operative; is that the effect of what you're saying?

MR HARRISON: I don't know.

35

MR LEIGH: In terms of that point about "there would be a requirement for it to come back to the GWC", where was that requirement located?

MR HARRISON: I don't know.

40

MR LEIGH: Are you aware of whether there was any written policy on that point?

MR HARRISON: No, I'm aware of it. I'm assuming it was in the minutes at some stage.

45

MR LEIGH: Alright. To what extent were you confident, while a member of the GWC, that you were being informed of all of the occasions on which delegated power had been exercised?

12:01PM

MR HARRISON: Yes, I was fully confident.

5 MR LEIGH: Now, looking at the first paragraph of this proposed delegation, you can see that the position that's proposing to be delegated to is the Chief Casino Officer?

MR HARRISON: Yes.

10 MR LEIGH: Now, if we go to page 357 please, you can see there's the other proposed delegation, and this one is the position of Deputy Director-General. Now, in terms of the two titles that we've just looked at, which organisation --- GWC or department --- do those titles belong to?

15 MR HARRISON: What date was this? July 2011.

MR LEIGH: Just at that position there where it says "Deputy Director-General", do you understand that to be a GWC or a departmental position?

20 MR HARRISON: It's a departmental position.

MR LEIGH: If we go back a page please, where it says there "Position of Chief Casino Officer", is that a GWC or departmental position?

25 MR HARRISON: That's a GWC position.

MR LEIGH: Alright. So we've got one delegation apparently to a GWC position and one delegation to a departmental position; do you agree with that?

30 MR HARRISON: Yes.

MR LEIGH: Would you agree as well that if a person has a power delegated to them in their capacity as a departmental officer, they can only exercise that power when acting as a departmental officer?

35

MR HARRISON: Yes.

MR LEIGH: Do you recall whether the GWC ever discussed if it was appropriate to delegate powers to persons in their position as a departmental officer?

40

MR HARRISON: No.

MR LEIGH: Do you have any concerns as to whether that might give rise to issues such as conflicts of interest for persons performing roles on behalf of the GWC while acting as a departmental officer?

45

MR HARRISON: I think in this case, it was understood that it was one and the same

12:04PM

person.

MR LEIGH: Alright. The next document I'd like to please bring up is GWC ---

5

COMMISSIONER OWEN: Just before you do, I know this would be taxing your memory, but as you sit here now, can you recall any instance in which an approval to an alteration to the casino operating manual under delegated power by the Chief Casino Officer or the Deputy Director-General actually did come to the Gaming and Wagering Commission Board for further consideration or approval or anything?

10

MR HARRISON: They all did.

COMMISSIONER OWEN: Did they come simply as a list of powers that had been exercised or were they submitted, as we've seen in a paper, with recommendations for any sort of further action by the Commission?

15

MR HARRISON: They came as a paper, advising the Chief Casino Officer had exercised his delegation, asking for the Commission to approve that exercise.

20

COMMISSIONER OWEN: So your recollection as you sit here now is that exercises of delegated power were all submitted to the Gaming and Wagering Commission for approval?

25

MR HARRISON: To the best of my knowledge, yes.

COMMISSIONER OWEN: Alright, thank you.

MR LEIGH: Thank you. The next document I'd like to call up is

30

GWC.0002.0016.0083. Now, can you see, Mr Harrison, that these are minutes for a meeting in December of 2012, so that's later the same year.

MR HARRISON: Yes.

35

MR LEIGH: If we can go to page 7, we can see there's an item 8.2 at the bottom of the page, again dealing with delegation. You can see that the resolution has been to rescind some old delegations and to sign some new delegations. Do you see that?

MR HARRISON: Yes.

40

MR LEIGH: Again, that appears to be a matter without debate, because looking at the description above, would you agree that there doesn't appear to be any concern about that raised in the minutes?

45

MR HARRISON: Yes.

MR LEIGH: You said before that you thought there may have been discussion on the previous occasion. Do you believe there would have been discussion of this, as

well?

MR HARRISON: Yes.

5

MR LEIGH: If we can now please call up GWC.0002.0016.0082, this is the agenda for that resolution, Mr Harrison. I think it's page 201. Looking in the resolution box, you can see on that third point in particular the proposal is to delegate, and then you look at the second line, "all of the Commission's powers". Do you see that?

10

MR HARRISON: Yes.

MR LEIGH: Do you recall whether in your time as a GWC member it was common to delegate all of the GWC's powers to individual officers?

15

MR HARRISON: No.

MR LEIGH: Looking then below the recommendation, under the heading "Delegations", if we go down to the next paragraph, you can see the explanation there is, "it was agreed that it would be appropriate". I'll let you read that paragraph.

20

MR HARRISON: Yes.

MR LEIGH: Do you now recall or have any recollection as to why it may have been agreed to be appropriate at that time to delegate all powers to the position?

25

MR HARRISON: I think it was again clarifying that the deputy chairman of the Gaming and Wagering Commission was also the deputy director of the department.

30

MR LEIGH: And so at this time, both deputy chairman and deputy director, were they both Mr Michael Connolly?

MR HARRISON: What was the date?

35

MR LEIGH: This is December 2012?

MR HARRISON: Yes.

MR LEIGH: And Mr Connolly, by virtue of being --- well, in addition to those two positions, he was also the Chief Casino Officer; is that right?

40

MR HARRISON: Yes.

MR LEIGH: And we looked a little while ago at an early delegation that was made to the Chief Casino Officer and we looked in particular at the delegation of powers under section 21(a). Would you agree that that previous delegation conferred specific enumerated powers, rather than just all powers?

45

12:09PM

MR HARRISON: Yes.

5 MR LEIGH: Are you able to offer any insight to the Commissioner as to why between two points in 2012 the Commission changed from delegating specific powers to delegating all powers to what was effectively the same person?

MR HARRISON: No.

10 MR LEIGH: At the time that you were on the GWC, did they have a delegation register where all of these delegations were kept?

MR HARRISON: Not that I'm aware.

15 MR LEIGH: And are you aware of whose responsibility it was to keep track of the delegation so that you could rescind old ones when you created new ones?

MR HARRISON: No.

20 MR LEIGH: I'm now going to ask you some questions about two of the more substantial changes from the GWC. The first is in relation to a resolution in 2010 to approve an amendment to the Casino Control Regulations to remove the requirement for junket operators to be approved by the Commission. Having just explained that to you, do you have a recollection of that resolution by the Commission?

25

MR HARRISON: Yes.

30 MR LEIGH: If we can please call up GWC.0002.0016.0001, I'll just note that the agenda says it's for 23 February 2009. But if you look down at the first item, the minutes, it confirms minutes of 15 December 2009. So I'm just going to ask you whether you might think that there is an error in the date at the top and it should say "2010"?

35 MR HARRISON: This is a minutes of the Department of Racing, Gaming and Liquor.

MR LEIGH: Looking at the very top of the page where it says "Gaming and Wagering Commission", are these minutes of a format that you're familiar with?

40 MR HARRISON: No.

MR LEIGH: You don't believe you've seen these minutes before?

45 MR HARRISON: No, I haven't.

MR LEIGH: I'll just show you the individual item on the agenda and see if that is something you recognise. If we go to page 3 for a moment, you can see there we've got 8.2, "Approval of Junket Operators and Representatives".

12:12PM

MR HARRISON: Yes.

5 MR LEIGH: Then if we can please bring up GWC.0002.0016.0001 and go to page 337. Now, looking at this document, take a moment to read the recommendation and the background and the first two dot points. Does that ring any bells?

10 MR HARRISON: No. Again, this was a paper from the Racing, Gaming and Liquor.

MR LEIGH: Looking at the part where it says "Commission Meeting Agenda Paper", this is not, to the best of your recollection, a paper provided to the Gaming and Wagering Commission?

15 MR HARRISON: That's right.

MR LEIGH: And if you just take a moment to read the background and those two dot points and then let me know when you're done.

20 MR HARRISON: Yes.

MR LEIGH: Is this ringing any bells as to a proposal put before the GWC in 2010?

25 MR HARRISON: Yes.

MR LEIGH: Can you just tell the Commissioner what you recall --- if this document isn't one that you've seen before, what do you recall about the proposal?

30 MR HARRISON: That it was not possible for the Commission to carry out the role of judging the junkets because it didn't have the powers at an international level, or it was limited to really within Western Australia. It did not have the powers to investigate, and that AUSTRAC was carrying out that role, but providing limited information to us.

35 MR LEIGH: If you just look through that document you have in front of you, if we can bring up 345, and then looking towards the middle of that page you've got:

The junket approval process has been in place

40 Do you see that?

MR HARRISON: Yes.

45 MR LEIGH: If I can just ask you to read that paragraph.

MR HARRISON: Yes.

MR LEIGH: There's a comment there in the second line that says that the process has been "relaxed" over time. Do you recall any other changes being made in relation to junkets between the time that you started as a member in 2006 and this item in 2010?

MR HARRISON: No.

MR LEIGH: In relation, then, to what checks on junkets would remain if the regulations were removed, as was being recommended here in 2010, what did you understand the position would be if this recommendation was adopted?

MR HARRISON: Well, it was felt that we just --- the Commission didn't have the investigative skills to police anything that the junket, within the junket, so there was really no role for it.

MR LEIGH: And was that a view you gained as a result of what was being told to you in briefing papers by departmental officers?

MR HARRISON: Yes.

MR LEIGH: Did you consider whether it may have been appropriate in those circumstances --- and by "you" I mean the GWC collectively --- to make a representation to the Minister to seek, for example, additional powers so that the GWC could regulate these aspects?

MR HARRISON: No, I --- my recollection is that we asked the Minister to remove the requirements from that regulation in the 1988 term approval process, but we never asked for any replacement.

MR LEIGH: And the reason that you asked for it to be removed, if I understood you correctly, was you understood you didn't have any powers to properly regulate that space; is that correct?

MR HARRISON: That's right.

MR LEIGH: But my question is, did you ever consider requesting such powers to allow the GWC to regulate that space?

MR HARRISON: No.

MR LEIGH: If we can please call up DLG.0002.0002.0014. Now, do you recognise this document as minutes of the GWC?

MR HARRISON: Yes.

MR LEIGH: And you can see your name there at page 1 as being present at this meeting?

MR HARRISON: Yes.

MR LEIGH: And if we can go to page 10, you can see there that down at 8.2 at the
5 bottom of the page ---

MR HARRISON: Yes.

MR LEIGH: And do you agree that's the resolution to approve amendment of the
10 regulations by removing requirements dealing with junkets?

MR HARRISON: Yes.

MR LEIGH: Is that relating to the same meeting that we've been talking about?
15

MR HARRISON: Yes.

MR LEIGH: Do you see that there's no discussion in the minutes as to whether there
20 was any debate about those regulations being changed?

MR HARRISON: There would have been discussion and it would have been
commented on and discussed at previous meetings as to the problems that were
arising in trying to police the junket operations.

MR LEIGH: Do you recall whether there was ever any discussion amongst the
25 GWC to confirm the position as to the GWC's powers, or as to the difficulties with
regulating or investigating junket operators?

MR HARRISON: Yes.

MR LEIGH: And what was the result of that discussion?
30

MR HARRISON: Well, it was the removal of the regulations and advising the
Minister.

MR LEIGH: What did you understand the purpose was of junket regulations prior to
35 their removal?

MR HARRISON: Back in 1988, they weren't seen so much as an international
40 concern and they could be policed within reason, where at this stage they were very
much international junkets and they were very hard to control.

MR LEIGH: So, is it your understanding of the provisions of the Casino Control Act
45 that deal with junkets that that was intended primarily to address local junkets within
Australia; do I have that right?

MR HARRISON: Yes, yes.

MR LEIGH: And is that a view that was shared by other members of the GWC at this time?

5 MR HARRISON: Yes.

MR LEIGH: Can you recall what the source of that view was, whether that was on the basis of agenda items from officers or your own reading of the legislation, or advice that you received from perhaps law firms? Do you recall what the basis of
10 that view was?

MR HARRISON: It was from the advice of the officers and as a result of discussions between the officers and the West Australian police.

15 MR LEIGH: There's just one more thing I want to show you in relation to this issue. If we can call up GWC.0002.0016.0001 and if we can please start at 346. Now, just having a look at this letter here, Mr Harrison, and perhaps reading the first three paragraphs, or two paragraphs rather, do you recognise this letter as one that you saw around this time?

20 MR HARRISON: I can't recall it, no.

MR LEIGH: Alright. If we can go to page 350, at the bottom of the page. You can see that last paragraph there, Mr Harrison. I'll just let you read that for a moment.

25 MR HARRISON: Yes.

MR LEIGH: So there is some suggestion there that if the request is granted and the regulations are changed, that the casino will still advise the Commission of the appointment of new junket operators. So, in your time between 2010 and 2015,
30 when you finished with the GWC, do you recall being notified as to new junket operators in that time?

35 MR HARRISON: Yes, the department was, yes.

MR LEIGH: And did you then receive briefings from the department as to those junket operators?

40 MR HARRISON: Not on an individual basis, no.

MR LEIGH: What did you receive?

MR HARRISON: Just advice that the junket operations were continuing.

45 COMMISSIONER OWEN: What's the basis of your knowledge that the department was getting that information?

MR HARRISON: Because it was relayed to us from the Chief Casino Officer.

MR LEIGH: The last issue I want to ask you about is in relation to another
5 resolution of the GWC, this time in September 2015, and that's
GWC.0002.0016.0155. You can see that item 6.2 there is "Crown Perth Casino
Regulatory Approach".

MR HARRISON: Yes.

10

MR LEIGH: I'll just ask if we can hand you a hard copy. If you can go to page 17
of that document, it is agenda item 6.2 with a date of 17 August 2015. Do you have
that?

MR HARRISON: Yes.

15

MR LEIGH: Thank you. If you can just look at the author there, Deputy Director-
General, who would that have been as at August 2015?

MR HARRISON: Michael Connolly.

20

MR LEIGH: Now, if you can just read the first few pages up to the heading
"Proposed Regulatory Approach", and I'll just let you read that.

COMMISSIONER OWEN: Mr Leigh, while the witness is doing that, are you aware
25 whether the entirety of this board pack is on the hearing book, or is it just this
extract?

MR LEIGH: I understand, Commissioner, we have only redacted portions on the
30 hearing books. We don't have the entire document.

MR BERSON: Mr Chairman, it seems that the on-line hearing book has the entirety
of the document, from my review recently.

COMMISSIONER OWEN: Thank you.

35

MR LEIGH: Commissioner, I'm told that we were of the understanding that it was
redacted, but we are rapidly attempting to verify that.

COMMISSIONER OWEN: It's just that it will be convenient for me to use it for a
40 totally different purpose, if the entirety of the document is on, otherwise I'll think of
some other way to deal with what I want to put to the witness. And I'd also need the
minutes of that meeting. Please don't let me interrupt the flow of the cross-
examination.

45

MR LEIGH: I don't need you to read past the heading "Proposed Regulatory
Approach". Once you've reached this, just let me know.

12:31PM

MR HARRISON: Yes.

MR LEIGH: Now you've had a chance to read that, does this seem familiar to you,
5 this proposal?

MR HARRISON: Yes, yes.

MR LEIGH: And do you recall the discussion of this agenda item?
10

MR HARRISON: Yes.

MR LEIGH: I'll just take you to the minutes so you can see what's recorded there,
15 GWC.0002.0016.0157. If we can go to pages 3 and 4 and have them up side-by-side, I'll just let you read the discussion under 6.2 from page 3 onto page 4.

MR HARRISON: Yes.

MR LEIGH: Mr Harrison, having had that opportunity to look again at the agenda
20 item and the minutes, can you now say what your understanding was, if you can recall, at the time that this was before the GWC, what the proposal was for?

MR HARRISON: Well, it --- it was to move to a risk base instead of a regulating
25 base. It's more looking at the risks involved and then allocating times to the inspectors, which would result in a substantial saving in time for the inspectors.

MR LEIGH: And in terms of what you understood to be the rationale for this
30 change, you've mentioned there "substantial saving", is that what you understand to be the reason for why this change was proposed?

MR HARRISON: No, it was because there was improvements in the surveillance of
the operations and other improvements in the operating --- operating manual, it
allowed the inspectors more time, rather than focusing on the floor operations, to
look at the risk aspects.
35

MR LEIGH: So you understood it as being in order to reallocate the time of the
inspectors? That's what you understood to be the primary basis; do I have that right?

MR HARRISON: Yes.
40

MR LEIGH: If you look at the last paragraph of page 3, which is up on the screen, it
says there:

45 *The Department is under considerable pressure to operate within its salary
limit*

Do you see that?

MR HARRISON: Yes.

5 MR LEIGH: You didn't understand this as being a change that was being driven primarily by financial concerns?

MR HARRISON: It was a part of the reason, yes.

10 MR LEIGH: And just in relation to that point that says there about the department being under pressure, what was your understanding as to the effect of departmental pressures in respect of the GWC's operations?

MR HARRISON: Can you repeat that again?

15 MR LEIGH: So, if the department's under pressure ---

MR HARRISON: Yes.

20 MR LEIGH: --- what effect do you understand that that then has on the GWC?

MR HARRISON: Perhaps a less --- less check on compliances and that within the department.

25 MR LEIGH: Earlier in your evidence, before we had a break, you were speaking about some of the sources of revenue for the GWC. One of the sources that you nominated was the casino licence fee.

MR HARRISON: Yes.

30 MR LEIGH: Was it your understanding that the money for the casino licence fee was for the GWC to spend as it saw fit?

MR HARRISON: No.

35 MR LEIGH: And can you just explain to the Commissioner what other restrictions might be on the GWC's use of that money?

40 MR HARRISON: I think if we wanted to spend additional money, I don't think it would necessarily come out of that area, it would be applied for through the normal budgetary processes.

45 MR LEIGH: Alright. Having now had a chance to refresh your memory in relation to this item, do you recall whether there was any concern, either by you or any other member of the GWC, as to whether there might be a reduction in the extent or quality of supervision as a result of this proposed change?

MR HARRISON: No, I don't remember any concern.

MR LEIGH: Alright. Commissioner, I think those are all my questions, thank you.

5 COMMISSIONER OWEN: I might reverse the order and ask my questions before I call on you, Mr Dharmananda.

QUESTIONS BY COMMISSIONER OWEN.

10

COMMISSIONER OWEN: Mr Harrison, I want to ask you about two things. One is the 2010 repeal of the regulations, the junket regulations, but the other is the issue of delegated power, the role that the Gaming and Wagering Commission played, once the powers had been delegated to one of the individuals.

15

Now, I'm going to use this as an example and I hope this works. It's the meeting that you were taken to for other purposes, which is 25 August 2015, and it's GWC.0002.0016.0155, if that could be brought up. If you could go to page 99, you'll see --- you remember in answer to a question I posed to you, you said that these exercises of delegated powers came to the commission, I think your words were "for approval"; is that right?

20

MR HARRISON: Yes.

25

COMMISSIONER OWEN: And that they were supported by a paper. Now, I'm only using this as an example, but you can see, is that the paper to which you referred? I'm sorry, you'll recall, this is in what I call the "board pack" for that August 2015 meeting.

30

MR HARRISON: Yes.

COMMISSIONER OWEN: You see, it doesn't give a great deal of information, does it? It doesn't contain a great deal of information about the matter on which the delegated power is exercised?

35

MR HARRISON: No, but it could have contained papers at previous meetings. I'm not sure if it contained it at this meeting.

40

COMMISSIONER OWEN: Alright. Well, if this is an example, would you accept that the information is not substantive?

MR HARRISON: Yes.

45

COMMISSIONER OWEN: Now, if I could then go to the minutes of that meeting, this is GWC.0002.0016.0156. If you could go to page 5, you see 11.2, I'll ask you to read 11.2.

MR HARRISON: Yes.

COMMISSIONER OWEN: The wording is of the resolution, "to note the approvals under delegation".

5 MR HARRISON: Yes.

COMMISSIONER OWEN: Now, would you accept that one way of reading that is that it is not the GWC approving the matter, but simply to note that someone else under delegated power has made the approval?

10

MR HARRISON: That's right, yes.

COMMISSIONER OWEN: That's one way of reading it. Does that refresh your memory at all as to the role that the Commission was playing in relation to exercises of delegated power?

15

MR HARRISON: No, it purely resolved on the delegated individual approving it and then forwarding it for noting.

20 COMMISSIONER OWEN: Alright, thank you. Now, can I turn to the repeal of the junket regulations. And I realise that you've said that your recollection of this meeting, this incident or event is not great, but could I just see if you can help me with one thing?

25 MR HARRISON: Yes.

COMMISSIONER OWEN: If we could then bring up the paper that was submitted to the board, it's GWC.0002.0016.0001 at page 337. If you could go to the third page of that paper and if you could then go to the fourth page, you can see there at the bottom half of that page that what the author of this paper has done is to set out the regulations as they then stood. Now, I know this is not a statutory instrument, but I'm going to ask you to assume that this is an accurate recitation of the regulations. So if we could then go to page 7 of this document, I'll ask you to note items. Just look at regulation 12, or subregulation 12. You see that:

30
35

The Commission may, at any time, require the holder of an approval to give the Commission any additional information

Et cetera. Do you see that?

40

MR HARRISON: Yes.

COMMISSIONER OWEN: And if you go to regulation 16, you can see it's about "Notice of Proposed Junkets". So, if the approved --- the casino operator has to give the Commission notice of the junket ---

45

MR HARRISON: Yes.

COMMISSIONER OWEN: --- of each junket. Now, if we could then go back to the first page of that document, I'll ask you to look at the recommendation. You can see there that the recommendation is:

5

.... to remove the requirement for junket operators/representatives to be approved

Do you see that?

10

MR HARRISON: Yes.

COMMISSIONER OWEN: I won't take you to it, but I want you to assume that the resolution that was passed is in that exact wording.

15

MR DHARMANANDA: I'm sorry to interrupt you, Mr Chairman, but the actual text says "The Commission consider amending".

20

COMMISSIONER OWEN: I'm only focusing on the words "to remove the requirement for junket operators to be approved".

MR DHARMANANDA: Yes. I'd understood your question to assume another matter, but it matters not, Commissioner.

25

COMMISSIONER OWEN: I can take the --- the resolution is in a separate document, I can take the witness to it. I will, for the sake of completeness. The document is GWC.0002.0016.0002 and it's at page 10. That's obviously not it. I'll ask you to assume ---

30

MR DHARMANANDA: I believe it may be DLG.0002.0002.0014.

COMMISSIONER OWEN: Item 8.2. Do you see that?

MR HARRISON: Yes.

35

COMMISSIONER OWEN: It's in the same wording, "to remove the requirement for junket operators/representatives to be approved by the Commission".

MR HARRISON: Yes.

40

COMMISSIONER OWEN: Now, if you cast your mind back to the two regulations that I showed you, item 12 and item 16, item 12 was the Commission could require further information from an approved casino operator; and item 16, the casino operator was under an obligation to provide information about individual junkets.

45

MR HARRISON: Yes.

COMMISSIONER OWEN: And would you accept that they are matters other than approval of the junket operators?

5 MR HARRISON: Yes.

COMMISSIONER OWEN: And if I ask you to assume that what occurred was when the statutory instrument was enacted, that the entirety of the junket regulations, including items 12 and 16, were removed, were repealed.

10

MR HARRISON: Yes.

COMMISSIONER OWEN: Are you aware, as you sit here now, of any substitute method by which information of the type, the powers of the type and information of the type in items 12 and 16, were required to be given to the Gaming and Wagering Commission?

15

MR HARRISON: No.

COMMISSIONER OWEN: Are you aware of any formal methods of notification or requirements for notification of that information to be given by the casino operator or the junket operator to the department, as you earlier described it?

20

MR HARRISON: No.

25

COMMISSIONER OWEN: Alright. Thank you. Now, Mr Dharmananda.

MR DHARMANANDA: No, thank you.

COMMISSIONER OWEN: Mr Berson?

30

MR BERSON: Nothing arising, Commissioner.

COMMISSIONER OWEN: Mr Stulic?

35

MR STULIC: No thank you, Commissioner.

COMMISSIONER OWEN: Is there anything arising from anything I said? Mr Evans?

40

MR EVANS: No, I don't think so. Thank you, Commissioner.

COMMISSIONER OWEN: Mr Harrison, thank you very much for your assistance. It has been of great help to us. We have a system in place, which Mr Evans can explain to you, so I can't release you from the effect of the summons, but we may have to ask you to answer some further written questions in due course. Thank you very much, again.

45

12:51PM

MR HARRISON: Thank you.

COMMISSIONER OWEN: We'll adjourn until 2 pm.

5

THE WITNESS STOOD DOWN

ADJOURNED

[12:51P.M.]

10

RESUMED

[1:59P.M.]

COMMISSIONER OWEN: I think we have Ms Cogan.

15

MR EVANS: We do.

COMMISSIONER OWEN: Ms Cogan, would you come forward, please? Would you mind just giving us your full name for the record please?

20

MS COGAN: Helen Margaret Viney Cogan.

COMMISSIONER OWEN: And do you wish to affirm or swear an oath?

25

MS COGAN: Swear an oath.

HELEN MARGARET VINEY COGAN, SWORN

30

COMMISSIONER OWEN: Thank you, Ms Cogan, if you could be seated, thank you. Mr Evans.

35

EXAMINATION-IN-CHIEF BY MR EVANS

MR EVANS: Ms Cogan, you've been summonsed to appear before the Commission today to give evidence in relation to the matters before the Commission?

40

MS COGAN: Sorry?

MR EVANS: Have you been summonsed to appear before the Commission today?

45

MS COGAN: Yes.

MR EVANS: You were invited to make a witness statement as your evidence-in-chief.

MS COGAN: Yes.

MR EVANS: You've made that witness statement?

5 MS COGAN: I have.

MR EVANS: Do you have a copy with you?

MS COGAN: Yes.

10

MR EVANS: I have a copy if you don't. You've read the contents of your statement?

MS COGAN: I have.

15

MR EVANS: You've signed your statement.

MS COGAN: Yes.

20 MS EVANS: And I think with one correction, which I think the date on the back of the statement is 12 May when it should be 14 May; is that correct?

MS COGAN: Yes.

25 MR EVANS: And subject to that correction, the contents of your statement are true and correct to the best of your knowledge and belief?

MS COGAN: Yes.

30 MR EVANS: I tender the statement.

COMMISSIONER: Thank you. The witness statement of Helen Margaret Viney Cogan, dated 14 May 2021, bearing the identifier number GWC.0003.0010.0001 is admitted into evidence as an exhibit.

35

EXHIBIT #GWC.0003.0001.0001 - WITNESS STATEMENT OF HELEN MARGARET VINEY COGAN, DATED 14 MAY 2021

40 MR EVANS: Thank you, Commissioner.

COMMISSIONER OWEN: Thank you, Mr Evans. Ms Nelson.

45 **CROSS-EXAMINATION BY MS NELSON**

MS NELSON: Thank you, Commissioner.

5 Ms Cogan, if you could look at the document on the screen and if we could have page 0002, down the bottom?

MS COGAN: Yes.

10 MS NELSON: You talk about when you were appointed, which was January 2006, and you say you were at the Gaming and Wagering Commission --- which I'll refer to as the GWC like you have in your statement --- until 31 December 2011, and then again for a short period in 2012. The information that the Royal Commission has is that the short period was from 18 December 2012(audio drop-out). Does that assist your memory?

15

MS COGAN: Look, I tried to work out when that was and I couldn't get the information, but that sounds --- because it was for a short period and the short period extended somewhat.

20 MS NELSON: So, that's effectively two months from 18 December 2012 to 25 February 2013?

MS COGAN: That sounds about right, yes.

25 MS NELSON: Thank you. Now, you explain in your witness statement at paragraphs 4 to 7, which is also page 2, that you had experience sitting on two other boards prior to your appointment to the Gaming and Wagering Commission. However, is it fair to say that those boards had really nothing to do with gaming or casino regulation at all?

30

MS COGAN: That's correct.

35 MS NELSON: And as a government lawyer, you say that at the time of your appointment you had, and the words you use are "some engagement" with both the Casino Control Act and the Gaming and Wagering Commission Act and that's at paragraph 14. Is it correct that that engagement was not necessarily related to casino gaming; it could have been other forms?

40 MS COGAN: Other forms, yes.

MS NELSON: And did that engagement relate to considering specific sections of those acts in relation to factual scenarios?

45 MS COGAN: Yes.

MS NELSON: And did you continue to work as a government lawyer whilst you were sitting on the GWC?

02:04PM

MS COGAN: No. No, it was --- my appointment was after I had left there.

MS NELSON: Thank you.

5

MS COGAN: I think that's quite clear.

MS NELSON: It probably is, I probably just missed it. And as a government lawyer, had you had any experience with other regulatory agencies, other
10 departmental agencies?

MS COGAN: Yes, I was asked for and gave advice to a number of entities, government entities.

MS NELSON: Thank you. And you say that you were, concurrent with the membership of the GWC, you were also a member of the Liquor Commission; is that correct?
15

MS COGAN: That's right. The dates are in there or on the CV.

20

MS NELSON: Did that commission share resources with the GWC?

MS COGAN: Yes, departmental resources, yes.

MS NELSON: As in staff or meeting rooms --- what type of resources?
25

MS COGAN: Meeting rooms, staff, IT resources, yes.

MS NELSON: Thank you. And you recall that you were appointed after being
30 approached by Mr Barry Sargeant informally?

MS COGAN: That's my recollection, yes.

MS NELSON: And then you had a formal meeting with the Minister?
35

MS COGAN: I had a telephone conversation with the Minister.

MS NELSON: Not an actual meeting?

MS COGAN: No.
40

MS NELSON: And during the course of that telephone conversation, were you given any direction by the Minister as to how the GWC were to conduct business, or any type of direction in relation to your work ---
45

MS COGAN: No.

MS NELSON: --- on the GWC?

02:06PM

MS COGAN: No.

MS NELSON: And when you had the conversation about your appointment with Mr
5 Barry Sargeant, did he tell you what expectations he had of you taking on the role?

MS COGAN: Not really, no.

MS NELSON: Were you given any --- well, before you turned up to your first
10 meeting, were you given assistance as to what you were meant to be doing?

MS COGAN: I suppose I must have been told, you know, how it would operate and
what --- what would happen. And I may have been given some papers, documents,
15 but what they were I don't remember; and if I kept them, I've thrown them out.

MS NELSON: Were you given any instruction about how the Commission's
functions worked in a practical sense, the day-to-day business of the Commission?

MS COGAN: Yes, I must have been told about how often meetings would be, where
20 they would be, you know, how they would function. We got agenda papers and, you
know, supporting documentation before each meeting.

MS NELSON: How far before each meeting, how many days before?

MS COGAN: My recollection would probably be about a week or so before the
25 meeting.

MS NELSON: And where were the meetings held?

MS COGAN: Apart from a very few meetings which were held at Crown, they were
30 held at the Hyatt Centre in the meeting room there.

MS NELSON: And whereabouts at Crown were the meetings held?

MS COGAN: Big meeting rooms. I don't recall precisely where.
35

MS NELSON: Were any Crown employees or officers present at those meetings?

MS COGAN: Probably. I'm not sure.
40

MS NELSON: And they were the usual monthly GWC meetings that were held at
the Crown premises?

MS COGAN: Yes.
45

MS NELSON: How many of those GWC meetings were held there, do you

estimate?

5 MS COGAN: I've actually been thinking about that. As I recall, probably no more than four, five, six during my time on the board, on the Commission.

MS NELSON: And why were they held there, rather than being held at the Hyatt Centre?

10 MS COGAN: As I recall, they wanted to --- we were required to see the high rollers' room, the gaming floor, behind the scenes of the gaming floor and generally given a reason to see specific parts of the Crown premises.

15 MS NELSON: Thank you. Now, in terms of any induction that you had, you said you might have been given some papers, but you can't recall exactly what they were. Is it fair to say that if you wanted to inform yourself after your appointment as to what you were to do, you'd either ask Mr Sargeant or you would look up the legislation yourself, or you'd look at the agenda papers?

20 MS COGAN: Yes.

MS NELSON: Would you inform yourself in any other way?

25 MS COGAN: No, I don't recall any other way, no.

MS NELSON: Did you discuss the agenda papers with any other GWC member other than Mr Sargeant?

30 MS COGAN: No.

MS NELSON: And did Mr Sargeant have a formal role on the GWC?

35 MS COGAN: No, I can't remember. He was always there at meetings. Was he, was he --- I mean, you can probably tell me from your information --- was he chairman of the GWC? No.

MS NELSON: I believe he was ---

40 MS COGAN: Yes, yes.

MS NELSON: But do you know if he had any role in the department at the same time?

45 MS COGAN: He was Director-General of the department.

MS NELSON: Was there a deputy chair of the GWC during the time you were on it?

MS COGAN: I don't remember.

02:11PM

MS NELSON: In your statement at page 0006 and specifically paragraph 31 ---

MS COGAN: Yes.

5

MS NELSON: --- you say you do not recall who was the Chief Casino Officer at the time. You mean at the time that you were on the committee?

10 MS COGAN: No, I don't specifically recall, but I think it might have been Michael Connolly.

MS NELSON: So you do recall that there was such a role at that time?

MS COGAN: Yes.

15

MS NELSON: And what was the role that you recall? What did the person do who occupied that position?

MS COGAN: Precisely, I don't know, I don't remember.

20

MS NELSON: Do you remember whether it was a Commission position or a departmental position, or was it unclear?

MS COGAN: Unclear.

25

MS NELSON: Did you have any sense that the Chief Casino Officer could exercise any powers under the Casino Control Act?

MS COGAN: I probably did, but I can't remember precisely.

30

MS NELSON: Do you remember a Mr David Halge?

MS COGAN: Yes.

35 MS NELSON: Do you recall him occupying the position of Chief Casino Officer at the time you were appointed?

MS COGAN: Well, probably, because the name is familiar to me. But his precise position --- I'm sorry , there's a lot I can't recall. It's a long time ago.

40

MS NELSON: I understand. What about Ms Janine Belling, do you recall whether you came across her?

MS COGAN: That doesn't ring a bell.

45

MS NELSON: But you recall Mr Michael Connolly?

MS COGAN: Yes.

MS NELSON: And what do you recall about him?

5

MS COGAN: That he was there at meetings of the Commission.

MS NELSON: In what capacity?

10 MS COGAN: I'm not sure. Maybe chief casino --- Casino Control Officer. I simply don't remember what capacity.

MS NELSON: And how did he interact with the other members during the meeting? What was his purpose of being there?

15

MS COGAN: He was there and, you know, answered questions and whatever.

MS NELSON: Answered questions from the other members?

20

MS COGAN: Yes.

MS NELSON: Do you recall who was the Chief Casino Officer when you returned for that short period at the end of 2012? Did you have an opportunity to observe Mr Connolly's interaction with Crown employees or officers?

25

MS COGAN: Not really, no.

MS NELSON: Were you aware as to whether there were any operational meetings between department officers and Crown officers or employees during the time you were on the Commission?

30

MS COGAN: Not aware of that, no.

MS NELSON: Looking at your statement at paragraph 13, which is page 0003, paragraph 13.

35

MS COGAN: Paragraph 13, paragraph 14?

MS NELSON: I think it's paragraph 13. It's not the right paragraph, but in your statement --- I'm just trying to find it --- you say that you consulted the legislation when necessary during the term of your appointment?

40

MS COGAN: Yes.

45 MS NELSON: So, in what circumstances did you consider it was necessary to consult the legislation? When did you normally do that?

MS COGAN: Well, you know, I would get agenda papers and there would be

matters, right, several matters for discussion and I would read them very carefully. And if I thought that there was some relevance to that agenda matter of legislation or regulations, I would go to the regulations and legislation and read them.

5

COMMISSIONER OWEN: I think it's the last phrase of paragraph 12 of the statement. That's the one you were ---

MS NELSON: Yes, thank you. Thank you, Commissioner.

10

Looking at the agenda papers, it would seem to me that the business of the Commission, when it came to casino gaming, as opposed to community gaming, was predominantly approving and authorising licences and permits relating to persons, casinos and gaming and approving casino employees and approving gaming equipment and ensuring compliance with the rules concerning how the casino was to operate on a day-to-day basis. Is that your understanding of the predominant role?

15

MS COGAN: That's correct, yes.

20

MS NELSON: How did the GWC ensure that the casino was complying with the operational rules?

MS COGAN: I'm not sure what enforcement --- what its enforcement abilities were.

25

MS NELSON: And were there inspectors that were made available to the GWC?

MS COGAN: Yes.

MS NELSON: And where did they come from?

30

MS COGAN: The department, as I recall.

MS NELSON: And where were those inspectors located?

35

MS COGAN: I don't know, I can't remember. Maybe the department, maybe Crown. Don't know.

MS NELSON: As a member of the GWC, did you consider that your powers were limited in any particular sense? Was there any discussion about an exercise of power, anything that you couldn't do, any conduct or actions that you could not take?

40

MS COGAN: No.

MS NELSON: You don't recall that? Was there ever any conversation about the strategic direction or how you would approach regulation from a --- looking at it from a helicopter view, in a global sense, how the GWC would actually approach their task of regulating?

45

MS COGAN: No.

5 MS NELSON: And just going back to the operational rules, have you recently looked at the duties and powers in the Gaming and Wagering Commission Act under section 7 and 8 perhaps?

MS COGAN: No.

10 MS NELSON: Perhaps if we could have the Gaming and Wagering Commission Act, sections 7 and 8, thank you. Section 7, as you can see, is about the duties of the Commission. I'll just give you a minute. And then, over to section 8, thank you. And if we could have the next page, too, on the screen please.

15 In particular, looking at section 8(2)(c), the GWC can formulate and impose any prohibitions or conditions in relation to the conduct of gambling and the games which may be played.

MS COGAN: Yes.

20

MS NELSON: Does that assist you to recall that it was required for the Commission to impose conditions on Burswood Entertainment Complex in relation to how they conducted their gaming?

25 MS COGAN: Yes.

MS NELSON: And also formulate policies?

30 MS COGAN: Yes. I'm not sure about the formulation of policies. I would have thought that's probably a legislative function.

MS NELSON: Do you recall that there was an express power in the Act for the GWC to issue directions to a casino licensee in relation to how games were conducted ---

35

MS COGAN: Yes.

MS NELSON: --- and generally gaming operations?

40 MS COGAN: That's what that says. And I recall that, now I have refreshed my memory on it.

MS NELSON: Thank you, that can be taken down. And where were those directions housed during the time you were on the Commission?

45

MS COGAN: I don't recall.

MS NELSON: You said in your statement at paragraph 26 that you don't recall

seeing a casino manual.

MS COGAN: Yes.

5

MS NELSON: Is that still the position? You don't recall seeing a manual?

MS COGAN: A casino manual, no.

10

MS NELSON: Was there a document called "operational manual"?

MS COGAN: I don't remember. As I say, I may have been --- and I probably was --
- given a lot of documentation or some documentation and I read it, because that's
what I do. But I didn't --- I haven't retained any of it.

15

MS NELSON: Looking at your statement at page 006 at paragraphs 27 to 31, under
the heading "Support from the Department", could I ask you just to elaborate on your
statement in paragraph 27 that:

20

The Department supported the GWC in the exercise of its functions.

Can you elaborate on how that was done?

25

MS COGAN: That was largely administrative support. I mean, the department
prepared the agenda papers and the supporting documentation, gave IT support, that
sort of thing.

30

MS NELSON: And in your statement, you also say that you assumed that the chair,
Mr Sargeant, set the agenda.

35

MS COGAN: Yes , I suppose I did. I mean, I suppose Mr Sargeant is the chair and
other staff were involved in preparing.

40

MS NELSON: And other staff. So, do I take it from that that you didn't take any
part in setting the agenda yourself for each meeting?

MS COGAN: No, no.

45

MS NELSON: At paragraph 29 you referred to IT support. What IT support did you
require?

50

MS COGAN: My recollection is that at one stage the Gaming and Wagering
Commission members were issued with iPads and the agenda came onto the iPad.
You didn't get hard copy. And certainly I had some difficulty at the beginning when
we used that in managing the iPad and which buttons to push for what. That's my
recollection. It may have been --- no, no, it wasn't, it was the Gaming and Wagering
Commission with the iPad use, not Liquor Commission.

MS NELSON: Thank you. And that last sentence of paragraph 29:

5 *The Department was extremely supportive, helpful and useful, including in relation to IT support.*

Were there particular individuals within the department who were supportive and helpful, or is it a general statement?

10 MS COGAN: It's a general statement, but in particular, the executive officer of the department was very helpful and very knowledgeable.

MS NELSON: And who was that?

15 MS COGAN: Cina Saxena(?).

MS NELSON: And was she knowledgeable in relation to the agenda items, or in relation to admin support, or both?

20 MS COGAN: Both, both.

MS NELSON: In this section of the statement, you haven't referred to any delegations of functions by the GWC to any departmental officers, or to anyone in the GWC. Were you aware that the Commission delegated its powers?

25 MS COGAN: No. I can't recall.

MS NELSON: You can't recall. You don't recall anything about any delegations?

30 MS COGAN: No, no.

MS NELSON: I can tell you at the time that you were appointed, it appears to the Royal Commission that there was a 2 February 2004 delegation of the GWC of all powers under the Betting Control Act, the Casino Control Act and the GWC Act. Does that assist in your memory?

35

MS COGAN: No, no.

MS NELSON: So, as chairman of the GWC, that delegation would have applied to Mr Sargeant, wouldn't it?

40

MS COGAN: Yes.

MS NELSON: Do you recall that certain departmental officers exercised some of the GWC's powers to authorise games, especially non-casino games, such as two-up or standard lotteries?

45

MS COGAN: I recall, I think, that there were certain powers which were --- which

didn't have to go, you know, before the Commission or a formal hearing for approval, like two-up. But, I mean, two-up is a casino game.

5 MS NELSON: Correct, but it's also a non-casino game, I guess.

MS COGAN: Like the pub poker tournaments and things like that?

10 MS NELSON: Yes. So, you do recall that departmental staff did exercise some functions in approving licences of that type?

MS COGAN: That's probably my recollection, yes.

15 MS NELSON: And can you recall anything about how you would, as the Commission, come to know that had occurred?

MS COGAN: No. It may have been an agenda item and a report as to what had happened.

20 MS NELSON: After you left the Commission and during a GWC meeting on 12 April 2012, there was a delegation to the Chief Casino Officer to declare and amend games under the Casino Control Act and also a delegation to the Deputy Director-General --- and by that stage, Mr Connolly occupied both those roles, so as Deputy
25 Director-General and Chief Casino Officer. I'm telling you this for context because of what I'm going to take you to for December 2012 when you came back for that short period.

30 At that time that the April delegation occurred, there was a paper put up by Mr Mark Beecroft, who at the time was a principal policy officer in the department. For the record, that is paper GWC.0002.0016.0056 at 0349. Do you recall coming in contact with a Mr Mark Beecroft during the time you were on the Commission?

MS COGAN: Yes. He was one of the department staff.

35 MS NELSON: And how did you come into contact with him? What role was he playing?

MS COGAN: I don't remember.

40 MS NELSON: I'm going to show you an aspect of that paper that he put up, and it's a diagram. If I could have page 0349 of GWC.0002.0016.0056, this is the front page of the paper. I'd like to take you to the attachment 1, which is at 0353.

MS COGAN: Yes.

45

MS NELSON: This is a diagram by Mr Beecroft that presents the process as he saw it for the casino lodging a submission to get an amendment or to get a new game and the proposal is assessed within the department and the department either goes back to

the casino or the submission goes straight to the Gaming and Wagering Commission.

MS COGAN: For consideration, yes.

5

MS NELSON: Does that assist your memory with how matters came up to the Commission for consideration?

MS COGAN: Yes, probably, to the best of my recollection.

10

MS NELSON: This paper also refers to a department restructure that was going to occur in 2012, which is the year you left and then came back. Do you have any recollection about a department restructure?

15 MS COGAN: Not specifically, no.

MS NELSON: Thank you, that can be taken down. Now, when you returned as a member of the Commission for the December meeting in 2012, which was on 18 December 2012, there was another paper put up to the Commission in relation to delegations. If we could have the agenda GWC.0002.0016.0082 at 0201. You can see this agenda paper is dated 6 December 2012, agenda item 8.2, and this was in the board pack that you were sent for the meeting in December that you came back for. Do you have any recollection of seeing this paper?

25 MS COGAN: Only a fairly faint recollection that there was a rescission of existing instruments of delegation and new delegation but, you know, the precise contents, no, I don't recall.

MS NELSON: So this paper was recommending that there was a rescission of the delegation to the chairman, which had been issued in February 2004, which was in place when you were first appointed, and rescinded the qualified delegation given to the Deputy Director-General in April, earlier that year, 2012. And it was to be replaced by the chairman getting all powers and the deputy chairman also of the GWC.

35

MS COGAN: Sorry, did you have a question?

MS NELSON: No. If you'd just look at the first paragraph, my question is in the sentence as it starts it says:

40

Following a review of the delegation issued to the Chairman of the Gaming and Wagering Commission

Do you recall whether you were given any information about the review of delegations?

45

MS COGAN: I don't recall any specific details.

MS NELSON: The second paragraph talks about how it would be appropriate to issue a similar level of delegation of the chairman to the position of deputy chairman. Do you recall any discussion about why that was considered appropriate?

5

MS COGAN: I'm --- there was usually discussion of matters --- (mobile phone rings). Sorry, I thought I'd turned it off. There was usually a discussion about the contents of the agenda papers.

10 MS NELSON: Can you recall any specific discussion about this agenda paper?

MS COGAN: No.

15 MS NELSON: When you say "discussion", do you mean general agreement or robust discussion?

MS COGAN: Sometimes general, sometimes fairly robust discussion.

20 MS NELSON: And do you recall in what particular subject matters there was generally robust discussion, or was it over a range of matters?

MS COGAN: A range of matters, yes.

25 MS NELSON: I'll just take you to the minutes to show you that it was resolved that this new delegation be put in place. That's GWC.0002.0016.0102 at page 0009, in the bottom half of the page, agenda item 8.2. Do you recall if there was any consideration as to what the difference was between the role of deputy chairman and Deputy Director-General?

30 MS COGAN: No, I don't. There may have been discussion, but I don't recall any details.

MS NELSON: Thank you, that can be taken down.

35 I want to ask you some questions about junkets. When you joined the Commission, were you given any information about the history of junket regulation that was in place?

MS COGAN: Not that I recall.

40

MS NELSON: In your statement at paragraph 22, GWC.0003.0010.0001 at 0005, in the first sentence you say:

45 *I remember general discussions amongst members of the GWC about junket operations and money laundering*

Do you remember the contents of those discussions?

MS COGAN: Not specific contents, no.

MS NELSON: You say.

5

.... those issues were of general concern to the members of the GWC

Is that a statement in relation to the whole of your tenure on the Commission, or only part of it?

10

MS COGAN: I think it was generally of concern to all the members.

MS NELSON: Over the whole period that you were on the Commission?

15

MS COGAN: Yes.

MS NELSON: Were you aware that under the Casino Control Act that, in addition to the Commission having a general power to make directions about the conduct of gaming operations under section 24, there's also a specific power for regulations to be made in relation to junkets under a separate section?

20

MS COGAN: I think I would have been aware of that, yes. I mean, I did consider the legislation and the regulations carefully.

25

MS NELSON: Do you recall whether, when you joined the Commission, there were any regulations in place in relation to junkets?

MS COGAN: I don't recall that.

30

MS NELSON: There were, in fact, the Casino Control Regulations 1999 part 3 in relation to junkets. Can I have that up on the screen, thank you?

This was what was in place at the time that you came onto the Commission?

35

MS COGAN: Must have been.

MS NELSON: You don't have any independent recollection?

40

MS COGAN: Now that I see it again, I do have recollection of looking at these regulations.

MS NELSON: Do you recall, at the time that you joined the Commission and in the years shortly thereafter, whether there were any approvals for junket operators put before the Commission?

45

MS COGAN: I don't recall.

MS NELSON: Thank you, that can be taken down.

I'd like to take you to a particular agenda paper from the February 2010 GWC meeting. It's a memorandum from a Mr Nick Toyne, GWC.0002.0016.0001 at 0337. In the last day or so, have you had a chance to read through this particular document?

5

MS COGAN: In the last?

MS NELSON: Day or so.

10 MS COGAN: Through this agenda paper?

MS NELSON: Yes.

MS COGAN: No.

15

MS NELSON: Do you have any recollection of this agenda paper? I might give you a hard copy.

MS COGAN: No, I don't. I don't recall the specific content of this.

20

MS NELSON: Thank you. Just handing the witness a hard copy of that document.

MS COGAN: Thank you.

25 MS NELSON: Do you recall working with Mr Nick Toyne?

MS COGAN: Yes, that name is familiar to me.

MS NELSON: And in what capacity did you work with him?

30

MS COGAN: Acting deputy director licensing, I assume. As I recall, I recall the name and him being associated with the department.

35 MS NELSON: Do you recall anything being done with the regulations under part 3 of the Casino Control Regulations during the time you were on the Commission?

MS COGAN: What's part 3 of the regulations?

40 MS NELSON: What I showed you on the screen just before, which was in relation to regulating junkets.

MS COGAN: Not specifically, no.

45 MS NELSON: Over the time that you were on the Commission, do you recall there being any change in the way junkets were considered by the Commission?

MS COGAN: No.

MS NELSON: I'm wondering, Commissioner, if it might be advantageous for the witness just to have a 5-minute break to look through this paper, to see if it assists with her memory?

5

COMMISSIONER OWEN: I think, in view of the answers she's given, I'm wondering whether there can be much useful evidence that can come of that.

MS NELSON: Well, perhaps if we go back to your statement and specifically page 10 5, paragraph 22, in which you say:

I remember general discussions amongst members of the GWC about junket operations

15 Having been now shown those regulations and seeing that there was a paper about it, does that assist your memory in what the general discussions might have concerned?

MS COGAN: No, not really.

20 MS NELSON: I'll move on. Thank you.

Did you have any contact with anyone in the department in between Commission meetings?

25 MS COGAN: Perhaps occasionally, but not as a general rule, no.

MS NELSON: So if you had a query about a particular paper, such as the one that I just gave you from Mr Toyne, were your queries generally answered during the meeting?

30

MS COGAN: Yes.

MS NELSON: And did the author of the paper generally attend the meeting, or were your queries answered by someone else?

35

MS COGAN: My recollection is yes.

MS NELSON: "Yes" to they attended the meeting?

40 MS COGAN: Yes.

MS NELSON: Or "yes" that it was answered by someone else?

MS COGAN: No, that they attended the meeting. That's my recollection.

45

MS NELSON: And so the author of the agenda item was the one who would generally answer queries if you had any?

MS COGAN: Generally, yes.

MS NELSON: Was there anyone else who might also assist?

5

MS COGAN: No. I mean, I think as a member of the Commission, each member felt free to ask any questions that they might consider necessary to be answered by whoever was the appropriate person to answer.

10 MS NELSON: Thank you. Did you feel like the skills of all the members on the committee were sufficient to do the job that you were tasked to do?

MS COGAN: Yes.

15 MS NELSON: Did you have any involvement in any of the financial management of the Commission?

MS COGAN: No.

20 MS NELSON: Do you know who set the budget?

MS COGAN: No.

25 MS NELSON: Did you have any involvement in how resources were apportioned between casino gaming work and non-gaming work that the Commission did?

MS COGAN: No.

30 MS NELSON: Were you aware of any role that the casino played in ensuring the integrity of players who came before the casino to play there?

MS COGAN: Who came before the?

35 MS NELSON: Were you aware of any role that the casino played in ensuring the integrity of anyone who came to the casino to gamble?

MS COGAN: Yes. I think I thought that the appropriate Crown Casino officers would ensure that people who were allowed in were persons of integrity.

40 MS NELSON: And how would they go about that task?

45 MS COGAN: I'm not sure exactly how they would go about that, but there's reference in the papers that you recently showed me about the Federal and State police and other authorities letting in particularly people on junkets. And there were inspectors, as I remember, or as I recall, inspectors in the casino who were looking out for unaccompanied minors, people who had been barred.

MS NELSON: Can you tell me a bit more about how the Federal authorities would go about the task of ensuring people that were at the casino had integrity?

5 MS COGAN: No, I have no idea about how they went about that task.

MS NELSON: Was that never discussed at the Commission?

MS COGAN: Not to my recollection, no.

10

MS NELSON: And in that section, paragraph 22 that's on the screen, you also refer to general discussions about money laundering. What can you tell the Commissioner about those discussions?

15 MS COGAN: Well, once again, I recall general discussions about money laundering and how the casino could be used to launder money.

MS NELSON: And during those discussions, was it also discussed about how the Commission could influence that or not?

20

MS COGAN: No. I think it was assumed that the Commission had --- the Commission's powers were such that it may be able to influence that money laundering didn't happen.

25 MS NELSON: It was assumed that the Commission had those powers to ---

MS COGAN: I assumed that.

MS NELSON: And what made you assume that?

30

MS COGAN: Because I suppose --- I mean, I'd looked at the legislation, I'd looked at the regulations, and the powers of the Commission were to ensure that gambling took place legally in accordance with those, with the legislation and the regulations.

35 MS NELSON: And having assumed that, how did the Commission go about that task?

MS COGAN: I have no specific recollection of how it went about that.

40 MS NELSON: Nothing further, thank you, Commissioner.

COMMISSIONER OWEN: Thank you. Mr Dharmananda?

MR DHARMANANDA: Nothing arising, thank you.

45

COMMISSIONER OWEN: Nothing from either the Department or Mr Connolly's representatives?

QUESTIONS BY COMMISSIONER OWEN

5 COMMISSIONER OWEN: Ms Cogan, I have a couple of questions. I may have misheard you, but when Ms Nelson took you to the provisions of the Gaming and *Wagering Commission Act*, took you to that section about policies, I thought I heard you say that you weren't sure about the Commission's role in policy, because you thought that was more of a legislative function. Did I hear you correctly in that?

10 MS COGAN: Yes, you heard me correctly.

COMMISSIONER OWEN: Well, can I ask you some questions about that. And we might be going back to jurisprudence 101 here a little, but are you aware of the distinction that is often drawn in modern corporate governance theory between high-
15 level policy and strategy on the one hand and operational matters on the other?

MS COGAN: Yes.

20 COMMISSIONER OWEN: And that modern corporate governance theory tends to suggest that boards should be essentially concerned with policy and strategy, in contradistinction to operational matters?

MS COGAN: Yes.

25 COMMISSIONER OWEN: When you look back now on your time at the Commission, where do you think the Commission sat in that dichotomy?

30 MS COGAN: Well, between those two, beginning and end. Because there were --- I suppose, policy issues were discussed and operational issues were discussed.

COMMISSIONER OWEN: Can I come at it in a slightly different way? You've had some experience in the not-for-profit sector. Are you aware of the --- if you're looking at the charter, the operational charter, or just call it "the charter" or the constitutions, and the methodology of the not-for-profits, they will often distinguish
35 between policy and strategy at one level, operational matters at another, but superimposed on that is often what's called "vision" or "mission". You're aware of those?

40 MS COGAN: Absolutely, yes.

COMMISSIONER OWEN: If you translate that thinking into a statutory body of this nature, you have the same sort of thing; you have the operational, the policy and strategy. And then over and above that, instead of vision and mission, you have legislative purpose or object. Is that something with which you're familiar?
45

MS COGAN: Yes.

COMMISSIONER OWEN: Right. Now, one of the things that we are confronted with in this Royal Commission is a look at the statutory framework and the efficacy, if you like, of that statutory framework. And that must of course be informed by real life experience. And so I'm going to ask you this question. When you were first appointed, did you turn your mind to that question of legislative purpose or object, as opposed to the policies and the strategies and the operational matters which are clearly set out in the Casino Control Act and in the regulations, being the means to which you achieve the legislative purpose or object? Did you turn your mind to that?

10

MS COGAN: I'm not sure that I turned my mind to that specifically. But I was aware of the stratas, I suppose, of ---

COMMISSIONER OWEN: As your term, which was five or six years in that first period, went on, did you from time to time turn your mind to those issues, to ask whether or not the means that were being employed were aimed at or were going to be effective in achieving the end, the object?

15

MS COGAN: Yes, I think that's fair enough to say that. I did turn my mind, because on the --- in the course of having Commission meetings and in dealing with Commission business, one naturally, I think, turned one's mind to the general framework involved in the operation of the casino and the operation of other gaming matters. Yes, I think it's fair to say that certainly I did turn my mind to that.

20

COMMISSIONER OWEN: And, as far as you can recollect now, were there discussions among the members of the Commission about those sorts of issues; about, how does what we are doing fitting into what we intend to achieve, or what the legislature has set us?

25

MS COGAN: I think there were --- my recollection is that there were, there were discussions, but probably infrequently.

30

COMMISSIONER OWEN: And you'd be familiar with the concept of ongoing professional development, no doubt. Was there anything of that nature in which members of the Commission were able to engage? You've been asked about training opportunities, but I'm thinking here more of this philosophical, at the philosophical level of sitting back and addressing these topics of legislative purpose or object.

35

MS COGAN: No. Nothing like that.

40

COMMISSIONER OWEN: Right. In paragraph 25 of your statement, you say:

GWC may have had interactions with WA police, though I cannot recall any specific details.

45

But can you remember subjects or topics upon which there may have been interaction between the Commission and the West Australian police force?

03:04PM

MS COGAN: I think my recollection is that the police chased up reports of bad behaviour in the casino, unattended minors, barring persons who had been barred, that they were involved to that extent. And as a member of the Commission, or as
5 members, we may have seen police reports on such matters.

COMMISSIONER OWEN: Alright, thank you.

10 Ms Nelson, anything arising from that?

MS NELSON: No, thank you.

COMMISSIONER OWEN: Mr Evans?

15 MR EVANS: No re-examination, thank you.

COMMISSIONER OWEN: Ms Cogan, thank you very much for your assistance. Mr Evans will explain to you the process which we have set in place, so I can't release you from the effect of the summons at the moment, because there may be
20 further questions. We will try to pose them in writing to minimise inconvenience. But thank you very much. We will now adjourn until 10 am tomorrow.

25 **THE WITNESS STOOD DOWN**

**HEARING ADJOURNED AT 3.05 PM UNTIL WEDNESDAY, 19 MAY 2021
AT 10.00 AM**

30

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