

Perth Casino Royal Commission

Witness Statement of Brian MacLean Lee

16 September 2021

1. I am Brian Lee of c/o Crown Perth, Great Eastern Highway, Burswood.
2. This statement is provided in response to the witness summons to give evidence dated 2 September 2021 (**Summons**) and issued pursuant to section 9 of the *Royal Commissions Act 1968* (WA), which is directed to me by the Perth Casino Royal Commission (**Commission**), as supplemented by the list of topics to be addressed provided by the Commission.
3. This statement is true and correct to the best of my knowledge and belief.
4. For the purposes of preparing this statement, I have referred to the documents in the attached list marked "BL-1".

MY ROLE

(Topics 1 – 7)

5. I am currently the General Manager of Security and Surveillance for Crown Perth (**Crown**).
6. I have held this position since 1 July 2015.
7. Prior to this, I held the position of:
 - a. from approximately August 2014 to 1 July 2015, General Manager Security;
 - b. from approximately August 2013 to August 2014, Head of Security;
 - c. from approximately October 2008 to August 2013, Security Operations Manager;
 - d. from approximately February 2008 to October 2008, Parking Services Manager (on secondment);
 - e. from approximately July 2007 to February 2008, Development Manager Security and Property Services; and
 - f. from approximately December 2006 to July 2007, Development Manager Security.
8. I understand that the company that has employed me since I commenced at Crown is Burswood Resort (Management) Limited.

Reporting lines

9. In my current role, I report to Lonnie Bossi (**Lonnie**), the Chief Executive Officer (**CEO**) of Crown Perth (formerly in his capacity as the Chief Operating Officer of Crown Perth).

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10. Until about January 2020, I reported to Joshua Preston (**Josh**), the Chief Legal Officer – Australian Resorts.
11. In my previous roles at Crown, I reported to:
 - a. as Security Operations Manager and Head of Security, to Mike McGreevy, the General Manager of Security;
 - b. on secondment as Parking Services Manager, to Tony Fioraso, the General Manager of Property Services; and
 - c. as Development Manager Security and Property Services, to Kate McGregor, the General Manager of Security.
12. The people who currently report directly to me are:
 - a. Blake Veverka, the current head of the security team;
 - b. Greg Bennett, the current head of the surveillance team;
 - c. Derek Burling (**Derek**), the current head of Investigations and Compliance;
 - d. Crisis & Emergency Management Coordinator;
 - e. Surveillance Senior Technical Officer; and
 - f. my personal assistant.
13. In my previous roles, the positions that reported directly to me were:
 - a. as General Manager Security:
 - i. Security Operations Manager (Operations);
 - ii. Security Operations Manager (Admin & Logistics);
 - iii. Investigations and Compliance Manager;
 - iv. Emergency Planning Manager; and
 - v. my personal assistant;
 - b. as Head of Security:
 - i. Emergency Planning Coordinator;
 - ii. Security Operations Manager; and
 - iii. Development Manager Security;
 - c. as Security Operations Manager, four Security Shift Managers; and
 - d. as Parking Services Manager:
 - i. Assistant Parking Services Manager; and
 - ii. two Parking Services Supervisors.

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KPIs & bonuses

14. There are key performance indicators (**KPIs**) in respect of my current role.
15. My recollection is that the KPIs have not changed much over time and are in respect of things like financial deliverables, customer service and stakeholder engagement, health and safety, staff, and compliance.
16. My current contract does make provision for the payment of bonuses. Prior to becoming the Head of Security, my contracts did not make provision for the payment of bonuses.
17. My understanding of how bonuses are worked out is that if Crown Perth hits a financial target, then consideration is given by the board to whether bonuses are to be paid.
18. If it is decided that bonuses are to be paid, then one of the things that the Executive team considers in determining whether an employee is to receive a bonus (and, if so, what level of bonus) is the employee's achievement in respect of their KPIs.

Current role and responsibilities

19. There are two teams that I manage: security and surveillance. I set out the roles and responsibilities of these teams further below.
20. In broad terms:
 - a. the security team is physical manpower that we use to achieve safety and security; and
 - b. the surveillance team is responsible for observation and reporting.
21. Each of the security and surveillance teams also have within them investigative and compliance staff. I discuss this in greater detail below.
22. In my role, I have overall responsibility for the safety, security and protection of Crown's resort and its assets, which includes its staff and customers.
23. As part of my role, I am also responsible for the management of the security and surveillance budget.
24. The overall budget is approximately \$24 million, of which approximately \$20 million is taken up by payroll.
25. The budget also has capital expenditure for things security and surveillance need to support their functions, which may involve the upgrade of technology or structures to afford physical protection.
26. However, on a day-to-day basis, the budget is not a huge focus for me, as:
 - a. my role is very operationally-focussed;
 - b. most of the budget is in respect of payroll and so the budget is relatively stable; and

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- c. I have staff, as in Operations Managers and a Workforce Planner, who ensure that staff rosters are sufficient to meet any risk or regulatory requirements.

MY TEAM

Security Team

- 27. The current head of the security team is Blake Veverka.
- 28. The security team has a wide variety of functions and responsibilities, including:
 - a. safety and security of staff, patrons and contractors;
 - b. monitoring and responding to patron behaviour;
 - c. ensuring the safety and security of Crown's assets, such as, for example, escorting chips and cards from the cage to and from the gaming floor;
 - d. ensuring Crown and its staff are compliant with regulatory requirements, such as, for example, the requirements under the Casino Control Act or the Liquor Control Act; and
 - e. oversight of particular events on-site and working with State and Federal Police on VIP protection matters.
- 29. The security team has four shifts of 26 staff, inclusive of one shift manager and one supervisor per team. On weekend nights, the security numbers on-site flex up to, on average, 65 staff.
- 30. Within the security team and, therefore, my scope of responsibility, are other functions such as:
 - a. the medic team which provides a frontline medical service to both staff and customers; and
 - b. crisis and emergency management which is managed by a Coordinator. The focus of this position is to ensure relevant staff are appropriately trained to facilitate evacuations in the case of an emergency as well as ensure kitchen staff, in particular, are trained to respond to small fires. This position is also responsible for the coordination of exercises to train and test management's response to a crisis or emergency that may affect the resort, such as fire or terrorism.

Surveillance Team

- 31. The surveillance team also has a wide range of functions and responsibilities, including:
 - a. monitoring patron behaviour and reporting any concerns to security;
 - b. ensuring Crown staff across all areas (gaming operations, food and beverage, cage and count, and security) are compliant with regulations and policy; and

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- c. gaming protection, by which I mean that they monitor the dealers, players, and gaming tables. They are monitoring for things like errors by the dealers or for concerning behaviour from the patrons, or for signs of collusion, or for any other integrity issues. Any issues that are identified are then passed on to security to deal with and reported to the regulator.
32. The surveillance team has four shifts of eight operators, with one shift manager for each shift. This is greater than the minimum numbers required by the regulator but is appropriate to oversee Casino and broader operations.
 33. If staffing levels drop below the required minimum, then this is something that Crown reports to the regulator.
 34. However, in my experience, it is unusual for staffing to drop below minimum required levels.
 35. During a shift, an operator is assigned to a physical console within the surveillance room.
 36. Each physical console is designated an area of responsibility, which have short-hand names to identify them in the standard operating procedures.
 37. The consoles, using their short-hand names, are:
 - a. "X-ray base operations", which is the security operational console. The operator assigned to this console monitors and assists with security operations in the resort, which includes:
 - i. if the removal of a patron is happening, they will have a camera on the removal from commencement of conversation to when the removal is complete. They will be monitoring security's interaction to ensure the handling of the patron, if it results in something physical, is in accordance with security's training procedures;
 - ii. monitoring and responding to facial recognition hits, any fire alarm activations, duress alarms, any doors left open that are alarmed, or if the system says alarmed doors have been forced open;
 - iii. monitoring and responding to the emergency phone; and
 - iv. deploying security resources to attend to incidents and other tasks;
 - b. "X-ray Two", which is the second security operations console and supports the workload of "X-ray";
 - c. "Table games", which monitors the main gaming floor table games only;
 - d. "Pearl Room Operator", which monitors the Pearl Room only;
 - e. "Primary Breaker", for when staff take allocated meal breaks and general pro-active observations (gaming, food and beverage etc);

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- f. "Reviews/Dubbing/Back-up", which supports other consoles with increased workload, reviews incidents post-event and prepares footage for law enforcement agencies; and
- g. "Back-up for Pearl Room and Dubbing".

Compliance Team

- 38. Within each of the security and surveillance teams are investigative and compliance staff who work collaboratively across both departments.
- 39. Derek has oversight and control of investigative and compliance staff within each of the security and surveillance teams, who report only to him and, in turn, him to me.
- 40. The compliance and investigative staff within the security team, have a number of functions. For example, they:
 - a. manage Crown's iTrak system on daily basis to ensure the reports generated meet the reporting obligations, whether under the Liquor Control Act or the Casino Control Act. For example, if a patron is removed from one of the licensed premises at the resort, there are requirements to reference who was the approved manager at the time and the section of the Liquor Control Act giving authority for the removal;
 - b. review key compliance, by which I mean gaming keys, which are regulated. For example, Crown staff are required to ensure that keys are returned within a specified time. If they are not, an overdue alarm is reported to the Crown Perth Legal Compliance Committee and followed up with the relevant departmental manager;
 - c. are responsible for lost property. Although this is not a regulated function, thousands of items are lost per month and security compliance ensures the property is uploaded in the system and tries to identify the owner and return the property; and
 - d. liaise with law enforcement over persons of interest to Crown or to law enforcement. This usually involves the sharing of information and intelligence to assist in the intelligence gathering or prosecution from a law enforcement perspective or, for Crown, to determine whether or not the patron/s should be excluded.
- 41. The compliance and investigative staff within the surveillance team, also have a number of functions. For example, they:
 - a. ensure the surveillance team is compliant with its obligation to report on certain matters to the regulator in terms of its daily, and monthly reporting;
 - b. review incident reports to ensure footage has been retained, that a report is completed in full and compliant with any reporting obligations and statutory requirements;
 - c. review footage to ensure it is complete in full and, if not, it is sent to the monitoring room for further work;

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- d. undertake daily reviews of surveillance-issued procedural errors and/or breach of rules, to ensure they have been issued correctly as these matters may result in performance management of the affected employee;
 - e. perform weekly audits of access levels to ensure appropriate access has been issued; and
 - f. assist in the review of footage for law enforcement and at times will sit with law enforcement to review particular incidents or persons of interest.
42. The investigative and compliance staff functions fall into two broad categories: investigation and audit.
43. The audit function of the compliance staff, which is predominately led by the surveillance operations, involves:
- a. audits of Crown staff conduct are done remotely using surveillance technology;
 - b. reviewing footage of other Crown staff to see whether their conduct is consistent with legislation, casino manual requirements, policy and procedure;
 - c. compliance staff and surveillance operators have access to the required legislation, casino manual, policies, and procedures, which they can then use to audit a staff member's conduct;
 - d. reviewing issue of breach of rules and procedures to ensure they have been issued in accordance against the specific rules or policy and procedure; and
 - e. at the end of each month, each surveillance operator must have completed 20 hours of pro-active auditing. This requirement was implemented a number of years ago by the Crown surveillance team, not the regulator. This initiative was implemented by the General Manager Surveillance at the time which would have been roughly around 2014.
44. An example of an audit would be where a surveillance operator reviews a table games dealer to ensure that they are adhering to the rules of the game, including, for example, how they deal the cards, where they put their hands during the game, and how they handle the chips.
45. The investigative function of the surveillance team predominately involves:
- a. reviewing footage at the request of law enforcement, which particularly relates to a patron's behaviour and associates;
 - b. reviewing footage at the request of other departments at Crown. The requests particularly emanate from Security, Hotel Bell Services, Table Games and the AML team; and
 - c. preparing footage, usually in collaboration with the surveillance operational team, for collection by law enforcement on receipt of an 'Order to Produce'.

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46. The investigative function of the security team predominately involves:
- a. reviewing iTrak, Hotel records, Licence Plate Recognition and other holdings for law enforcement enquiries;
 - b. in collaboration with surveillance, reviewing a patron's movements, behaviour or associates for law enforcement;
 - c. assisting HR in conducting interviews with employees if an offence is believed to have occurred at Crown which involves that employee; and
 - d. showing law enforcement CCTV footage that has been captured as part of an incident to support their enquiries or investigation.

Training and induction for the security team

47. Crown is a Registered Training Organisation and the Security Department delivers Certificate II in Security Operations. Participants (which include Crown personnel from other departments wanting to join Security) for the Certificate II complete a 3-week training course. At the completion of the training, those who want to join Crown Security need to complete an interview. Those selected to join Crown Security must attend "Crown Week", which is a training week specific to Crown.
48. During Crown Week, the trainees are required to complete training on a number of topics, including responsible service of gaming (**RG**), responsible service of alcohol (**RSA**), emergency procedures, empty hand control, legislation, customer service, tactical communication and entry requirements to licenced premises.
49. The week also includes running live "scenarios" for the trainees, which involves an instructor playing the role of a patron and the trainee is required to deal with the scenario in "real time".
50. The instructors wear high impact protective suits so that the physical components of the scenarios can be as realistic as possible.
51. There are a lot of scenarios that must be engaged in. For example, trainees are required to identify signs of intoxication; to effectively communicate to patrons that entry to the premises has been refused, through to conflict resolution and verbal de-escalation techniques.
52. Operational security personnel are also required to complete their critical skills refresher training each year. The modules required to be completed are:
- a. Active Attacker (this is in response to a person/s actively attacking people and relates particularly to an act of terrorism);
 - b. Customer Service;
 - c. Emergency Procedures;
 - d. Empty Hand Control (physical control of person/s);
 - e. Statements;

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- f. Legislation;
 - g. Tactical Communication; and
 - h. Tactics.
53. The critical skills refresher training is delivered by Security Trainers, who are security personnel who have completed a Certificate IV in Training and Assessment from a certified provider. Crown covers the cost of this certification.
 54. The Security Shift Managers will use Trainers for de-briefs for any physical incident where going to the ground, or head control or handcuffs are applied and assist in the completion of de-brief forms and development training where required.
 55. Security staff are also required to complete the regular (whether annual or every two years) online training modules that all Crown staff must complete.

Training and induction for the surveillance team

56. New employees who want to join the surveillance team must complete a three-month training course.
57. The training course covers a wide range of topics, including RSA and RG. However, a large component of the course is the trainees learning the rules of games, learning the standard operating procedures for the different areas of Crown's business, and learning how to effectively use Crown's surveillance and information systems.
58. These training modules are set out in written documents called "session plans".
59. At the completion of the three months, if the trainee has passed all of the modules, then they are admitted to the surveillance team. If not, they are tasked to a different area within Crown.
60. The training during the three month period is delivered by Surveillance Trainers, who are also operational members of the surveillance team. These Surveillance Trainers deliver ongoing training to the surveillance team, particularly if they (or someone else within the team) identify that a member requires further upskilling or guidance.
61. Surveillance operators are also required to complete the regular (whether annual or every two years) online training modules that all Crown staff must complete.

QUALIFICATIONS AND EXPERTISE

(Topics 8 – 11)

General

62. Prior to commencing work with Crown in December 2006, I was employed as a Police Officer in the Western Australia Police (**WAPOL**).
63. I worked for a period of 11 years, from 1995, in WAPOL in the various capacities outlined below:

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- a. from approximately 2004 to 2006, as a training Sergeant at the WA Police Academy in the Operational Safety and Tactics Training Unit;
- b. from approximately 2000 to 2004, in the VIP Protection and Counter-Terrorism Intelligence Unit; and
- c. from approximately 1996 to 2000, at various police stations and units in a uniformed policing capacity.

Casino-related experience

- 64. I did not have any casino-related experience prior to joining Crown.
- 65. My experience has been gathered on the job, including through the online learning we complete and my induction.
- 66. I am now generally familiar with casino manuals, legislation, departments, policies and procedures.

AML/CTF

- 67. My experience with anti-money laundering (**AML**) risk management is primarily from a surveillance/security perspective.
- 68. When unusual activity reports (**UARs**) are filed (usually from the cage or table games), they are reported through to the surveillance team. When the surveillance team receives these reports, we interrogate the footage of the activity to see if anything is suspicious or to note any associates of the patron involved in the activity.
- 69. UAR matters are recorded as incidents in iTrak, which is a secure system to which access is limited within Crown.
- 70. On the security side, the investigations team would get involved if there were concerns regarding a patron's behaviour or their associates.
- 71. In respect of counter-terrorism, I was in the counter-terrorism team for 4 years at WAPOL.
- 72. During this time, my operational focus was not really on the financing aspect of counter-terrorism.
- 73. However, I have a general interest in the area of counter-terrorism. I have read literature and books on this subject and understand how terrorist organisations get funding.

EGM and FATG risk management

- 74. My experience in risk management in respect of electronic games (**EGMs**) and fully automated table games (**FATG**) is from a security and surveillance perspective.
- 75. For example, security assists with escorting cage staff when they are clearing funds from the EGMs and the FATG terminals.
- 76. Surveillance oversees the process of collection to ensure adherence to procedures.

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Responsible Gaming

77. I have some experience in respect of RG.
78. I complete regular training in relation to RG. These are modules which are delivered online and which all employees are required to complete every two years.
79. My team also has some responsibility for identifying and actioning any possible RG matters and following them up.
80. For example, my team is encouraged to walk through the EGM banks on the lookout for concerns around RG or theft (ie stealing credits). The team is encouraged to do similar checks with the FATGs.
81. In respect of RG, my team are looking for "observable signs". This can include things like a patron visiting the ATMs on multiple occasions, or if the patron is showing signs of frustration or anger at losing.
82. I have also been on a number of committees, which I deal with below, that had an RG component.
83. For example, I am a member of the RG Management Committee and the RG Revocation Committee.
84. I also have catch ups with Melanie (**Mel**) Strelein, General Manager Responsible Gaming, to make sure that we are working collaboratively from an RG/security and surveillance perspective. Blake Veverka, Head of Security and Greg Bennett, Surveillance Operations Manager also meet with Mel.

ICB and junket operations risk management

85. My knowledge in respect of international commission business (**ICB**) and junkets is really confined to the surveillance and security side of managing junkets.
86. In surveillance, we are notified when a junket is inbound.
87. When junkets were operating at Crown Perth, the International Operations team would send surveillance a copy of the faces and names of participants in that junket, so we could run internal checks on them. These checks were done using iTrak and a service known as "Griffin Gold".
88. Griffin Gold is a service that casinos worldwide can subscribe to. Not all casinos subscribe, but Crown does.
89. Casinos put discretionary information on patrons into the database. This information is usually in relation to patrons that have engaged in advantage play or cheating/collusion on games.
90. Once the junkets arrived at the property, the surveillance team monitored the play to see if there was collusion, cheating, or player advantage.

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91. Security would facilitate the movement of chips to and from rooms, chip top ups, and secure the entrance to gaming floor.

Vulnerability of criminal infiltration

92. Since I have been General Manager Security, I have been part of two groups, called the Australasian Casino Surveillance Network and the Australasian Casino Security Network.
93. Both groups meet annually and share information between the different casino properties.
94. The casinos take it in turns to host the network meetings. All heads of security and surveillance that can attend will.
95. Each group presents with video footage of cheating behaviour or any other piece of footage that may assist the casino properties in protection of their people and securing assets.
96. The provision of footage during these meetings is mostly surveillance-orientated. The surveillance concerns are mainly about advantage play, dealers/staff stealing from the casino, or overpayments to players (for example, paying out losing bets).
97. The security concerns are mainly about violence on the grounds, behaviour trends, concerns around counter terrorism, protective measures regarding antisocial behaviour, outlaw motorcycle gangs being on the grounds and intimidating other patrons, and other possible matters that relate to criminal behaviour.
98. My history in policing has also given me a reasonable knowledge of the vulnerability of casinos to criminal infiltration.
99. The casino is vulnerable to infiltration not just because it is mainly a cash-based business, but also because it is a facility that attracts approximately 10 million people each year. Within those many people, there will be bound to be criminal elements visiting.
100. The casino is also vulnerable to criminal infiltration not only because it can be potentially used as a tool for money laundering, but also because people wish to use it as a place to conduct other criminal activity. For example, to steal, use or sell drugs, and target others with violence.
101. I am aware of these vulnerabilities. Ultimately, my team want the casino to be a safe environment for patrons and staff.

Induction

102. I received an induction when I first joined Crown Perth.
103. The induction was carried out over two days. Michael Egan did the introduction from the executive team.
104. We were then given presentations on RG, RSA, security and emergency awareness, health and safety, the code of conduct, and union membership. There may have been other presentations, but I can't recall them.

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105. The induction was the same for all staff, regardless of which section of the business they were going to work in.
106. I don't recall AML/CTF being a topic that was presented on. I know that AML/CTF is a topic that is presented on for induction for new employees now, but I cannot recall when this was first introduced.
107. There was no presentation in respect of risk management for EGMs, FATGs, or ICB/junkets.

Training

108. We have annual training on topics like RG, RSA, AML/CTF, security and emergency awareness, manual handling, privacy, chemical awareness.
109. The training is delivered through online modules.
110. All training completed by an employee is recorded in a database.
111. In my role, I am responsible for monitoring my team's compliance with completing their training.
112. My team's level of compliance with training requirements is currently at 95%.

GOVERNANCE / MANAGEMENT

(Topic 12)

Committees

113. I have been a member of a number of Crown committees during my period of employment.
114. The committees I currently sit on are the:
- a. Emergency Planning Committee;
 - b. Fraud Risk Management Committee;
 - c. Patron Care Committee;
 - d. Perth Leadership Team;
 - e. Fire Systems and False Alarms Committee;
 - f. Protected Disclosures Committee;
 - g. Group POI Committee;
 - h. POI Sub-Committee – Perth;
 - i. Gender Equity Committee;
 - j. RG Management Committee; and
 - k. RG Revocation Committee.

RG Management Committee

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115. My understanding of the RG Management Committee is that it is responsible for strategic oversight of Crown's RG programs in Perth.
116. The committee is made up of senior people across Crown, who have responsibility for, or manage departments with involvement in, RG matters. Historically Barry Felstead and Josh Preston sat on this committee and Lonnie Bossi is a current member.
117. Mel Strelein reports to the committee on things like RG initiatives, completion of RG training, research in respect of RG and problem gambling from across the country, and statistics regarding exclusions and revocations.
118. If the committee resolved to support any initiatives proposed, this would typically be reported through to the board.

RG Revocation Committee

119. The RG Revocation Committee was formed late last year.
120. Before that, for a number of years, I was part of the revocation process, which involved me receiving the revocation paperwork from a patron and providing feedback separate to a Committee structure.
121. The RG Revocation Committee is responsible for determining whether a patron should be permitted to return to the property after being excluded, either through a self-exclusion or a third-party exclusion (that is, an exclusion at the request of someone other than the patron such as a family member).
122. In making that determination, members of the committee are sent a report on the patron, coupled with a Gambling Help WA report, and would provide commentary on whether we supported a person returning.

POI Sub-Committee

123. The Person of Interest (**POI**) Sub-Committee meets typically on a fortnightly basis.
124. The main functions of the POI Sub-Committee are to formally facilitate the efficient dissemination of information between the security, surveillance and AML departments as it relates to Persons of Interest to Crown, and to monitor and review the status and activities of POIs.
125. The investigations team will liaise with law enforcement where necessary and this information will be tabled with the POI Sub-Committee.

Usual reports

126. I do not have any set, formal written reports, other than a quarterly report I provide to the Patron Care Committee.
127. However, I report informally to Lonnie (and, before him, Josh) on average weekly.

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128. In these reports, we discuss the week that was and the week coming regarding any material issues to be aware of, anything regarding law enforcement agencies, any health and safety, industrial relations/union issues, budget, capital projects we are progressing, and how the budget in general is tracking.
129. These meetings are set regularly in my calendar, but are informal in the sense that the dates may change at times, or get pushed back, depending on circumstances.
130. But if there is ever something of note that I am concerned about, there is always an opportunity to discuss it with Lonnie.

Patron Care Committee report

131. This is a report on trends within patron care, which deals with everything from a head count for the property, to people we had prevented from attending the property for intoxication, patrons that had been removed for intoxication, assaults, altercations, or general security-related matters.

AML/CTF

(Topics 13 & 14)

132. From a surveillance and security perspective, the system in place for the identification and management of money laundering risks is as follows.

The Cage

133. The Cage, when completing a suspicious matter report (**SMR**) or UAR, used to have a form that they were required to complete, which I understand is now completed electronically through a portal, that is emailed through a distribution chain (which includes the surveillance team).
134. If surveillance receives a notification, a review of the footage is conducted.
135. The surveillance review is to either confirm details of the transaction and/or ascertain whether there are other suspicious behaviours or associates.

Table games

- 136.
- 137.
- 138.
- 139.



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140.

141.

142.

AML Incidents

143. If there are reports from the Cage or from Table Games which surveillance considers to be AML-related, the incidents are flagged in iTrak with an "AML" flag, which also has subcategories, namely UAR, Breach of Compliance and Threshold Transaction.

144. The incident report attaches the form submitted by the Cage or Table Games, footage of the incident, the participants, and anything further that surveillance can gather.

145. Incidents that require law enforcement engagement are flagged for the POI Sub-Committee to discuss, which I sit on.

146. The incident is reported in relation to the patron. It is not a report as to the overall numbers of AML-related incidents.

Impact of AML notification on patron gaming

147. The impact of a notification of suspected money laundering on a patron's ability to continue to game at the casino depends on the circumstances surrounding the notification.

148. If a notification is received, surveillance reviews the incident.

149. If the patron has no prior history of AML-related incidents, has no other concerning history, then it is unlikely that the patron will be excluded from gaming but monitoring for a period of time is usually undertaken through Patron Watch and facial recognition technology.

150. In my view, it isn't appropriate to exclude a patron based on a single suspected incident of money laundering, being a UAR. It is a suspicion only and there may be other explanations for the activity.


151. However, if there are other circumstances surrounding the notification, then a patron might be excluded. For example, if law enforcement had identified the patron as being of concern to them, then we would not hesitate to exclude the person.

INTERNATIONAL COMMISSION BUSINESS AND JUNKETS*(Topics 15 – 18)*

152. I have not had any involvement with ICB or junkets, other than in respect of the security and surveillance aspect of managing these patrons, which I describe above.

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LOAN SHARKING

153. One issue that historically was a focus for Crown Perth in terms of risk management was "loan sharking".
154. Eight or nine years ago, Crown became aware of loan sharks seeking to lend money to patrons on the gaming floor, particularly focussing on the Pearl Room. In part, we became aware of the practice because it was reported to us by patrons.
155. Once Crown became aware that there was a problem, we took steps to exclude people suspected of loan sharking from the premises, using NRLs.
156. 
157. When surveillance identified behaviours of this kind, we issued NRLs to exclude the loan shark.
158. My impression is that once Crown started issuing NRLs to a significant number of loan sharks, the practice appears to have largely ceased.
159. The last NRL I recall Crown issuing in respect of loan sharking was around five or six years ago.
160. Since that time, I am not aware of any further patron complaints of loan sharking or of surveillance or security identifying any signs of loan sharking.
161. Crown has recently (within the last six months or so) put a policy in place that bans patrons from lending money to each other whilst at Crown.

RESPONSIBLE GAMING*(Topics 19 – 23)**Training and awareness*

162. All staff must undertake RG online training at the commencement of employment at Crown. They are provided an RG brief at orientation, which is followed by the online component.
163. The RG online training must be completed every 2 years.
164. Furthermore, on an annual basis there is an RG awareness week.
165. The week starts off with morning tea. Usually, the Business Operations Team is invited to the morning tea, as are representatives from organisations such as Centrecare, and our stakeholders in the RG space.
166. The external stakeholders attend to officially open the week and provide an overview of their engagement with Crown.

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167. The week has historically included a desk at the staff canteen encouraging staff to fill in surveys to test their knowledge of RG practices.
168. My understanding is that the RG Department reviewed the surveys to get an understanding about how well-informed staff are on the subject.
169. A table is also set up on the main gaming floor usually, with tea and coffee facilities, manned by an RG advisor, who encourage people to come for a conversation and educate patrons on RG.
170. There is an RG Code of Conduct which covers all aspects of RG practices, including exclusions and associated processes, Crown's commitment to RG and observable signs. There is also the Company Policy pertaining to staff not being able to gamble whilst employed at Crown.

The RG team

171. There is an RG Team headed by a General Manager.
172. The team consists of RG advisors who cover a 24/7 operation.
173. The RG advisors will not only pro-actively patrol the floor to have a presence in case there is a need for their services to engage with a customer, but will also assist in the identification of patrons who've breached their exclusion or identifying any patrons displaying observable signs of problematic gambling.
174. The RG team are supported by all members of Crown who've undertaken training and are required by Policy to report to RG any concerns, particularly relating to observable signs.
175. In surveillance, we use FRS to assist in the detection of patrons attempting to enter the casino in breach of their exclusion and report that to the RG team and security for a response.
176. Surveillance are also responsible for creating an incident in iTrak to record the breach or attempted breach.

Exclusion of patrons

177. The process for self-exclusion usually begins with the patron engaging directly with the RG Team by visiting the RG centre and speaking to them in person. There are also numbers a patron can call.
178. Patrons do at times present to security, usually for directions on how to exclude themselves. My team directs these patrons to the RG team.
179. Once the patron is engaged by the RG team, the patron completes a form if the patron wishes to self-exclude.

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180. The patron will have explained to them by an RG advisor what the process is, that within that period of self-exclusion they cannot re-enter the property, and before coming back onsite they must go through a revocation process (which is also explained to them).
181. Detailed notes are taken by the RG team, which I understand are recorded as incidents in iTrak.
182. In respect of third-party exclusion, I understand that the process is initiated by either a friend or family member or another person that has concerns about someone's gambling activity.
183. That third person can contact the RG team to raise concerns and fill in an application form with details around their concerns.
184. Based on that, the RG team will investigate appropriately and engage with the patron the subject of the application.
185. There is protection for the identity of the third party, unless they want to be named.
186. Security and surveillance don't have any standing role in the process of third-party exclusions. However, if the RG team wanted surveillance to observe the patron while on the property, or review footage of their previous attendances, for the purposes of their investigation, we do that.
187. In addition to self-exclusion and third-party exclusion, Crown itself does unilaterally exclude patrons based on RG concerns.
188. Whether this occurs depends on all of the circumstances.
189. For example, if RG have engaged with the patron because of observable signs, and the patron from RG's experience has enough concerns that we feel the patron needs to be excluded and is not willing to self-exclude, then the patron will be issued an exclusion from the property using a notice revoking licence (NRL).
190. Crown Perth can also ban a person from attending the premises under section 26(2) of the Casino Control Act, which does happen from time to time.
191. The period of exclusion for a self-exclusion or third-party exclusion is a minimum 12 months.
192. After 12 months, the patron can go through the revocation process if they wish.
193. For a NRL, there are a range of options in terms of the period of exclusion, where it can be 3, 6, 12, 24 months or permanent.
194. Once a person is excluded under any of these processes, their details are put into the FRS. Surveillance will then receive an alarm if an excluded patron attends the property.

CORPORATE CULTURE / STAFFING

(Topics 24 – 26)

Corporate culture in relation to staff

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195. In my view, at all levels of the organisation I have been involved in at Crown, I don't believe that we put profits before staff safety, conditions or satisfaction.
196. I remember one clear cut case, about 8 years ago, going to Lonnie as chief operating officer of gaming and advising him of a patron in the Baccarat room who was becoming aggressive to staff, doing things like flicking cards at the dealer and being generally belligerent. Furthermore, from my recollection he wasn't of interest to law enforcement. I made enquiries to law enforcement prior to him being excluded.
197. The patron was worth about \$2m in turnover per year and was therefore a significant patron for Crown.
198. I told Lonnie 'just to let you know, we are going to exclude this patron from Baccarat', and Lonnie said something like 'just get rid of him – I would rather find business from people who don't behave like that and are of interest to law enforcement'.
199. This is an example of my engagement with the executive. Josh was the same. If the patron was a risk to safety or our brand, they would be excluded.
200. Crown is a commercial enterprise. It has financial targets.
201. But when it comes to staff conditions, it is very healthy, and I feel safety is taken extremely seriously.

Staff complaints and concerns

202. Crown has a hotline, called "Stopline", that staff can use to make complaints or raise concerns, anonymously if they wish.
203. On average, I estimate that Stopline would get a maximum of about 6 complaints per year.
204. Each of these complaints is investigated and a report is made back to the Protected Disclosures Committee. I sit on this committee.
205. The kinds of complaints that tend to be received are mostly around possible collusion. For example, there might be a complaint that a staff member has directed a contract with an external provider based on a personal friendship, rather than based on the merits of the supplier.
206. I can't recall any complaints relating to a staff member's behaviour towards another staff member.

POLICIES AND PROCEDURES – GENERAL

(Topic 27)

207. I am aware that Crown makes regular reports to the Department on a number of topics.
208. These reports can be daily, weekly, monthly or yearly, depending on the subject matter.

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209. I don't have any involvement in submitting these reports. My compliance officers are responsible for ensuring that these reports are completed and submitted.
210. One of the regular reports provided to the Department is the daily report of any incident relating to gaming activity.
211. This includes reports on things like a breach of the rules of a game, a juvenile on the gaming floor, or procedural errors in a game. The report does not cover all incidents recorded within the casino and hotels in that 24-hour period.
212. My understanding is that this is because in around 2014, Departmental staff met with Crown to discuss the kinds of incidents that the Department required Crown to submit as part of the daily report. Through that process, I understand that the Department accepted a change in reporting to incidents that were specific to gaming matters instead of general incidents that fell outside of gaming and into the law enforcement space.
213. In addition to these regular reports, the government inspectors from the Department have unlimited access to the casino. They are issued with swipe cards that give them access to all areas of the casino with no restriction on the time that they may attend (other than the executive offices, which are limited to business hours).
214. The government inspectors also have access to a dedicated room on-site, which has its own terminal to operate the surveillance system.
215. The government inspectors are also trained by Crown staff in how to use the surveillance system.

INTERACTIONS WITH WAPOL

(*Topic 28*)

216. In terms of the investigative function of my compliance team:
 - a. an investigation regularly involves engagement with law enforcement agencies from a pro-active or re-active perspective. The investigations usually involve the highlighting of particular persons of interest to Crown and/or law enforcement agencies and the sharing of information or intelligence to assist in that investigation;
 - b. some investigations conducted are for internal purposes. An example of this kind of investigation would be where it is suspected that a Crown employee is stealing stock. In that scenario, the investigation might comprise reviewing surveillance footage, interviewing the staff member, and reporting the outcome to the HR department for further action and may involve law enforcement;
 - c. some investigations conducted are for detecting and reporting to the regulator. An example of this might be an investigation into a dealer on a table stealing gaming chips. However, we also report to the regulator matters that involve patron behaviour

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on a table for example, where the patron has attempted to benefit fraudulently on a bet; and

- d. some investigations are conducted to assist law enforcement agencies. An example would be where WA Police notify me or my investigations team that they have interest in a particular person and wish to investigate them. In those circumstances, Crown can:
 - i. put the patron on Patron Watch on iTrak, if they have a Crown membership card;
 - ii. create an alert for the person in the FRS;
 - iii. pull records and footage for provision to the police. In this space, Crown often does a significant amount of the investigative work in terms of reviewing footage and records for things of relevance or significance; and
 - iv. assist police by coordinating things like providing rooms in one of our hotels for the person to stay at so that they can be monitored.

REDACTED - SECRET INFORMATION



Witness Statement of Brian Lee

REDACTED - SECRET INFORMATION

218. It is not common for Crown to be involved in investigations of offences of that degree of seriousness. However, Crown is involved in a much larger volume of investigations of lesser seriousness.

219. For example:

- a.
- b.
- c.
- d.

220. Other examples include:

- a.
- b. an incident in 2019, where surveillance observed two vehicles at speed, driving down the wrong side of the road on the perimeters of the Crown Perth property. The vehicles then proceeded into the undercroft. My team contacted WAPOL, who were looking for these offenders. They were arrested off-site. Following their arrest, my team assisted the Major Fraud Squad with their investigative work, for which we were ultimately

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thanked by Acting Detective Sergeant Sanders in an email dated 1 April 2019. There have been a number of occasions when we have received emails of a similar nature from WAPOL.

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INTERACTIONS WITH OTHER LAW ENFORCEMENT AGENCIES

229. I also liaise with other law enforcement agencies on behalf of Crown from time to time.

230. This tends to be informal meetings with heads of agencies such as the AFP, the Australian Criminal Intelligence Commission, and the Australian Security Intelligence Organisation.

231. From time to time, these agencies also request information or assistance from Crown, which we provide.

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FACIAL RECOGNITION SOFTWARE

(Topic 29)

232. The FRS went live around February 2020, including the rolling adding of people and photos.
233. We are currently intending to increase the number of licenses Crown has, to increase the number of cameras that are able to use the FRS by 15, and thereby increase coverage of facial recognition at the property.
234. The FRS Crown Perth uses is called AnyVision.
235. My understanding is that AnyVision is an Israeli product, used in the Israeli defence force and through Israeli airports.
236. We received a presentation from AnyVision sometime in 2019.
237. We then conducted a trial with the product for one month in the surveillance room.
238. It was an open trial, because it was a new product to us and we wanted to see what the operators thought of it.
239. The cameras with FRS capability are currently stationed at all casino entrance points and the majority of main thoroughfares to the property, including the entrance to the Pearl Room. These are the high-volume traffic areas, so we can capture people.
240. The process of the next 15 extra licences/camera locations will be more around the hotel space.
241. As best I can recall, Crown started looking at rolling out FRS in 2012.
242. I recall, when I was just in security, sitting in presentations with suppliers of technology back in 2012.
243. There were plenty of suppliers who made proposals, because of the size of the property and the prestige of the Crown brand.
244. But the problem with the technology at that stage was that we felt it was not ready.
245. In particular, the accuracy was questionable and generated a lot of false positives.
246. Given that, my understanding is that we didn't want to be wasting resources and upsetting patrons where the majority of persons detected weren't of concern and wouldn't be excluded. We wanted the system to be accurate, not produce wild goose chases.
247. From my perspective, the time it took to ultimately roll out FRS was not due to financial limitations.
248. In relation to FRS, any person identified will present on the Surveillance operator's screen with a coloured frame around the photo. The colour allows the Surveillance operator to quickly identify the type of breach or person of interest.
249. The coloured frames are as follows:

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- a. NRL - Light Pink;
- b. a person excluded under section 26(2) of the Casino Control Act – Purple;
- c. Self-Excluded – Yellow;
- d. RG Not Permitted to Gamble – Light Yellow;
- e. Investigation/POI – Blue;
- f. OMCG – Light Blue; and
- g. Missing Person – Dark Blue.



BRIAN LEE

16 September 2021