



Copyright in this document is reserved to the State of Western Australia. Reproduction of this document (or part thereof, in any format) is prohibited except with the prior written consent of the Attorney General or Perth Casino Royal Commission or as permitted by the *Copyright Act 1968* (Cth).

---

**PERTH CASINO ROYAL COMMISSION**

---

**PUBLIC HEARING - DAY 53**

**02.01 PM TUESDAY, 02 NOVEMBER 2021**

**COMMISSIONER NJ OWEN**

**COMMISSIONER CF JENKINS**

**COMMISSIONER C MURPHY**

**HEARING ROOM 3**

**MR ADAM SHARPE as Counsel Assisting the Perth Casino Royal Commission**

**MS FIONA SEAWARD and MR JOSHUA BERSON as Counsel for the Department of Local Government, Sport and Cultural Industries**

**MR PAUL D EVANS as Counsel for the Gaming and Wagering Commission of Western Australia**

**MS RACHAEL YOUNG as Counsel for Mr James Packer and Consolidated Press Holdings Pty Ltd and CPH Crown Holdings Pty Ltd**

**MR JOSEPH GARAS SC and MR TIM RUSSELL as Counsel 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**

**MR NICHOLAS MALONE as Counsel for Mr Michael Connolly**

COMMISSIONER OWEN: Please be seated.

Mr Del Prete, do you wish to affirm or take an oath?

5 MR DEL PRETE: Affirm, please.

**MR SANDRINO "SANDY" DEL PRETE, AFFIRMED**

10

COMMISSIONER OWEN: Thank you, please sit down. Ms Seaward.

**EXAMINATION-IN-CHIEF BY MS SEAWARD**

15

MS SEAWARD: May it please the Commission.

20 Mr Del Prete, your current position is Deputy Director, Strategic Regulation in the Department of Local Government, Sport and Cultural Industries; correct?

MR DEL PRETE: Correct.

25 MS SEAWARD: You received a summons to appear at this Royal Commission?

MR DEL PRETE: Yes, I did.

30 MS SEAWARD: And you received a request to prepare a witness statement on a list of questions?

MR DEL PRETE: Yes, I did.

35 MS SEAWARD: Please have up on the screen Mr Sandy Del Prete's statement, DLG.0001.0013.0006, if I could ask operator please to scroll to the first page and through to the end of the document, you should have 73 paragraphs on 0022.

Does that look like your witness statement?

40 MR DEL PRETE: Yes, it does.

MS SEAWARD: I understand there are four corrections to make to the statement?

MR DEL PRETE: Yes.

45 MS SEAWARD: If I could please ask the operator to go to page 0007.

At the beginning where it has your name and your job, then the "Department of Racing, Gaming and Liquor", should that read "Department of Local Government, Sport and Cultural Industries"?

5

MR DEL PRETE: Yes, it should.

MS SEAWARD: Move to paragraph 24. It commences at the bottom of page 0012 from the second sentence reading:

10

*I can't recall exercising any delegated powers in respect to casino matters since early 2021 .....*

That should read "2019"?

15

MR DEL PRETE: Yes, that's correct.

MS SEAWARD: Paragraph 40, the first sentence reads:

20

*My general understanding .....*

And I understand you wish to delete the words "based on my experience from around 2012 and earlier"?

25

MR DEL PRETE: That's right.

MR SHARPE: So the sentence reads:

30

*My general understanding is that Inspectors could audit .....*

MR DEL PRETE: Yes.

MS SEAWARD: And finally, paragraph 44, we go to the second line in the middle it commences "although I understand I attended "devote and then to delete the words "a meeting ". So it should read "although I understand I attended a operations meeting"; correct?

35

MR DEL PRETE: Correct.

40

MR SHARPE: This witness statement with both corrections I have identified, is it true and correct to the best of your knowledge and belief?

MR DEL PRETE: Yes, it is.

45

MS SEAWARD: I tender the amended witness statement.

COMMISSIONER OWEN: Thank you. The witness statement of Sandrino Del Prete dated 29 October 2021 and bearing the identifier number DLG.0001.0013.0006

with the four amendments identified will be admitted into evidence as an exhibit.

5 **EXHIBIT #DLG.0001.0013.0006 - WITNESS STATEMENT OF SANDRINO DEL PRETE DATED 29 OCTOBER 2021 (AS AMENDED)**

10 COMMISSIONER OWEN: Thank you, Ms Seaward. Mr Sharpe.

**CROSS-EXAMINATION BY MR SHARPE**

15 MR SHARPE: Mr Del Prete, you identified positions you've held at the Department at paragraph 5.

MR DEL PRETE: Yes.

20 MR SHARPE: At paragraph 6a you refer to commencing as a casino inspector, and you say that your position changed from inspector with respect to the addition of responsibilities?

25 MR DEL PRETE: That's correct.

MR SHARPE: Sorry, I've just been asked to ask you to speak up a little bit, Mr Del Prete ---

30 MR DEL PRETE: Yes.

MR SHARPE: --- for the transcript. The position changed, of inspector, with the addition of responsibility such as gaming and liquor, is that correct?

35 MR DEL PRETE: That's correct.

MR SHARPE: At paragraph 6b you refer to being a Senior Inspector Compliance from August 2005 to July of 2007?

40 MR DEL PRETE: That's correct.

MR SHARPE: In that role, did your responsibilities include casino compliance and regulation responsibilities?

45 MR DEL PRETE: Yes, it did.

MR SHARPE: Was that for that entire duration in your role?

MR DEL PRETE: Amongst other things, yes.

MR SHARPE: That role did you supervise casino inspectors?

MR DEL PRETE: Yes, I did.

5

MR SHARPE: Those inspectors were level 3 and 4 inspectors?

MR DEL PRETE: Correct.

10 MR SHARPE: The level 3 positions were inspectors?

MR DEL PRETE: Yes.

MR SHARPE: Level 4 positions were the shift casino inspectors; is that right?

15

MR DEL PRETE: Yes, that's right.

MR SHARPE: Call up CRW.709.136.4797, please. This is a letter dated 4  
December 2009 from Mr Preston to Mr Connolly seeking amendments to the *Casino*  
20 *Control Regulations 1999* to remove the requirements for the approval of junket  
operators and representatives. I ask you to read the first two paragraphs.

MR DEL PRETE: Yes.

25 MR SHARPE: Do you recall the content of the discussions that you had that you  
refer to attending?

MR DEL PRETE: No, I don't.

30 MR SHARPE: Call up GWC.0002.0016.0020. These are the minutes of the GWC  
meeting on 23 February 2010. You see that you are shown as attending that meeting;  
do you see that?

MR DEL PRETE: Yes, I do.

35

MR SHARPE: Do you recall attending that meeting?

MR DEL PRETE: I don't recall, but clearly I did.

40 MR SHARPE: Operator, please go to page 10. Agenda item 8.2, which is headed  
"Amendment of Regulations: Approval of Junket Operators and Representatives",  
there is a resolution to approve the amendment of the *Casino Control Regulations*  
*1991* to remove the requirement for junket operators/representatives to be approved  
by the Commission; do you see that?

45

MR DEL PRETE: Yes, I do.

MR SHARPE: Call up CRW.705.001.3955. In your witness statement at paragraph 44, which you've just been taken to by Ms Seaward, you refer to attending an operations meeting at the casino. This is one operations meeting at the casino that  
5 you appear to have attended that junket regulations were discussed. This is the operations meeting held on 25 February 2010. Do you see you are listed as one of the attendees?

10 MR DEL PRETE: Yes.

MR SHARPE: And your abbreviation is A/DOL?

MR DEL PRETE: Yes, it is.

15 MR SHARPE: Is that short for "Acting Director of Licensing"?

MR DEL PRETE: Yes, it is.

MR SHARPE: Operator, please turn to page 3957. If we can focus on agenda item  
20 4.4, in those minutes you are recorded as advising that the:

25 *..... GWC has provided its 'in principle' support to the proposed amendments to the Regulations, which would need the Ministers approval. At this stage it has not been decided if the relevant regulations will be repealed or amended in a manner which provides the GWC with the discretion to approve a junket operator and/or representatives.*

You see that?

30 MR DEL PRETE: Yes, I do.

MR SHARPE: Who was going to decide if the relevant regulations would be repealed or amended in that manner? Was it going to be decided by the Department or the GWC?

35 MR DEL PRETE: I can't recall. Those minutes are records that were written up by Crown, they are not minutes that we wrote. So I can't recall what or who was going to make those decisions. I didn't think there was any discretionary thing but clearly this does reflect that, so --- I just can't recall it.

40 MR SHARPE: You are recorded as saying:

45 *..... the process of seeking the Ministers support will be processed by the DRGL's Policy Unit.*

MR DEL PRETE: Yes.

MR SHARPE: Do you recall saying that?

5 MR DEL PRETE: It would have been a natural part of the process, so once the Commission had made a decision around it, the policy team would progress the actual regulation, getting the ministers' approval and going off to Parliamentary Council to get the regulation and the minutes drafted. So that's a function that belongs within that policy unit.

10 MR SHARPE: Call up CRW.702.001.0598. Again you are shown as attending, Mr Del Prete. The abbreviation given to you is "A/DOL" once again.

Operator, please go to page 599, agenda item 2.2.

15 Mr Preston requested an update on the progress of this matter and it says that:

*The A/DOL [that's you] advised that its Policy Unit is currently dealing with this matter and he expects it will be referred to the Minister within the next few weeks.*

20

MR DEL PRETE: Yes.

MR SHARPE: Please call up CRW.702.001.0604. These are the minutes for 29 April 2010. You are listed as an attendee but you are given a different abbreviation, 25 "A/DC". You see that?

MR DEL PRETE: Yes, I do.

MR SHARPE: Operator, please go to page 0605. Focus on agenda item 2.2. You 30 can see you are recorded as saying:

*..... the Minister has agreed to repeal the relevant Regulations, which will now be forwarded to Parliamentary Council for redrafting. This process is expected to take a few months.*

35

Do you recall the advice that was given to the Minister about the repeal of the relevant regulations?

MR DEL PRETE: No, I don't. I wouldn't have been involved in preparing the memo 40 to the Minister, that would have been done by the policy team.

MR SHARPE: Who in the policy team would have been ---

MR DEL PRETE: The director would have allocated it to one of the policy officers 45 to do the paperwork. I don't know who that was.

MR SHARPE: In the second paragraph it is recorded that:

5 *In response to a query raised by Mr Preston, [you] advised that [you] saw no reason why Burswood could not write to the GWC requesting that they permit Burswood to commence operating in accordance with the proposed changes to the Regulations, while the redrafting process takes place.*

Do you recall giving that advice?

10 MR DEL PRETE: I don't recall again, but I assume I did because it is recorded, so I will accept that as being the case.

MR SHARPE: On what basis would you have given advice that it would be open to the GWC to allow the Perth Casino to stop complying with the regulations before they were amended?

15

MR DEL PRETE: On what basis?

MR SHARPE: Yes.

20 MR DEL PRETE: It would be on the basis that it could write to the Commission to consider that. It wasn't my decision to make that. And given that the Commission I guess had agreed to it in principle, it would be up to them to make that call.

25 MR SHARPE: Operator, call up CRW.705.006.8340. This is the operations minutes for operations meeting 27 May 2010. You are again listed as one of the attendees. And also draw your attention to Janine Belling who is referred to by the abbreviation "DOL"; you see that?

30 MR DEL PRETE: Yes.

MR SHARPE: Operator, go to page 8431. Focus on agenda item 2.2, please. Mr Preston says he's been advised that a letter had been received by the Minister in relation to the amendments and the DOL, Ms Belling, says she will follow up the status of the amendments which are currently being redrafted. Do you know why the amendments were being redrafted at that time?

35

MR DEL PRETE: I think that might be a typo. I think it should probably read "The DOL will follow up the status of the amendments which are currently being drafted", not "redrafted".

40

MR SHARPE: Call up CRW.705.003.7674. These are the operations division meeting for 24 June 2010. You are listed as an apology. You didn't attend that meeting. But I know that Janine Belling did attend that meeting and is again referred to by the abbreviation "DOL".

45

Operator, go to page 7675, again, agenda item 2.2. Mr Preston has advised that Burswood noted that the regulations have been amended no longer requiring junket operators and representatives to be approved and sought



advise as to whether ---

5 MR GARAS: Sorry to interrupt, Commissioners. There is actually a patron name at the bottom of the screen, if that could that be removed off the screens.

COMMISSIONER OWEN: All right. Thank you.

10 MR SHARPE: Mr Preston said that he:

*..... sought advice as to whether the GWC will required Burswood to forward the GWC details of the new junket operators it intends to deal with and junket settlement statements, as detailed in our original submission letter.*

15 And that Ms Belling:

*..... advised [she] will make further inquiries with the Chairman of the GWC regarding this matter and provide a response.*

20 Operator, call up CRW.705.007.6821. These are the operations meeting for 26 August 2010. You are listed as an attendee and given the abbreviation, A/DC; you see that?

25 MR DEL PRETE: Yes, I do.

MR SHARPE: Operator, please go to page 6822, look at agenda item 2.1. In these minutes it is recorded that Mr Preston thanked the A/DC, which is you, for your reply on this matter.

30 Operator, call up CRW.705.003.4416. This is an email from you to Mr Hulme.

MR GARAS: Sorry to interrupt again. It has been the usual practice in the past for contact information for employees to be redacted.

35 COMMISSIONER OWEN: I think you are right, Mr Garas.

MR SHARPE: So in this email you say:

40 *I have spoken to Barry [I assume that means Mr Sargeant] about the junket details and agreed that there is no need to continue to provide us with pre-arrival advice or details of which junket operators Burswood does business with. However, we would appreciate being provided with junket settlement sheets on a monthly basis.*

45 MR DEL PRETE: Yes.

MR SHARPE: Is that the reply that Mr Preston thanked you for at the 26 August 2010 meeting?

MR DEL PRETE: I expect it is, yes.

5 MR SHARPE: Did Mr Sargeant give you an explanation for why he did not wish to continue receiving or he did not consider that the pre-arrival advice or details should continue to be provided?

MR DEL PRETE: I can't recall.

10 MR SHARPE: Are you aware of what junket notification practice was in fact followed after the 2010 amendment to the Casino Control Regulations?

15 MR DEL PRETE: I can't remember that, no. I think they did continue to provide us with the list of players that came with junkets because I think subsequent to that, Crown sought to amend the Casino Manual because it hadn't been dealt with at the time of these regulation amendments were made. So I think it still sat within the Casino Manual, the requirement to lodge details about junket players.

20 MR SHARPE: And that leads to your witness statement at paragraphs 51 and 52. At paragraph 51 and 52 you give your --- sorry, operator, can you show the heading as well? You say:

25 *My knowledge of the amendment made by Mr Connolly to the Casino Manual (Operations) on 11 April 2017 to delete Part 16 of Section 03A of the Casino Manual (Operations), which was headed 'Junket Programme'.*

MR DEL PRETE: That was my understanding why it occurred.

30 MR SHARPE: Is it your understanding that after that amendment was made to the junket program, that there was no further notification about junket players that was provided by the casino to the Department?

MR DEL PRETE: I don't know subsequent to that date what happened, no.

35 MR SHARPE: Do you know if that was the intended affect of the removal of that section of the Casino Manual, that the notifications would stop being provided?

40 MR DEL PRETE: Yeah, I assumed so, because they would have been in breach of the directions and the Casino Manual had they not continued to lodge them until such time as the manual was amended and the directions were obviously updated.

45 MR SHARPE: So the removing of that heading "Junket Program" from the Casino Manual was intended to stop the process of the provision of notification of junket information, is that right?

MR DEL PRETE: Yes, I guess so, yes.

MR SHARPE: Turning to your witness statement at paragraphs 9 and 10. This deals with your appointment as Acting Chief Casino Officer and you refer to documents prepared by the Department that led you to the understanding that you were  
5 appointed as the Acting Chief Casino Officer for a two-week period from 19 October 2015 to 6 November 2015?

MR DEL PRETE: Yes.

10 MR SHARPE: You say that you can't specifically recall performing that role, and you also note that historically the CCO position was linked to a specific position in the Department, and that it appears to you from your examination of your service records that you were in your substantive position during the time and not acting in a  
15 different position?

MR DEL PRETE: That's correct.

MR SHARPE: Operator, call up CRW.708.001.6527.

20 This is a letter from you, Mr Del Prete to Mr Preston, dated 6 November 2015. Do you accept that you sent that letter?

MR DEL PRETE: Yes.

25 MR SHARPE: And do you see under your name there are two titles "Assistant Director Liquor and Gambling" and "Chief Casino Officer"?

MR DEL PRETE: Yes, I do.

30 MR SHARPE: Do you accept that you were acting ---

MR DEL PRETE: I accept I was, I just can't recall it. Because typically it would have been a role offered to the either the Director of Compliance, Director of  
35 Licensing or the Deputy Director-General, in my time. So it was unusual that it would have been a role delegated to me, but I accept the fact that I did do it, yes.

MR SHARPE: The substantive person occupying that Chief Casino Officer at the time was the Deputy Director-General, Michael Connolly, is that correct?

40 MR DEL PRETE: Yes, that's correct.

MR SHARPE: How was it decided that you should become the Acting Chief Casino Officer?

45 MR DEL PRETE: I have no recollection of how that came about.

MR SHARPE: How was it decided that people other than Mr Connolly should be Acting Chief Casino Officer, what was the practice around that?

MR DEL PRETE: Normally the Chief Casino Officer would recommend one of the directors to perform that role, and that would be taken to the Commission and approved. It was unusual that it went further down the chain to me, so I can only  
5 assume that others were on leave at the time or unavailable so the role was delegated to me for that short period of time.

MR SHARPE: So is your evidence, correct me if this is not what your evidence is, that the decision was made by the Department about you acting as the Chief Casino  
10 Officer?

MR DEL PRETE: Yes.

MR SHARPE: Was it the case that Gaming and Wagering Commission was always  
15 notified of an Acting Chief Casino Officer appointment, or was that sometimes the case or not often the case?

MR DEL PRETE: It was normally signed off by the Chairman. So it didn't go to a Commission meeting, it went to the Chairman who would sign off the delegations,  
20 from what I recall.

MR SHARPE: So the Chairman being Barry Sargeant?

MR DEL PRETE: Yes, that's correct.  
25

MR SHARPE: He was also the Director-General of the Department?

MR DEL PRETE: That's correct.

MR SHARPE: Are you aware of whether the GWC would be notified about those  
30 Acting Chief Casino Officer appointments?

MR DEL PRETE: I don't think they were.

MR SHARPE: So to your knowledge, they weren't?  
35

MR DEL PRETE: To my knowledge they weren't.

MR SHARPE: In this letter, I draw your attention to the approval which you've  
40 given. You say:

*Approval is given ..... for the purchase of equipment/software for Jukebox  
4Tunes as detailed in GLI Australia's certification report ..... dated 14 July  
2015 and GLI Australia's certification report .....*

45 Once again a series of identical numbers except ending in 02, you see that?

MR DEL PRETE: Yes.

MR SHARPE.

5           ..... dated 1 May 2015 to operate variation 02.

You see that?

MR DEL PRETE: Yes.

10

MR SHARPE: You see you are giving approval for the purchase of both serial numbers ending 04 and 02? Do you see that?

MR DEL PRETE: Yes, I do.

15

MR SHARPE: Operator, call up CRW.708.002.1133. Can we enlarge that so we can read that more easily, please. This is an email from Mr Hulme where he refers to a submission from Crown in respect of the EGM game Jukebox 4Tunes, and I will let you read the second paragraph.

20

MR DEL PRETE: Yes.

MR SHARPE: You will see that Mr Hulme is referring to an approval granted by Mr Connolly, from the Department, but Mr Connolly dated 1 September 2015 and he notes that the approval is given but not in respect of the serial number ending 04.

25

MR DEL PRETE: Yes.

MR SHARPE: Operator, call up CRW.708.002.1135. So you will see --- can we zoom that up a bit. This is a letter dated 1 September 2015 from Mr Connolly to Mr Preston and you will see it concerns the rules of authorised games, Video Bingo and Jukebox 4Tunes and in the second line you will see that Mr Connolly has indicated that he is determined to approve amendments to the rules of Video Bingo to provide Crown Perth with the ability to offer the new electronic gaming machine Jukebox 4Tunes. Then he goes on in the next paragraph to give an approval for the purchase of equipment or software and refers to the serial number ending 02, but not the serial number ending 04.

35

MR DEL PRETE: Yes, I see that. How does that link back to what I had approved?

40

MR SHARPE: So is the purpose of your letter --- maybe we should go back to your letter. Please call up CRW.708.001.6527. Can we zoom that out again, please.

MR DEL PRETE: My letter was two months after that.

45

MR SHARPE: Was your letter being provided in response to Mr Hulme's email of 23 September which noted that approval had been given for the serial number ending

02 but not the serial number ending 04?

5 MR DEL PRETE: I expect that is what that was, to correct an oversight.

MR SHARPE: And so in sending this letter you were exercising power which was delegated to the Chief Casino Officer; is that correct?

10 MR DEL PRETE: Yes.

MR SHARPE: In your witness statement at paragraph 20, you refer to delegations and that pursuant to those delegations that you have exercised various powers, including in paragraph b, approving amendments to the Casino Manual (Operations); you see that?

15 MR DEL PRETE: Yes, I do.

MR SHARPE: That has a footnote reference, footnote 12, please. That is GWC.0007.0007.0085, which is a reference to this document. Would you like to see the footnote to satisfy yourself or do you recall this is the document you were referring to?

MR DEL PRETE: Sorry, can you just go back, please. I'm a little bit confused.

25 MR SHARPE: Can we go back to the witness statement, please. You see that in paragraph 20b there is a footnote reference to footnote 12, and footnote 12 is GWC.0007.0007.0085.

MR DEL PRETE: I think those delegations that are subject to those footnotes are not the Chief Casino Officer delegations, they are delegations that were provided to those various positions, the Deputy Director, the Director, I can't see a reference there to the Chief Casino Officer delegation.

MR SHARPE: If we can take you to that document. If you recall that that document that you footnoted, that is the GWC.0007.0007.0085 document, you see that, that is the footnote on the left of the screen and the document ID for the instrument of approval document is on the right of the screen; do you see that?

40 MR DEL PRETE: Yes.

MR SHARPE: If we can then just solely show GWC.0007.0007.0085. You will see that this is a document which has your name at the foot of the page?

45 MR DEL PRETE: Yes.

MR SHARPE: The title under your name is "Chief Casino Officer"?

MR DEL PRETE: Yes.

MR SHARPE: And it is dated 27 October 2015?

MR DEL PRETE: Yes.

5

MR SHARPE: And that is in the period which you agreed you were the Chief Casino Officer, which is from 19 October 2015 to 6 November 2015?

MR DEL PRETE: Yes.

10

MR SHARPE: If I can then draw your attention to the first paragraph, it says:

15 *In accordance with the Gaming and Wagering Commission of Western Australia resolving on 16 December 2014 to delegate to the Chief Casino Officer its powers in respect of approving amendments to the Casino Manual (Operations) annexed to the directions given pursuant to section 24 of the Casino Control Act 1984, I approve the following .....*

MR DEL PRETE: Yes.

20

MR SHARPE: Do you accept that in this instrument of approval, you were exercising the powers delegated to the Chief Casino Officer?

MR DEL PRETE: Yes. That is a separate approval.

25

MR SHARPE: A separate approval, yes.

MR DEL PRETE: Yes, sorry, I thought you were trying to link it back to the previous power that I had exercised in relation to the approval of the equipment.

30

MR SHARPE: The Jukebox 4Tunes.

MR DEL PRETE: Yes.

35 MR SHARPE: So there are two separate approvals in which you've exercised the delegated powers of the Chief Casino Officer during the time you were in the role as Chief Casino Officer?

MR DEL PRETE: Yes.

40

MR SHARPE: Operator, call up --- sorry, before we go to that, please call up GWC.0004.0003.0004. You will see this document is headed:

45 "Gaming and Wagering Commission Act 1987. *Delegation of Powers (Section 16)*"

And you will see it is dated, on the second page, the 16th day of December 2014?

MR DEL PRETE: Yes.

5 MR SHARPE: I ask you to accept that this was the delegation that was in effect at the time you were acting as the Chief Casino Officer.

MR DEL PRETE: Yes.

10 MR SHARPE: Do you understand that the delegation of powers of the Chief Casino Officer is effectively pursuant to section 16 of the Gaming and Wagering *Commission Act*?

MR DEL PRETE: Yes.

15 MR SHARPE: Operator, please call up PUB.0004.0005.0001. This is the *Casino Control Act as at 16 December 2011*, but you can also take it that it is the one that is currently in force.

20 Operator, please go to page PUB.0004.0005.0013. Can we bring out the whole of section 11, including what is over the page.

I might ask to you read this and then I will ask you a question about it, Mr Del Prete.

25 MR DEL PRETE: Yes.

MR SHARPE: Do you see that this section is saying that:

30 *The Chief Casino Officer may, with the approval of the Commission, by an instrument in writing, delegate to another officer of the Commission, the exercise or performance of any of the powers, functions or duties of the Chief Casino Officer under this Act or any other Act or a casino complex agreement other than ---*

35 *..... (b) a power or duty of the Commission delegated to the Chief Casino Officer under section 16 of the Gaming and Wagering Commission Act 1987.*

MR DEL PRETE: Yes.

40 MR SHARPE: Did you ever consider whether this provision meant that the only person who could exercise the powers delegated to the Chief Casino Officer was --- by the Gaming and Wagering Commission was in fact the person who was substantively the Chief Casino Officer?

MR DEL PRETE: Yes.



MR SHARPE: If you did consider it, what did you conclude?

MR DEL PRETE: I'm looking at it now. I mean, the role of Chief Casino Officer,  
5 from --- up until recently and ever since I can remember it, wasn't a specific function,  
it was duties that were performed to streamline processes so in the absence of the  
Commission, the Chief Casino Officer typically would approve employee licence  
applications where there might have been delays apparent or police reports weren't  
10 available in a quick period. And the Chief Casino Officer typically undertook those  
approvals to get things moving. But the role hasn't permanently existed within  
particular position, as you can see from the various delegations that have been  
granted over the years. So whilst I accept what I'm reading, the Chief Casino Officer  
might have been a different person at any point in time. So does that mean that the  
15 delegation could only be granted by the permanent Chief Casino Officer or the acting  
Chief --- because I mean the role moved with positions. More recently it sat with the  
Deputy Director-General and I think it still does now. But there is no one in the  
Department that is called the Chief Casino Officer. They are titled a Director,  
Assistant Director or Deputy Director, and they perform Chief Casino Officer duties.  
So there is no position within our agency called the Chief Casino Officer. It moves.

20

MR SHARPE: Has it not been understood from around about 2011 until 2020 that  
the Chief Casino Officer was Mr Michael Connolly; has that not been the position in  
the Department?

MR DEL PRETE: He has been since 2012. Yes, but it is allocated to the role of  
25 Deputy Director-General. So if we were to go on leave, it would be assigned to  
whoever would be acting in that position. And, as you've seen, in the period there I  
wasn't there anyway, I was delegated with that authority as well, albeit it doesn't  
appear that it should have been done that way, but --- so I know the Chief Casino  
30 Officer position seems to be some very important role, but it hasn't played out that  
way in practical terms.

MR SHARPE: Even apart from this section, would you consider the expectation of  
the Gaming and Wagering Commission would be that if it delegated powers to the  
35 Chief Casino Officer and the Chief Casino Officer was Mr Michael Connolly, it  
would only be Mr Michael Connolly who exercised those delegated powers?

MR DEL PRETE: Yes. With the approval of the Commission.

MR SHARPE: So in those circumstances why were you exercising the delegated  
40 powers?

MR DEL PRETE: The Chairman, I think that delegation instrument is signed off by  
the Chairman of the Commission. I assume at the request of the Chief Casino  
45 Officer that would have occurred, but I can't show you anything or point to anything  
where that is the case.

MR SHARPE: So you to be clear, your evidence is that you were exercising the

delegated powers of the Chief Casino Officer at the request of the Chief Casino Officer; is that your evidence or was that at the request of someone else?

5 MR DEL PRETE: No, I think the delegation instrument is signed off by the Chairman of the Gaming and Wagering Commission.

MR SHARPE: So who asked you or purported to authorise you to exercise the powers of Chief Casino Officer?

10

MR DEL PRETE: That delegation instrument would have been what I would have worked on, so I would have been told "You have been delegated the role of Chief Casino Officer for that period of time", and it is signed and sealed by the Chairman of the Gaming and Wagering Commission.

15

MR SHARPE: And who told you that you are acting as the Chief Casino Officer?

MR DEL PRETE: I can't remember who specifically told me, I would think it would have been given in an email or verbal advice and it would have been transacted that way.

20

MR SHARPE: Who would have provided that advice?

MR DEL PRETE: Oh, it could have been my director. I don't know in this particular circumstance. Typically, as I've said, if a person is acting in a role that is typically associated with having the function and responsibility of the Chief Casino Officer, it would be done in conjunction with, for example, a higher duties application. So you would complete a higher duties application because you are acting in the role of Deputy Director-General and the delegation instrument for the Chief Casino Officer would be processed at the same time. And that would be what we worked with. That's how it has worked in practical terms.

25

30

MR SHARPE: If you could then return to the delegation document, which is GWC.0007.0007.0085. I see that the amendments that have been approved by you are amendments to the information, technology, internal policies and procedures. So this is a part of the Casino Manual (Operations) dealing with the information technology internal policies and procedures. It is specifically referring to schedule 1, gaming baseline system, and the gaming machine monitoring system, IGT Advantage.

35

40

Then it specifies that:

*The amendments provide for the following software modifications .....*

45 There are four modifications listed to the IGT Advantage system, but in particular I would like to take your attention to the third one. So the amendments provide for the following software modifications and the third one listed is "IGT Advantage System - upgrade to Version 9.3"; do you see that?

MR DEL PRETE: Yes, I do.

MR SHARPE: I call up CRW.702.001.2745. This is the DRGL division meeting  
5 minutes for 24 September 2015. And it shows you as attending. It also shows Mr  
Michael Connolly attending. Mr Connolly's abbreviation is "DDG", do you see that?

MR DEL PRETE: Yes.

10 MR SHARPE: Can you refer to 2747.

MR DEL PRETE: That seems to be unusual because it shows me acting as DLG but  
also shows the DLG is in attendance as well, which is a bit confusing.

15 MR SHARPE: Can you go back to the first page, operator.

MR DEL PRETE: I think my acronym there is meant to be the assistant director,  
because the director is shown as Nicola Perry at the bottom of that same block.

20 MR SHARPE: Yes.

Operator, please go back to 2747. If we can zoom out, 4.2. The agenda item 4.2, the  
DDG, Mr Michael Connolly --- sorry, take it from the heading:

25 *IGT Advantage system --- Proposed Upgrade (Version 9.3). DDG [Mr  
Connolly] advised that the GWC had resolved not to provided in Principle  
approval of the proposed upgrade at this stage. DDG undertook to arrange a  
meeting and send a letter to Crown Perth requesting some further information  
30 on this upgrade before a decision on whether approval would be granted or  
not.*

So that is on 24 September 2015. Do you remember that being discussed at that  
meeting?

35 MR DEL PRETE: No, I don't.

MR SHARPE: Do you accept that you were at that meeting?

MR DEL PRETE: Yes.

40

MR SHARPE: I call up CRW.708.001.8139. We've gone from the meeting minutes  
of 24 September 2015 to an email dated 1 October 2015 from Mr Hulme to various  
Crown employees. And you will see in the first paragraph, I will let you read the  
first paragraph.

MR DEL PRETE: Yes.

MR SHARPE: And then read the paragraph commenting "I have since spoken". It  
5 says:

*I have since spoken to Mike Connolly who is agreeable that we can proceed  
with seeking approval of the proposed upgrade to the IGT Advantage system to  
10 version 9.3 and Ezy pay module, only.*

MR DEL PRETE: Yes.

MR SHARPE: Do you accept that on 24 September 2015, Mr Connolly's advice is  
15 that the GWC has resolved not to provide support to the upgrade version of 9.3, but  
in this email it appears that he has indicated he's agreeable with seeking approval of  
the proposed upgrade to version 9.3 of the IGT Advantage system?

MR DEL PRETE: Yes.

20 MR SHARPE: Operator, call up CRW.708.002.8172. This is a letter dated 2  
October to Ms Nicola Perry from Crown.

Operator, if you can go to page 8175.

25 You can see it is sent from Mr Bossi as Chief Operating Officer and Mr Craig  
Gardiner as General Manager Information Technology.

Operator, turn to the first page, please.

30 I ask you to read the first paragraph and the first points numbered 1 and 2 after that.  
You see that they are writing to seek approval for the upgrade to 9.3 and writing to  
Ms Perry.

35 Call up CRW.708.002.4215. This is an email from Mr Hulme dated 12 October  
2015, following up the letter of 12 October regarding the upgrade, to IGT Advantage  
system version 9.3. Do you see that in the subject line?

MR DEL PRETE: Yes.

40 MR SHARPE: The body of the email is:

*As discussed, can you please advise when you may expect to review and  
consider the attached submissions. In terms of priority the IGT Advantage  
45 system upgrade is our number one priority.*

MR DEL PRETE: Yes.

MR SHARPE: You will see that the first attachment to the email is a letter to the

DRGL, "Proposed upgrade to IGT Advantage system version 9.3", and starts with the numbers 151022 which we can take as being 22 October 2022, so it's referring back to that letter. You see that?

5

MR DEL PRETE: Yes.

MR SHARPE: Operator, call up CRW.708.002.9469. You will see that Ms Perry, by letter dated 14 October 2015 says "I refer", and this is a letter to Mr Bossi, and the subject line is "Proposed upgrade - IGT Advantage System", Ms Perry refers to Mr Bossi's letter of 2 October 2015 requesting approval to upgrade the currently approved IGT Advantage system to version 9.3.

10

In the next sentence Ms Perry says:

15

*Based on the certification provided by the accredited testing facility BMM dated 30 September 2015, approval is granted for the upgrade.*

You see that?

20

MR DEL PRETE: Yes.

MR SHARPE: Operator, please call up DLG.8001.0043.0594. This is an email from Michael Connolly to Ms Perry and to yourself and Mr Beecroft. The subject line is "GWC Approvals in Principle". I would just like you to read through that email and I will ask you some questions about it.

25

MR DEL PRETE: Yes.

MR SHARPE: From your review of the email, do you accept that in this email Mr Connolly is not saying that the upgrade to version 9.3 of the IGT Advantage system can be approved? It's not about the upgrade to version 9.3; do you accept that?

30

MR DEL PRETE: No, that doesn't seem to be mentioned.

35

MR SHARPE: Operator, call up GWC.0002.0016.0154. These are the minutes of the meeting of the Gaming and Wagering Commission on 27 October 2015, and this is in that period that you said you were the acting --- or accepted you were the Acting Chief Casino Officer. You are recorded as attending at that meeting.

40

MR DEL PRETE: Yes.

MR SHARPE: If you can go to page 4, please, of the minutes. There is a reference in item 12, Mr Bovell is raising the matter of Crown Perth's loyalty card proposed under the IGT Advantage system upgrade?

45

MR DEL PRETE: Yes.

02:56PM

MR SHARPE: And that:

5 The Chairman advised that the Deputy Director-General will be consulting *with Crown Perth before reporting at the December meeting.*

MR DEL PRETE: Yes.

10 MR SHARPE: Now, if you recall, the approval that you granted for the upgrade to version 9.3 of the IGT Advantage System was dated 27 October 2015?

MR DEL PRETE: Yes, that's okay. I accept that.

15 MR SHARPE: That's the same day as the GWC meeting, which is also 27 October 2015?

MR DEL PRETE: Can I just go back to that approval? I've got a bit lost with it all.

20 MR SHARPE: No, sure.

Operator, call up GWC.0007.0007.0085.

25 You can see your approval, including the upgrade to version 9.3 is dated 27 October 2015.

MR DEL PRETE: Yes.

MR SHARPE: And the minutes of the meeting are 27 October 2015.

30 MR DEL PRETE: Yes.

MR SHARPE: Is there any reason why you didn't raise with the GWC the instrument of approval at that meeting?

35 MR DEL PRETE: Without seeing departmental files that might record conversation or notes, I can't give you an answer to that based on what I'm looking at. It does seem unusual, however, that approval would be given on the same day as a Commission meeting, in deciding certain things.

40 MR SHARPE: Can you give an explanation for why?

MR DEL PRETE: No, that's what I'm saying. Without looking at other records or files, I just can't respond to that.

45 MR SHARPE: Operator, call up GWC.0002.0016.0159. This is the agenda for that meeting on 27 October 2015, and you will see that under "Casino Matters", there is no reference to the IGT Advantage System upgrade. See that?

MR DEL PRETE: Yes.

5 MR SHARPE: If we then go to page 3, operator, you will see these are the minutes for the previous meeting on 22 September 2015 and the attendance record shows that Mr Michael Connolly was present as the deputy chairman and also shows that Ms Nicola Perry was in attendance as Director of Liquor and Gambling. There is no record that you attended that meeting.

10 MR DEL PRETE: Yes.

MR SHARPE: But on page 5, operator, there is a record of the discussion at agenda item 6.2. I will let you read that to yourself.

15 MR DEL PRETE: So these are the minutes of 22 September meeting?

MR SHARPE: Those are the minutes of the previous meeting which included the draft.

20 MR DEL PRETE: Yes.

MR SHARPE: You can see that the last line states that:

25 *Members considered that more information would be required before the new version of the system software and new jackpots would be approved.*

And the resolution is:

30 *..... to request Crown Perth to provide further information regarding Version 9.3 of the IGT Advantage System and the proposed new Advantage products.*

MR DEL PRETE: Yes.

35 MR SHARPE: Operator, if we can then go to page 11. See agenda item 5.1.3. It sets out the matters to be actioned. It says:

40 *Deputy Director-General to provide, for the Commission's consideration information provided by Crown Perth regarding Version No. 3 of the IGT Advantage System and the proposed new Advantage products.*

That was at the December 2015 meeting; do you see that?

MR DEL PRETE: Yes.

45 MR SHARPE: So do you agree that those things that I've just taken you to in the agenda pack for 27 October meeting show that the GWC had decided that the upgrade to version 9.3 of the IGT Advantage System should not be approved until

further information had been provided by Crown?

MR DEL PRETE: Yes, I accept that.

5

MR SHARPE: And you attended the DRGL operations meeting on 24 September where Mr Connolly advised that the GWC had decided not to approve the upgrade to version 9.3 at its meeting on 22 December, hadn't he?

10 MR DEL PRETE: Yes.

MR SHARPE: So why on 27 October 2015 did you approve the upgrade in that delegated instrument that you signed?

15 MR DEL PRETE: I don't know. I just can't --- as I say, it seems to be anomalies there, so I'm not sure, without looking closely at Department records I can't answer that question.

20 MR SHARPE: Did you consider that it was open to you to exercise a delegated authority contrary to the wishes of the Gaming and Wagering Commission?

MR DEL PRETE: No, I didn't consider that and it surprises me that that would have been the case, that I would have approved something that the Commission had distinctly determined not to proceed until they had more information. So I don't  
25 know.

MR SHARPE: Operator, call up GWC.0002.0016.0160. These are the agenda papers for 24 November 2015. Operator, please turn to page 366. This is the agenda item 11.2 by Ms Perry dated 17 November 2015. You will see that there is a table.  
30 Above the table it says:

*The following table identifies the delegations exercised by the Chief Casino Officer.....*

35 The last entry in that table is dated 27 October 2015:

Amendment to the IT Internal Policies and Procedures

40 MR DEL PRETE: Yes.

MR SHARPE: Do you accept that is a record of your exercise of delegated power on 27 October 2015?

45 MR DEL PRETE: I assume it is, yes.

MR SHARPE: Although the table refers to that as the exercise by the Chief Casino Officer, in fact you were the Acting Chief Casino Officer when that delegation was exercised, weren't you?



MR DEL PRETE: Yes.

5 MR SHARPE: And so the GWC members would have been entitled to assume that the reference to the Chief Casino Officer was a reference to Mr Michael Connolly, wouldn't they?

10 MS SEAWARD: I'm not sure how that witness can answer on that particular day. There has been no evidence led if there was information provided Mr Connolly was on leave or not or anything of that nature.

COMMISSIONER OWEN: I think that is a jump.

15 MR SHARPE: Thank you. I withdraw that question.

The description, "Amendment to the IT internal policies and procedures", does not identify that the amendment was to permit the upgrade to version 9.3 of the IGT Advantage System?

20 MR DEL PRETE: That paper wasn't authored by me. It was authored by Ms Perry, by the look of things, and that was her description. I can't comment.

25 MR SHARPE: You accept that that description does not give sufficient detail to explain that the upgrade to version 9.3 has been approved?

MR DEL PRETE: Yes, I accept that.

30 MR SHARPE: Operator, call up GWC.0002.0016.0163. This is the agenda for the GWC meeting on 15 December 2015. Operator, please turn to page 74. You see the subject, this is an agenda item prepared by the Deputy Director-General titled "IGT Advantage V9.3". And there is a recommendation that the Commission:

35 *Note the oversight in approving the operational release of Version 9.3 of the IGT Advantage System .....*

MR DEL PRETE: Yes.

MR SHARPE: I just ask you to read paragraph 1.

40 MR DEL PRETE: Yes.

MR SHARPE: And then if you can bring out paragraph 3:

45 *Upgrades to systems are only approved where they do not result in the introduction of new gaming products. All new gaming products are referred to the Commission for consideration.*

Are you aware of whether there was a policy that system upgrades would be approved under delegation without reference to the Gaming and Wagering Commission and only gaming upgrades or new gaming products would be referred to the Commission for their approval?

MS SEAWARD: Perhaps the question should be what the witness understood the position was at the time.

COMMISSIONER OWEN: And it would need to be time-specific, I think, Mr Sharpe.

MR SHARPE: Yes, yes.

At the time of your exercise of the delegation on 27 October 2015, did you understand that the Department's position was that system upgrades would be approved without reference to the Gaming and Wagering Commission?

MR DEL PRETE: Yes, I think I understood that to be the position at the time. But probably broadly fell under the notion of equipment, which I think was one of the delegated functions that could be exercised, and new gaming products were referred to Commission for approval. The last paragraph on that ---

MR SHARPE: Operator, can you bring out the final paragraph, please. And then can we have the next paragraph, operator. You see that Mr Connolly says:

*Whilst the Commission had asked for more information in relation to the new version before approving its operational release I recommend that the Commission note my oversight and resolve not to revoke the approval granted.*

And then if we can have the first sentence of the next paragraph, please, operator.

MR DEL PRETE: Yes.

MR SHARPE: Operator, please bring up GWC.0002.0016.0166. These are the minutes of Gaming and Wagering Commission meeting on 15 December 2015. You can see if you turn to page 3, please, operator ---

MR GARAS: Can I ask that this page be confined to the private screens, please. It contains employee details that were subject to disciplinary action.

MR SHARPE: Mr Del Prete, I just ask you to read the resolution which states that the GWC "affirm the approval of operational release of Version 9.3 of the IGT Advantage System".

MR DEL PRETE: Yes.

MR SHARPE: So your decision to approve that change to the Casino Operations

Manual was affirmed by that decision?

MR DEL PRETE: Yes.

5

MR SHARPE: In your witness statement at paragraph 23 you state:

10

*It was my understanding that if the GWC disagreed with a decision that a delegate made, then it could be changed or altered to reflect the GWC's position.*

MR DEL PRETE: Yes.

15

MR SHARPE: In this case, once the approval had been granted for the upgrade to version 9.3 and Crown had implemented that upgrade, it would not have been a realistic option for the GWC to seek to reverse that decision, would it?

MS SEAWARD: I'm not sure how this witness can answer, being realistic or not.

20

COMMISSIONER OWEN: I don't know how you characterise what has happened at GWC level as disagreement when there is a course of action that's been proposed and the course of action that has been proposed has been adopted by the GWC. I'm not sure that it amounts to a disagreement.

25

MR SHARPE: There was the initial position of GWC from September that the upgrade should not occur until further consideration in December, and then there was a delegated power exercised in October to grant that approval.

30

COMMISSIONER OWEN: It seems to have been granted by the delegate, person B, on incorrect information provided to him by person A. Then person A says to the GWC, "Whoops, shouldn't have done that, but leave it in place". I'm not sure how you then characterise that in terms of disagreement.

35

MR SHARPE: Well, that ultimately the GWC's decision hasn't been respected from the September meeting.

COMMISSIONER OWEN: Well, in that respect, I think the documents speak for themselves.

40

MR SHARPE: In which case, no further questions on that issue.

Turning to paragraph 56 of your witness statement, Mr Del Prete, you refer to having a conflict of interest while your daughter worked as a croupier at Crown Perth?

45

MR DEL PRETE: Yes.

MR SHARPE: That coincided with your employment in the positions of Casino Inspector until August 2005 and Senior Inspector Compliance from August 2005 to

July 2007. You say at paragraph 57 that your colleagues, including the Director-General at the time, at the Department at the time were aware of her employment. When you say that your colleagues were aware of her employment, does that include  
5 other casino inspectors?

MR DEL PRETE: Yes. And my supervisor, which would have been the senior inspector, would have been aware of it. It wasn't uncommon at the time. There were  
10 a number of others that had family relationships with a casino staff.

MR SHARPE: You say in your witness statement at paragraph 58 that you did not conduct audits or inspections that would have involved your daughter or of the gaming tables at which she would have been working?

15 MR DEL PRETE: Yes, that would have been a personal decision. I wasn't directed, upon those lines.

MR SHARPE: And when you were the Senior Inspector Compliance, were the inspectors that you supervised directed not to conduct audits or inspections that  
20 would have involved your daughter?

MR DEL PRETE: No.

MR SHARPE: Do you consider that those inspectors might have felt an obligation  
25 to you to go easy on your daughter ---

MR DEL PRETE: No, absolutely not.

MR SHARPE: In your witness statement at paragraph 59, you refer to a motor  
30 vehicle accident which led your daughter to be hospitalised.

MR DEL PRETE: Yes.

MR SHARPE: And you telephoned the gaming shift manager at the casino to inform  
35 him of the accident and advised that she would not be at work for some weeks as a result of the injury.

MR DEL PRETE: That's right.

40 MR SHARPE: And the following day, the Executive General Manager at the casino telephoned you to enquire about your daughter's health and discuss her potential return to duties.

MR DEL PRETE: That's right.

45 MR SHARPE: And you made a note of that conversation, that's referred to at footnote 13. I will call up DLG.0001.0013.0005.

Is that the note to the Director of Operations that you refer to in your witness statement?

5 MR DEL PRETE: Yes, it is.

MR SHARPE: Operator, if we can take out the last two sentences to the third paragraph and pop out those sentences? You said:

10 *I informed him that it was unlikely that she would be in a position to return to work for at least two to three weeks in any capacity. However, beyond that (and subject to medical clearance) she might be able to carry out other duties.*

MR DEL PRETE: Yes.

15

MR SHARPE: Then in the final paragraph, you said that you'd stressed to the casino employee that you were discussing this matter with him in your capacity as a father, and you weren't --- made it clear that you would not be seeking any favours or benefits for your daughter that would not be available to any other employee of Burswood.

20

MR DEL PRETE: Yes.

MR SHARPE: And the employee advised you that he clearly understood the situation.

25

MR DEL PRETE: Yes.

MR SHARPE: Did that interaction cause you to reflect on whether your daughter's employment at the casino put new a position of conflict of interest?

30

MR DEL PRETE: It hadn't, but I just wanted it to be clear that she wasn't receiving any benefits as a result of me being employed by the regulator. I just wanted to be quite clear on that. In terms of conflict, the same situation continued. I mean, others were still employed, so there was no direction given across the board to all of us as inspectors or regulators that matters should be managed in a different way, or that conflicts were to be formally recorded, and a clear policy direction given as to how that arrangement or those arrangements ought to be properly managed to avoid any perceptions. So other than making it quite clear in the course of this memo, no, it didn't give me cause for any other issues.

35

40

MR SHARPE: At paragraph 60 of your witness statement you refer to having a personal relationship with Mr Hulme --- sorry, operator, can we bring up Mr Del Prete's witness statement.

45

Paragraph 60, you refer to having a personal relationship with Mr Hulme, and that you describe him as a friend with whom you caught up occasionally.

MR DEL PRETE: Yes.

MR SHARPE: Did you ever disclose that friendship to the Department?

5

MR DEL PRETE: Well, that was known. I mean, he was one of my trainers when I first commenced. So he had two stints working with the Department and then went away for a period and came back to work with the Department and eventually ended up at Crown. So the relationship was well known. I mean, beyond that I don't recall making it known any further than that. I mean, it was my understanding that people that knew Mr Hulme knew that he'd worked with a number of us as inspectors for many years, and no issues were raised when it was known that he'd become an employee of Crown, to say that all of you guys that worked with him in the past, that you would have to sever this relationship or take certain actions. There was no directions along those lines.

10

15

MR SHARPE: Did you disclose your friendship with Mr Hulme to the Gaming and Wagering Commission?

20

MR DEL PRETE: No.

MR SHARPE: At paragraph 60 you refer to going on a fishing trip with Mr Hulme after he started working at Crown.

25

MR DEL PRETE: Yes.

MR SHARPE: You say that Mr Claude Marais and Mr Connolly were also on the fishing trip which was on Mr Connolly's boat.

30

MR DEL PRETE: Yes.

MR SHARPE: At paragraph 62 you say that the trip was sometime between 2013 and 2018.

35

MR DEL PRETE: Yes.

MR SHARPE: Call up DLG.8001.0033.5284.

MR DEL PRETE: Yes, I saw that today, yes.

40

MR SHARPE: There is a reference to a fishing trip which occurs on 5 and 6 April that you had been invited to and you said in your response that "I'm in for the fishing".

45

MR DEL PRETE: Yes.

MR SHARPE: Operator, call up DLG.8001.0034.1086. This is a subsequent email.

MR DEL PRETE: I've seen that, yes.

5 MR SHARPE: So this email refers to the email from Mr Hulme dated 24 April 2013 to Mr Connolly, yourself, Claude Marais and Joshua Preston.

MR DEL PRETE: Yes.

10 MR SHARPE: It says that the fishing trip has been rescheduled until 3 and 4 May 2013?

MR DEL PRETE: Yes.

15 MR SHARPE: Is that the fishing trip that you attended?

MR DEL PRETE: Yes, it is. I obviously had my dates wrong, but yeah, that is definitely the trip. And at the time I would have been the policy manager at the Department with no delegated responsibility for any decision-making around casinos, other than just the normal policy work that that position occupied.

20 MR SHARPE: Operator, call up GWC.0002.0016.0107. So this is the agenda pack for 25 June 2013 for the GWC. Operator, go to page 49. This is an agenda item from you to the GWC dated 10 June 2013.

25 MR DEL PRETE: Yes.

MR SHARPE: You are sending an amendment to directions concerning the supervision levels for FATGs, which I understand to mean automated table games.

30 MR DEL PRETE: Yes, that's right.

MR SHARPE: And you've made a recommendation to the Gaming and Wagering Commission that they approve amendments to the table games supervision levels (direction 9) by signing the direction amendment notice DA/89 and affixing the common seal.

35 MR DEL PRETE: Yes.

40 MR SHARPE: Operator, call up CRW.708.007.5745. It is a letter from you to Mr Preston dated 2 July 2013. You will see in that letter that you advised Mr Preston that the GWC at that meeting on 25 June 2013 approved the amendment that they sought in their letter of 11 April 2013.

45 MR DEL PRETE: Sorry, can I just provide some context around that?

MR SHARPE: Yes.

MR DEL PRETE: I mean, the policy team was responsible for facilitating a change

to a manual or a policy but decisions around that were made by others or the Gaming and Wagering Commission. So the policy bench did not proactively go out and seek to make those changes. So in this case, the decision had already been made by the Commission to give in-principle approval for changes to supervision levels for FATGs and I think it was also for rapid games. So once that formal submission came forward from Crown, it was almost a rubber stamp and all we were doing was facilitating that approval by creating the instrument of approval once the Commission had formally endorsed that.

MR SHARPE: So the fact of the matter is that you were still involved in the casino regulation process in the middle of 2013, isn't it?

MR DEL PRETE: I guess.

MR SHARPE: Did you disclose to the Gaming and Wagering Commission that you had taken that fishing trip?

MR DEL PRETE: No.

MR SHARPE: And do you agree that there is a risk the public would consider that Crown employees and members of the Department who were assisting the Gaming and Wagering Commission should not be going on fishing trips in case it undermines the ability of the regulator to operate objectively and without fear or favour?

MR DEL PRETE: Yes.

MR SHARPE: No further questions, Commissioners.

COMMISSIONER OWEN: Any applications? No.

## **QUESTIONS BY THE COMMISSIONERS**

COMMISSIONER JENKINS: Mr Del Prete, a couple of questions.

In respect of the repeal of the junket regulations in 2010, it seems that you were aware that the GWC determined that the casino should no longer have to seek pre-approval for junket operations but that not all of the --- sorry, that the GWC didn't authorise the repeal of all of the regulations. Do you have any understanding or knowledge of why all of the regulations were repealed?

MR DEL PRETE: No, I don't. I can't remember what that Gaming Commission paper said in terms of its recommendations, other than to repeal the junket provisions. But I can't recall about the other subsequent regulations.

COMMISSIONER JENKINS: You may have answered, and I'm sorry if I'm asking



you to repeat yourself, but when you commenced to act in the role of Chief Casino Officer, did you receive any letter appointing you as the acting CCO?

5 MR DEL PRETE: I think there is an instrument of delegation floating around.

COMMISSIONER JENKINS: To the acting CCO?

10 MR DEL PRETE: Yes, to the acting CCO with my name specifically mentioned for that two-week period, I think it was. I'm sure there is one.

COMMISSIONER JENKINS: All right. So that is relevant to delegations. In terms of the actual appointment of you as the acting CCO, was there any formal process for that to occur?

15 MR DEL PRETE: Other than just the delegation instrument that would have been provided to me at the time, there was no other formal process.

20 COMMISSIONER JENKINS: And, finally, in respect of the issues of conflict of interest, you said that basically your situation with your daughter working at the casino was not uncommon. So I just wanted to make sure that I understand that. Are you saying that other Departmental staff involved in casino regulation also had relatives working at the casino; is that what you are saying?

25 MR DEL PRETE: Yes.

COMMISSIONER JENKINS: And is what you are saying that there was never any direction given to you or people in your position as inspectors about how you were to declare those potential conflicts of interest?

30 MR DEL PRETE: That's correct.

COMMISSIONER JENKINS: And that there was no direction given to you as inspectors as to how then to manage those conflicts of interest?

35 MR DEL PRETE: That's correct.

COMMISSIONER JENKINS: Thank you, Mr Del Prete.

40 COMMISSIONER OWEN: Just one question from me, Mr Del Prete. You spent a long time as a casino inspector. Was that a period when the casino inspectors were, generally speaking, on the floor?

45 MR DEL PRETE: Yes.

COMMISSIONER OWEN: Are you aware that at some point, and I think from memory it was around 2015, there was a change and inspectors were no longer on the floor or they spent less time on the floor and conducted surveillance otherwise; are

you aware of that?

MR DEL PRETE: Yes.

5

COMMISSIONER OWEN: Were you ever involved in the second phase yourself?

MR DEL PRETE: I was involved where there was a reduction in hours for  
inspectors to be permanently on site. So when I first commenced we were there 24/7  
10 and then there was a reduction of something in the order of four hours. So we were  
there right through until two in the morning and then the next inspector wouldn't  
come on until six in the morning. So there was a four-hour period where there was  
no inspectors on site at the casino. And then subsequent to that I think in 2015 I  
15 think inspectors were removed from having permanent presence at the casino and  
they would go and undertake their audits or were rostered for periods along with  
other duties. That is my recollection about how it operated for a period.

COMMISSIONER OWEN: I'm just asking you from your experience as a casino  
inspector. From your experience, are there advantages in the inspectors being on the  
20 floor as opposed to, perhaps, more remote or do you think it doesn't matter?

MR DEL PRETE: I think there is advantages and disadvantages in both situations.

COMMISSIONER OWEN: And what are the disadvantages of them being on the  
25 floor?

MR DEL PRETE: The disadvantages are probably along the lines of familiarity with  
casino staff. The advantages are that it is probably seen to be a bit of a deterrent. But  
I can't recall too many instances where any issues were proactively established by  
30 those of us that were working as casino inspectors on a permanent basis.

COMMISSIONER OWEN: Thank you very much. Do you wish to re-examine, Ms  
Seaward?

35 MS SEAWARD: No questions. Thank you.

COMMISSIONER OWEN: Mr Del Prete, thank you very much for making yourself  
available. It has been of assistance. We will discharge the summons. You have  
completed the formalities under the summons and you are free to resume your  
40 normal activities and we will adjourn until 10 am on Thursday morning, 4  
November. Thank you.

45 **ADJOURNED AT 3.34 PM UNTIL THURSDAY, 4 NOVEMBER 2021 AT  
10.00 AM**

**Index of Witness Events**

MR SANDRINO "SANDY" DEL PRETE, AFFIRMED	P-5610
EXAMINATION-IN-CHIEF BY MS SEAWARD	P-5610
CROSS-EXAMINATION BY MR SHARPE	P-5612
QUESTIONS BY THE COMMISSIONERS	P-5612

**Index of Exhibits and MFIs**

EXHIBIT #DLG.0001.0013.0006 - WITNESS STATEMENT OF SANDRINO PRETE DATED 29 OCTOBER 2021 (AS AMENDED)	P-5612
--	--------