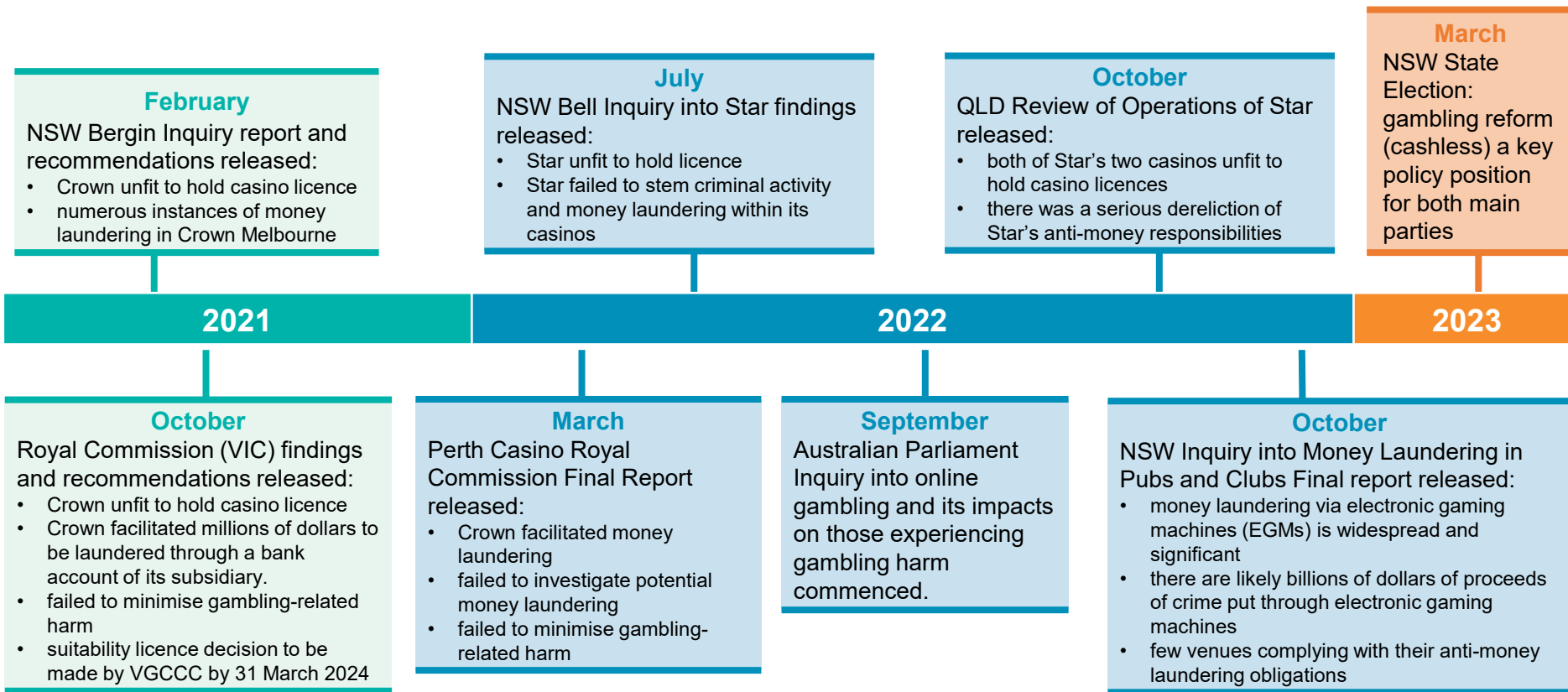


Victorian Gambling and Casino Control Commission

24 July 2023

The gambling industry in the spotlight



The scope of industry we regulate

- Crown Casino - VGCCC Inspectors have a 24/7/365 presence at the casino
- 500 venue operators operating electronic gaming machines
- 600 keno outlets
- 730 wagering / betting agents
- Licensing of about 28,000 gambling industry employees
- Community and charitable gaming events like raffles and bingo
- 13 Sports Controlling Bodies (SCBs) – e.g. AFL, Tennis Australia, Cricket Australia
- Major licensees – e.g. Crown, Tabcorp, The Lottery Corporation
- Electronic Gaming Machine monitoring licensee



- 40 investigators / inspectors
- 2556 inspections conducted in FY22/23
- Approx. 95 disciplinary action processes underway
- Approx. 108 current investigations
- 3 prosecutions underway



Powers, Strategy, Regulatory Posture

- On 1 July 2022 the new Victorian Gambling & Casino Control Commission was established.
- New legislation has been enacted to provide stronger powers to oversee the casino, including increased powers to obtain information and increase in the penalties available to us from \$1m to \$100m.
 - VGCCC has fined Crown \$250m.
- The VGCCC also has a new legislative objective that requires that we minimise gambling harm and problem gambling

Victorian Gambling and Casino Control Commission takes action against operator over misconduct

Melbourne's Crown casino fined \$120m for breaching Victorian gambling laws

Crown Melbourne fined \$80m over China Unionpay investigation

VGCCC to Regulate Betting During the Spring Racing Carnival

ALH charged after alleged failures to minimise gambling harm

Three charged over alleged \$4.7m money laundering scheme involving pokies

Powers, Strategy and Regulatory Posture (continued)

- We have redefined our industry expectations, making it clear that we are not interested in minimum standards of compliance.
 - Industry participants expected to operate in ways that go beyond their strict legal obligations, and to operate in ways that are mindful of both the legal and social licences they have with Victorians.
- Our Regulatory Approach – actively pursue and have zero tolerance for those who:
 - opportunistically or deliberately contravene their obligations and the law
 - deliberately attempt to frustrate or obfuscate the work of the regulator.
- Our Position Statement on Harm Minimisation makes the VGCC's views about gambling harm clearly known.

Regulatory Approach

Our **Regulatory Approach** comprises of **four** types of regulatory activities.

1. **Licensing and other approvals** – includes all licensing, approval, authorisation and registration activities
2. **Informing and educating** – to ensure industry participants understand their obligations and our expectations of them, and to inform and educate the community about our regulatory objectives, approach and priorities as well as their rights
3. **Monitoring and analysing** the different parts of the industry to:
 - ensure they are conducting themselves and operating in ways that comply with both their legal/regulatory obligations and their social licences to operate, e.g. minimising the harmful impacts of gambling, and ensuring the integrity of the industry by actively preventing and operating free from criminal influence or exploitation
 - Identify current and emerging issues and trends with the potential to impact the gambling industry and the prevalence of gambling harm
4. **Enforcing** in a manner proportionate to the risks posed and harm caused by industry participants failing to meet their obligations.

Update on VAGO Recommendations

- Thirteen recommendations in 2017 VAGO report:
 - 2019 VAGO follow-up found 6 of 13 wholly completed, 7 'in progress'
 - March 2022 VGCCC attestation: most gambling recommendations completed, leaving recommendations 8 and 9 'in progress'
- Restructure and significant change to VGCCC regulatory mandate provided opportunity to reconceive our Regulatory Approach
- This will result in a quantum change, going well beyond original recommendations 8 and 9:
 - phases 1 and 2 on-track - completed July 2023
 - final phase 3 about to get underway with implementation early 2024
- Recommendations 8 and 9 therefore agreed with VAGO as 'discontinued'

Update on VAGO Recommendations (continued)

- Extensive range of interim measures nonetheless implemented to address recommendations 8 and 9:
 - Risk-based Annual Assurance Plan
 - Data Insights Program – expanding the scope of our data and analysis
 - Community and Welfare Sector Engagement Program
 - MOU, joint assessments and investigations with partners
 - Data analysis and intelligence to target inspection activity
- Recommendations 12 and 13 completed 2018, but VGCCC expanding scope:
 - Measurement framework / balanced scorecard
 - MOU and partnerships: including AUSTRAC, SRO, AFP, Victoria Police