

8/27/2021

Crown admits failings at royal commission as Melbourne CEO 'ceases' role, regulator split - ABC News



Crown admits failings at royal commission as Melbourne CEO 'ceases' role, regulator split

By [Yara Murray Atfield](#) and [O iver Gordon](#)

Posted Tue 3 Aug 2021 at 9:49am, updated Tue 3 Aug 2021 at 7:09pm

The head of Crown Resorts' Melbourne casino will "cease his role" at the end of this month, it has been confirmed, as the gambling giant acknowledged its failings before a royal commission.

The company announced Xavier Walsh would leave his role as chief executive officer on August 20.

The announcement came just before the Victorian royal commission into the casino operator resumed to hear submissions, and as the Victorian government announced the end of the "failed" liquor and gaming regulator.

Last month, counsel assisting the royal commission, Adrian Finanzio SC, [told the inquiry that Crown was not suitable to hold Victoria's sole casino licence](#).

Mr Finanzio told the inquiry Mr Walsh and executive chair Helen Coonan were not suitable to lead reform of the company. Ms Coonan remains in her role.

Mr Walsh will "remain available to assist the company until his employment at Crown ends on 9 December 2021", Crown said in its statement to the ASX.

Crown will announce an interim CEO after consultation with Victorian authorities, according to the company.

Pressure has been mounting on Crown since a New South Wales inquiry which heard evidence of wrongdoing at the Melbourne casino said the gaming giant was not suitable to hold a licence in that state.

The Victorian commission, led by former federal court judge Raymond Finkelstein QC, was called in the wake of the damning Bergin inquiry.

Crown Resorts today acknowledged its failings as a business to the commission, through lawyer Michael Borsky QC.

"Crown and its senior leaders recognise that as a result of Crown's own failings, there has been a substantial and warranted decrease in the public's confidence and trust in its operations of it's Melbourne operations," he said.

The company suggested an independent supervisor be appointed to stop the company straying again.

"Crown is suitable to continue to hold the casino license but because Crown's suitability is contingent, it accepts, on the reforms being implemented, it is appropriate for an independent monitor or supervisor to be appointed to supervise Crown," Mr Borsky said.

Commissioner highlights 'public interest' of consequences

This morning Crown put forward a number of options for contrition, including paying back unpaid taxes.

It was asserted that implementing such measures could allow the business to continue to operate into the future whilst also paying for its mistakes.

Key points:

- Crown has acknowledged a "substantial and warranted" decline in public trust in the company
- Royal Commissioner Raymond Finkelstein QC says the public expects more consequences for wrongdoing than just paying costs
- Victoria is splitting up the heavily criticised gaming and liquor regulator, but will not have a body dedicated to the casino

8/27/2021

Crown admits failings at royal commission as Mebourne CEO 'ceases' role, regulator split - ABC News

But Commissioner Finkelstein suggested the options put forward did not offer real consequences for misconduct.

"Pay unpaid taxes, pay a few costs, but you don't actually suffer any consequences," he said.

"That is, you can commit wrong for a decade, of various kinds, and come along and say, 'We'll fix that, so don't worry about it.'

"If I'm looking at the public interest, if I was a car thief and went to the criminal court and said 'I won't steal a car again, don't worry about it, take my word for it, and just let me go.'

"That's not how the system works, is it? That's not what the public expects."

An August 1 deadline for the commission to deliver its findings was pushed back to October 15 at the request of Commissioner Finkelstein after serious evidence emerged during the first weeks of public hearings.

'Failed experiment' gaming regulator split up

Meanwhile, the Victorian Government announced it would break up the Victorian Commission for Gambling and Liquor Regulation (VCGLR), and set up a dedicated new gambling and casino control commission.

It follows years of criticism of the regulator's failings to stop criminal activity at Crown, including those aired by numerous whistleblowers on a recent Four Corners program.

The royal commission's terms of reference did not include probing the shortcomings of the VCGLR.

Premier Daniel Andrews had promised a dedicated casino regulator in light of the damning evidence about Crown.

The government has announced the new gambling and casino control commission instead, with a dedicated division for the casino.

Gaming Minister Melissa Horne said the new commission, to be established by the end of the year, would also have greater focus on harm minimisation.

"Undoing pretty much the failed experiment of the past, putting liquor with gaming regulation, it does take a while to make sure that we've got the legislative framework in place," she said.

Shadow Gaming Minister Steph Ryan accused the government of setting up the new body because it did not want the VCGLR to be scrutinised.

"Why is Daniel Andrews so desperate to avoid any investigation into Victoria's regulator and its monumental failure to police crown casino?" she asked.