

Grant Leeworthy

Fishermen Direct Pty Ltd

Confidential

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26th April 2021

Submission to the Royal Commission into the Casino Operator and Licence

To the Honourable Ray Finkelstein AO QC,
Royal Commission into the Casino Operator and Licence,

My name is Grant Reginald Leeworthy and I make this submission to reluctantly report on how the influence of Crown Casino impacted the corrupt decision to issue just one licence in the Port Phillip Bay Scallop Dive Fishery managed by the Victorian Fisheries Authority (previously known as Fisheries Victoria).

The scallop (dredge) fishery was closed in Port Phillip Bay in the early 1990's and calls for a dive fishery were not followed through with, due to concern regarding the condition of the stock. There had been around 80-90 licences in Port Phillip Bay.

I approached Fisheries Victoria in 1998 during my studies for my Bachelor of Science (Fisheries Management and Aquaculture) and met with Confidential – Manager Commercial Fishing, to discuss the idea of a scallop dive fishery. He said the issue was still “hot” and that I would need to demonstrate that diving was financially viable when compared to dredge fishing. I went away and did this analysis demonstrating the benefits of diving in terms of market access to a live or value-added product by using ABARES data.

Further discussions were held with Confidential - Commercial Licensing Manager of Fisheries Victoria between 2001 – 2003.

In 2004, I submitted a detailed application for a General Permit (developmental fishing) with Fisheries Victoria proposing drift dive methods similar to the Pearl Fishery in Western Australia.

This was refused citing lack of knowledge of the stock size. The application was the first to propose advanced drift diving methods.

Between 2004 and 2013 I worked surveying the Beche de mer fishery in Queensland developing stock assessment methods some of which have been published in the Secretariat of the Pacific Community Beche De Mer Bulletin and in industry publications. I also transcribed the oxygen dive tables from the back door of a vessel whilst at sea during this period with the thought that they would be helpful in our scallop dive fishery application.

In 2007 I enquired again to Confidential (then Executive Director of Fisheries Victoria) about pursuing the fishery after the channel dredging was being completed. (We had asked to harvest scallops in places where the channel dredging was to be completed as these would be wasted but this permission was refused).

In 2009 I met with my friend Confidential and formed the Port Phillip Bay Scallop Dive Fishery Association and we resolved to pursue the development of the fishery and the necessary lobbying to achieve this goal. We added Westernport Mussel and the Victorian Indigenous Seafood Corporation to the association and later Confidential

Note Confidential and my Confidential were joined as members after February 2014. Confidential and Confidential also contributed to the work to establish the fishery.

I presented a display about the proposal in a booth at the Queenscliff Seafood Festival and met with the Hon. Joe Helper MP as my booth was the only shelter from a rainstorm. Joe offered to meet with us to discuss our proposal. In the subsequent meeting in Melbourne, Joe was supportive and asked why he could not issue licences now? Confidential and Confidential were present representing Fisheries Victoria. They explained that it would need to go through a developmental fishery phase first. We showed our plan to conduct a stock assessment and we were encouraged to complete this work with the understanding that the fishery would be progressed based on the outcome of the stock assessment. We were very much enthused by meeting with Joe who was a good Minister to deal with.

We completed the stock assessment showing a large biomass with 120t approximately available to sustainably harvest.

In 2010 we received a formal letter from Confidential (then Director of Commercial Fisheries for Fisheries Victoria) instructing us to undertake consultation with stakeholders and that a tender process would be necessary. Confidential and I presented to VR Fish State Council in front of 150 delegates and also met with many other people including Confidential and Confidential as a result of this letter. This instruction to consult had a dramatic impact on how the outcome of the allocation occurred.

I met with Confidential from Fisheries Victoria in 2010 to show the scallops we had caught in a totally new patch that we had discovered.

We met with the Hon. Gary Blackwood MP to discuss what the tender process would entail and if dive experience would be considered. Gary was supportive and is a good honest bloke.

Conf and I lobbied many members of parliament from both sides of politics and received many letters of support.

With the change of Government, the Parliamentary Secretary for Fisheries changed to the Hon. Tim Bull MP, with the Minister for Agriculture being the Hon. Peter Walsh MP. We met with both of these individuals to discuss our proposal.

After completing the stock assessment, we finalised the application document and made changes up to the last minute particularly applying for a "licence or a permit" in the document submitted to Peter Walsh MP and Tim Bull MP. The former version was given to Confidential on the 20th of May 2011 as the best printed versions were given to the Members of Parliament. I was informed that our application would be assessed, and Fisheries Victoria would get back to us shortly. Fisheries Victoria then released a "Moratorium Policy" restricting access to new and developmental fisheries until further notice and back dated the policy to my application. Confidential and Confidential who had taken over as the leadership team for Fisheries Victoria were responsible for this policy.

After the release of the moratorium policy, I applied to the Licensing Appeals Tribunal to have my licence issued. This hearing was refused based on the false reasoning that we had not applied for a licence but a permit only, therefore not meeting the requirements of s.137 of the Fisheries Act 1995. This was not the wording in the document I had given the Minister and the Parliamentary Secretary. These documents should be stored in State Government Archives if they were not disposed of. Apparently they are "cabinet in confidence" even though they are my application documents. Specifically, when applying for a hearing on the merits of my application, the Registrar of the Licensing Appeals Tribunal required a "notice of refusal" from Fisheries Victoria before an appeal would be organised. I noted that this was in breach of the separation of powers and the appeal should be heard. I applied to the Supreme Court of Victoria to have the matter heard. My legal representative wanted \$8000 payment, but we could only afford \$4000. He agreed to attend but arrived 5 minutes before the case and was photocopying and ran a lacklustre argument that did not seem to apply. This was disconcerting and disappointing. It is important to note that the Victorian Fisheries Authority have since changed this part of the Fisheries Act 1995. Our application was not assessed properly and we were not given a chance to participate in the fishery we were creating. We were being actively excluded and could not understand why. This was a highly stressful time for our family. We were asking for justice and we were being actively blocked.

Fisheries Victoria determined that the licences would need to be tendered competitively.

I was told that Confidential was the other interested party in the Scallop Dive Fishery by a senior member of Fisheries Victoria in confidence. This was a direct result of Confidential 2010 letter instructing us to consult and from the lack of due process offered to our application where it should have followed the developmental fishery pathway as had been previously applied to other fisheries.

Confident offered to meet with me at Rock Pool Restaurant. I remember saying to him, I don't mind if you get a licence so long as we get our five (meaning one for each of the members of the Port Phillip Bay Scallop Dive Fishery Association as membership stood at the time). Obviously, this was not acceptable to Confidential!

In 2013 the debate was held in Parliament about the establishment of the Port Phillip Bay Scallop Dive Fishery and other amendments to the Fisheries Act 1995. It outlined a proposal to issue only one licence and for it to be issued via a "horse

race” auction. Joe Helper MP detailed the process the fishery should have followed and how our application should have been dealt with when we met with him.

FISHERIES AMENDMENT BILL 2013

Wednesday, 16 October 2013 ASSEMBLY 3441

The Hon. Lisa Neville notes:

“There are a couple of other issues that go to the question of whether the rhetoric matches the action. Firstly, I acknowledge the decision the government has made to allow the scallop dive fishery, and I think that is good. However, the Port Phillip Bay Scallop Dive Fishery Association, which has been working in this space for a very long time now in fact, since 2009 when it first met with the then minister has put quite a lot of money into this space. It did all the initial resource assessments in 2011 and then again in 2012, and it has had meetings with the minister and the parliamentary secretary about this. They were assured about a process, and they have put in submissions. It appears to me that the issues they have raised, the issues around potentially breaching competition principles et cetera that have come out of the final decision to have a single option, indicate to me that in relation to the issue of consultation and working with the industry, those who have had the most to gain by good management practices in these fisheries have not been taken seriously and have not been consulted properly. If that were to continue, this advisory council will not provide the way forward in tackling some of these big issues.”

The Hon. Andrew Katos notes the different nature of the scallops:

I am pleased several speakers highlighted that the scallop dive fishery is open. Port Phillip Bay scallops are probably the most superior scallops found in Australia, but particularly in Victoria. They are sweeter, nicer scallops than the ocean fishing ones. No offence to the Lakes Entrance fishermen, but the bay scallop is a superior product.

The Hon. Donna Bauer noted:

As we have heard from previous speakers, the government will be establishing a niche hand-harvested commercial scallop fishery in Port Phillip Bay. The Port Phillip Bay dive fishery has been mentioned. I am often in discussion with Grant Leeworthy, who is a local constituent in the Carrum electorate. He is passionate about the scallop industry, has been very involved with this and is keen to be part of this exciting new business and employment opportunity to improve the supply of locally caught Port Phillip Bay scallops

I wrote expressing concern to the Scrutiny of Acts and Regulations Committee and also to the Governor of Victoria asking for the legislation to be halted and changed to no avail.

On the 20th February 2014 the Auction was held, and Confidential and I attended, and we wrote “under duress” clearly on our attendance sheets. I met the probity auditor there and introduced myself, having no idea what a probity auditor was or what function they were supposed to perform. The auctioneer proclaimed we would be given “all the time in the world”. The hammer fell quickly however when Confidential had made a bid at \$180,000 while sitting next to his financial counsellor. I submit that the auction was a ‘fait accompli’.

We were really confused, and I congratulated Confidential. He offered to meet with me.

I met with Confidential at his Confidential address and was surprised to find out that he had never dived for a scallop ever before. He asked me about the fishery, and I explained how I had planned to drift dive for them (a very advanced diving method). He offered me a job diving on his licence. I said I would consider it. He then explained how he had been at a meeting with Confidential and Confidential and that they had informed the Government that they wanted Port Phillip Bay Scallops on the menu at the new casino in Barangaroo and in Perth. Confidential was beaming with excitement about the fact that the meeting had taken place and wholly thought I would be impressed that a billionaire gambling magnate had seen fit to influence the policy that impacted how my decades of work to establish the fishery were treated by Government. I was taken aback but thanked Confidential for the offer. The connection between Confidential and Confidential is easily established by visiting the Rock Pool restaurant where Confidential is listed on the menu as being the supplier of all the fish and the connection between Confidential and Confidential can be established through a search of media or seeing that the restaurant chain is attached to each of the Casino operations owned by the group. Gambling relies on the appearance of opulence and fine dining is core to this experiential marketing.

Following these discussions, I realized that all the hard work we had contributed to establishing this fishery meant nothing compared to the gambling giant’s whim. I followed the news surrounding Crown Casino carefully. I found out that the same day as the Scallop Auction, a policy entitled “Unsolicited Proposals” was also accepted. The AFR article, “How

Packer won his crown” is instructive here. I wondered why my ‘unsolicited proposal’ was not treated fairly and in the same way that the Sea Urchin developmental fishery was. This was the proposed way of dealing with developmental fisheries in the Fisheries Act 1995.

I appealed to various complaint resolution agencies as I still realized that my licence application was lodged before the moratorium policy and on reading legal texts, I realized that policy should not have been backdated to my application.

I purchased two textbooks on Administrative Law from the Law Institute of Victoria. I made various attempts to achieve a legal remedy to no avail.

With the change of government, I renewed my hope that the issue could be rectified. All I wanted was a simple solution. I met in Parliament with Minister Jaala Pulford who recognised that the issue was, “a bit stinky”. The casino involvement however, loomed large and the government was either not willing to make a change on our behalf or, I assumed, the threat of legal action if a change was made prevented them from acting.

Minister Pulford determined to cap the fishery at 60t per annum despite research showing it could handle a greater sustainable yield. Reports in the press such as “Fishing Groups Clash over Harvest” by Alana Shetzer (22/12/2015) indicated that there was a substantial push against the Dive Fishery from recreational fishers. I rang the recreational diver quoted in the Herald Sun article who told me that he had been put up to the article by a mate who was a journalist. This was paid commentary it seemed. I will not go into the actions of the Future Fish Foundation or **Confidential** and **Confid** of the MAB group but they had something to do with this as they lobbied against the fishery with false imagery depicting it as a trawl based fishery. I believe the intent of this lobbying was to preserve the status quo of just a monopoly operator.

When **Confident** applied to increase the quota for the fishery by appealing against the Ministers decision, I applied to become party to the decision because if the quota had been successfully changed, no remedy would remain in my case. In refusing my claim, the Justice misquoted the Human Rights Charter which I had based my claim on. He also though, saved me from the adverse cost order awarded Mr. Collis in the final judgement.

With all this mess, one thing is clear: I was treated differently to a Casino Operator. The Government Ministers, who decided to auction a single licence for a fishery that could easily sustain several, shirked their responsibility to the public to see that a fair distribution of economic rents and opportunities remains in society. This was at the instruction of **Confident** **Confid** himself if I am to take **Confident** word for it and, as he was boasting at the time, it would appear to be true. No due diligence was undertaken prior to the auction of public property, and I can characterize the auction as a “probity auditor scam” which has been noted in NSW parliament before by notorious ex-ministers that were not so honourable. In an unrelated matter, Brad Battin MP articulated this as a modus operandi of his political party at the time for an unrelated issue. He said, “I am not saying we just *give it to them*, but we will run a *process* with a *probity auditor* to select the most suitable operator.” Obviously, we were not selected! The role and influence of Crown Casino as a large-scale political donor is probably key here. The money earned from Gambling is used to fund political donations and therefore power over political decisions such as, in this case, the issue of a scallop dive licence for Port Phillip Bay. Those donations come at the behest of the permission granted them by the public’s representatives.

Whenever I applied for my application to be treated in accord with written law, I was blocked by Fisheries Victoria claiming that the single licence issued for the Port Phillip Bay Scallop Dive Fishery was not a monopoly due to there being an Ocean Scallop Fishery. This is incorrect as under the Fisheries Act 1995, a fishery can be defined in various ways including the species targeted, the area and the permissible gear allowed. This argument does not recognise the monopoly on access to this unique fishery. This was unlawful of Fisheries Victoria to issue just one licence under Competition Law and to say it was not, is to deny reality and cover up the shirking of due diligence that happened due to Crown Casino influence.

I have seen an ex Crown Casino employee raised as political candidate for the seat of Frankston to enhance Crown Casino representation in Parliament. This kind of influence peddling needs to stop as it undermines legitimate functions of our democracy. It would be difficult to police a ban of political donations due to shell company donations being permissible. Traceability in real time is necessary here.

If gambling policy is not social justice policy and it is not small business policy, why is it so well represented by both major political parties?

Without seeking blame or retribution, can I please ask that all gambling related political donation be banned nationwide. Gambling is the antithesis of concern for one’s fellow man or woman. It is based on the false premise that chance is an esoteric force of nature. “Luck” only exists linguistically or in the mind of one that is intoxicated. Chance is an

anthropogenic tool for simplified description of complex cause and effect interactions. A single Casino policy is only one choice available to the community. It is convenient for Government due to the taxation return however it remains an economic black hole and it weakens rather than strengthens the home economics of the community. It remains the most expensive form of taxation. Small businesses miss out on work and apprentices miss out on training due to reduced community economics around the small business sector.

Gambling also seeks out those with predispositions to addiction. Gambling related financial stress remains a large cause of suicide in Victoria. This needs to change. Do we really need a Casino as a community?

Much is made of Crown being the largest single site employer in Victoria. This argument is void as the concentration of wealth reduces the total employment that would have been achieved in the community without it.

I understand that the 12% of State Government revenue that gambling taxes represent is a substantial figure. Can we think clearly how we can better obtain government revenue that doesn't cause the community such harm?

I thank you for my opportunity to voice my concern about the political donations of Crown Casino and how they have impacted me. I am unsure of what the solution is, and I support freedom but there is a lack of education to counter the poor knowledge of statistics that the general public has. The State Government, in being a recipient of the 12% of their revenue from gambling, becomes complicit in its perpetuation so the effectiveness of such campaigns always seems half-hearted. Having integrity at the heart of decision making is a key concern for us. Corruption undermines reward for effort and legitimate hard work, the basic principle of our economy. This corrupt public property allocation demonstrates the power the Casino had over decision makers who treated us like we were inconsequential damage. Fishermen are subject to similar "Fit and Proper" requirements as Casino Licence Holders. I have been threatened to have fishing licences cancelled due to the actions of one of my employees who made an inadvertent mistake. I am not sure why it would be different for a Casino operator and maybe these cases would assist the commission. How will large private equity firms meet the criteria for being "fit and proper" if their ownership is opaque? How do corporation become accountable when they behave badly?

Can I please recommend that the Hon. Sonya Kilkenny and the Hon. Gary Blackwood oversee the Victorian Fisheries Authority rectifying these issues if that is within the scope of the commissions powers? I can commend Mr. Anthony Hurst and Mr. Chris Padovani as people who can capably discuss the process required. Mr. Dallas D'Silva may also be able to assist as he was involved in the early stages of the fishery policy development and wrote the script for the video "Victorian Sustainable Seafood with Neil Perry". Former Fisheries Victoria employees, Mr. Steve Mc Cormack and Mr. John Vaytauer are both impeccably honest and would be worth discussing this issue with.

The question for Australia is, why send our troops overseas to fight tyrants when our leaders let them in the backdoor here? Our family has made enough contribution to Australia to ask for fair treatment and we can claim that my **Confidential** **Confidential** in part, helped create the conditions where Human Rights and rule of law in Australia could flourish. To be denied these fair processes in our own country due the corrupt dealings of a Casino operator, its affiliates and sycophants is incredibly disappointing. The stress that these corrupt dealings have had on our family has taken a huge toll. We dealt with asking for fair legal redress with the threat of a large cost order being made against our family and whilst the cost order was not issued to us, justice was not given either. We ask for redress of the wrongs against us.

Many thanks,

Grant Leeworthy

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Port Phillip Bay Scallop Dive Fishery Association

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