

IN THE MATTER of the Gambling Act 2003
AND of an application by
QUEENSTOWN CASINOS LIMITED for approval of an
 alternative floor plan and game mix

BEFORE THE GAMBLING COMMISSION

Members Present: P Chin (Chief Gambling Commissioner)
 K M Ford
 M M Lythe
 P J Stanley
 G L Reeves

Date of Application: 16 August 2007

Date of Decision: 14 September 2007

Date of Notification
 of Decision: **24** September 2007

DECISION

**ON AN APPLICATION BY QUEENSTOWN CASINOS LIMITED
 FOR APPROVAL OF AN ALTERNATIVE FLOOR PLAN AND GAME MIX**

Application

- 1 Queenstown Casinos Limited (the "Applicant") presently has four approved game mixes, A, B, C and C(Alternative), operating on one approved floor plan. The Applicant sought approval, under condition 2 1 of its venue licence, for a new floor plan and game mix, game mix D. If game mix D is approved, the following game mixes would be available:

Game Mix	Table Numbers				
	A	B	C	C (Alt)	D
Black Jack	5	4	5	5	3
Midi Baccarat	3	3	3	2	0
Roulette	3	3	2	2	1
Cab. Stud Poker	1	1	1	1	0
Poker	0	1	1	2	8

Licence condition

- 2 Licence condition 2 1 of the Applicant's venue licence provides as follows:

2.1 Approval of specifications for security and surveillance installations

Subject to paragraph 2.2, the Licence Holder shall submit to the Commission for approval all drawings and specifications relating to:

- (a) gaming area floor layouts showing gaming tables, gaming machines and close circuit television cameras;
- (b) any viewing panels;
- (c) cashiering cages, count rooms, security areas, and access thereto;
- (d) areas for Government inspectors and surveillance staff;
- (e) electrical installations, telephone installations, auxiliary power; and
- (f) the master key system or access control system

Submissions by the Applicant

3. The Applicant stated that it is considering hosting the New Zealand leg of the Asia Pacific Poker Tour scheduled to be held in October 2007. It sought approval for a new floor plan and game mix D, to enable it to provide an adequate number of Poker tables to do so, and to run similar tournaments in the future.
4. The Applicant submitted that game mix D would not increase opportunities for casino gambling as:
 - (a) game mix D, which comprises 8 Poker tables, 3 Black Jack tables and one Roulette table, provides 92 fewer player spaces than game mix A, 81 fewer player spaces than game mixes B and C, and 64 fewer player spaces than game mix C(Alternative);
 - (b) the rate of play for game mix D is slower than game mixes A, B, C and C(Alternative) as more rounds of Black Jack and Midi Baccarat, Roulette and Caribbean Stud Poker would be dealt per hour than Poker. The Applicant based this submission on a review of game speeds conducted at the Christchurch casino in 1999/2000;
 - (c) there is no material difference between the wagering opportunities associated with Poker and the games that Poker will replace.

5. The Applicant also submitted that the Poker tables at the Queenstown casino accommodate only 10 players, rather than 11, which is the maximum permissible under Game Rules.

Submissions by the Secretary

- 6 The Secretary had no objection to the application, and agreed with the Applicant's submission that game mix D would not increase opportunities for casino gambling. The Secretary noted that the Applicant should provide a minimum of five working days notice in writing of any change between game mixes, which the Applicant agreed was appropriate.

Analysis

- 7 In order to assess whether the proposal would give rise to an increase in opportunities for casino gambling, the Commission compared the proposed game mix (game mix D) with the game mix A, which represents the greatest level of opportunities for casino gambling.
- 8 The Commission noted the Applicant's submission that game mix D represents 92 fewer player spaces at table games than presently permitted under game mix A. In making this assessment, the Applicant has calculated Poker as having 10 player spaces rather than 11, which is the maximum provided for under Game Rules. The Applicant did so on the basis that the Poker tables at the SKYCITY Queenstown casino accommodate a maximum of 10 players. The Applicant has not, however, sought to impose a restriction on the number of player spaces for Poker.
- 9 In these circumstances, the Commission considers the proper approach is to calculate player spaces for Poker at 11 player spaces. The Commission notes the Applicant's intention regarding the use of the Poker tables, but does not see it as being necessary in this case to specify a maximum number of 10 players for Poker, given the overall reduction in player spaces between game mix A and game mix D.
- 10 The Applicant also submitted that game mix D has a slower rate of play compared to game mix A, based upon data from the review carried out by the Christchurch casino. Taking this, and the reduced player spaces into account, the Commission was satisfied that game mix D would not increase opportunities for casino gambling.
- 11 The proposed floor plan associated with game mix D repositions a number of the casino's gaming tables, both in the main part of the casino, and in its Summit Room. The proposed floor plan does not raise any issues of regulatory concern and the Commission noted that the Secretary expressed no objection to it.

Decision

- 12 The Commission approved the **attached** floor plan (to be called "Plan 2") pursuant to condition 2.1 of the Applicant's venue licence, subject to the following requirements:

- (a) The Licence Holder is permitted to change between the existing plan and Plan 2, subject to providing the Commission and the Inspectorate with a minimum of five working days notice in writing of its intention to do so, unless a shorter notice period is agreed with the Inspectorate on a case by case basis;
- (b) The table games specified on Plan 2 refer to manual versions and do not extend to or permit the introduction of any electronic versions or new electronic aids or enhancements. If electronic versions, aids or enhancements are sought to be introduced, an application is required by the Licence Holder for approval of a

revised game mix



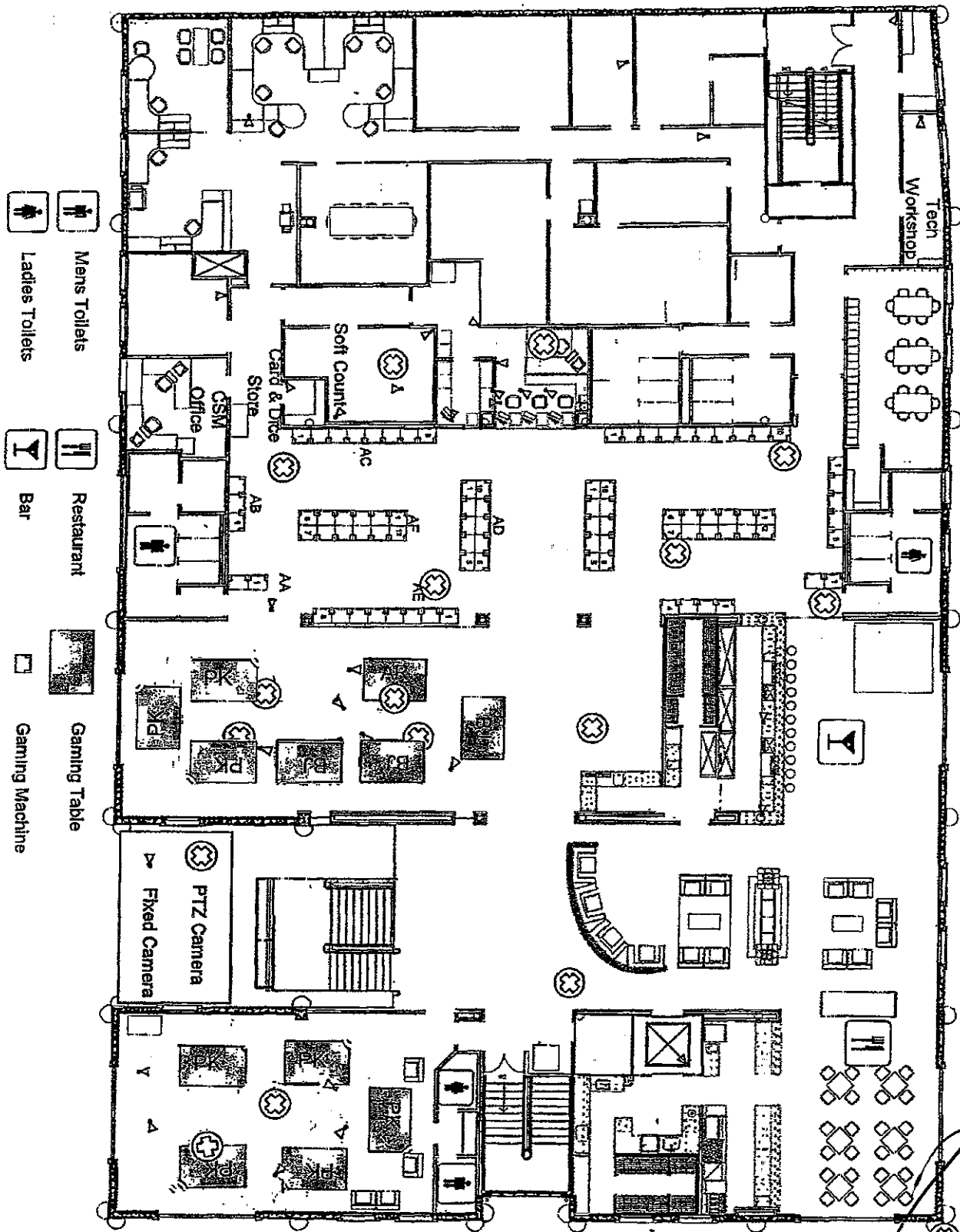
**GAMBLING
COMMISSION**

Peter Chin
Chief Gambling Commissioner

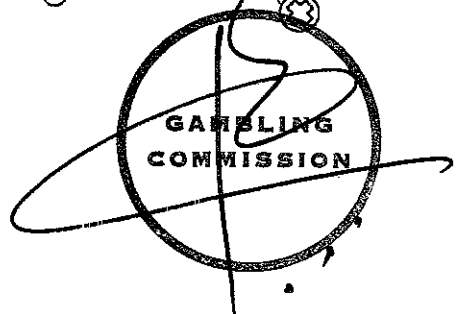
for and on behalf of the
Gambling Commission

24 September 2007

SKYCITY Queenstown Casino - Plan 2



Refer Explanatory Note Attached



EXPLANATORY NOTE

The Licence Holder may operate no more than 86 gaming machines and 12 tables in the configuration shown in the plan. The following game mix is approved for operation with this plan:

Game Mix D

Black Jack x 3

Poker x 8

Roulette x 1

Notes:

- 1 The Licence Holder is permitted to change between the existing plan and Plan 2, subject to providing the Commission and the Inspectorate with a minimum of five working days notice in writing of its intention to do so, unless a shorter notice period is agreed with the Inspectorate on a case by case basis;
- 2 The table games specified on Plan 2 refer to manual versions and do not extend to or permit the introduction of any electronic versions or new electronic aids or enhancements. If electronic versions, aids or enhancements are sought to be introduced, an application is required by the Licence Holder for approval of a revised game mix.

