

IN THE MATTER of the Gambling Act 2003
AND of an application by
QUEENSTOWN CASINOS LIMITED for approval of
 floor layout plans

BEFORE THE GAMBLING COMMISSION

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

Date of Application: 7 March 2006

Date of Decision: 7 April 2006

Date of Notification of Decision: 12 April 2006

DECISION

**ON AN APPLICATION BY QUEENSTOWN CASINOS LIMITED
 FOR APPROVAL OF FLOOR LAYOUT PLANS**

Application

1. Queenstown Casinos Limited (the "**Applicant**") applied under condition 2.1 of its venue licence for approval of an additional floor plan, Plan C. Plan C is identical to the currently approved floor plans, Plans A and B, except for the game mix. Should Plan C be approved, the following game mixes would be available:

Plan A	Plan B	Plan C
Black Jack – 5 tables	Black Jack – 4 tables	Black Jack – 5 tables
Midi Baccarat – 3 tables	Midi Baccarat – 3 tables	Midi Baccarat – 3 tables
Roulette – 3 tables	Roulette – 3 tables	Roulette – 2 tables
Caribbean Stud Poker – 1 table	Caribbean Stud Poker – 1 table	Caribbean Stud Poker – 1 table
Poker – 0 tables	Poker – 1 table	Poker – 1 table

2. The Applicant sought the Commission's approval to adopt either Plan A, B or C from time to time.

Licence conditions

3. Licence condition 2.1 of the Applicant's venue licence provides as follows:

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 closed circuit television cameras;
- (b) any viewing panels;
- (c) cashier 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

4. The Applicant currently alternates between Plans A and B. The transition from Plan A to Plan B involves removing one of five Black Jack tables, and replacing it with a Poker table.
5. The Applicant stated that Poker is increasing in popularity and that it now wishes to have it on the gaming floor permanently. The Applicant seeks approval of Plan C to enable it to operate a Poker table in place of a Roulette table, rather than a Black Jack table.
6. The Applicant submitted that Plan C would not increase opportunities for casino gambling as Plan C provides the same number of player spaces as Plan B, and represents 10 fewer player spaces than Plan A.
7. The Applicant noted that it was difficult to draw meaningful comparisons between the rate of play of different games, but submitted that Roulette has more theoretical betting options than Black Jack. The Applicant stated that it had no data to support this submission, but had information from a review conducted at the Christchurch casino which suggested that twice as many Black Jack rounds were dealt per hour compared with Roulette.
8. The Applicant confirmed that any necessary adjustments to the CCTV layout would be undertaken, with notification to the Department of Internal Affairs.
9. The Applicant stated that it would transition to Plan C within four weeks of notification of approval.

Submissions by the Secretary

10. The Secretary submitted, in terms of section 11 and 12 of the Act, that the Applicant had focused its attention on the differences between Plan C and Plan B, rather than

considering Plan C against the floor plan that represents the greatest level of opportunities to gamble – Plan A. In its submissions in reply, the Applicant submitted that it had no objections to this approach.

11. The Secretary submitted that Plan C has 10 fewer player spaces than Plan A, that it is unlikely that Poker would complete more rounds per hour than Roulette, and that it is difficult to calculate the number of wagering opportunities in Roulette and Poker.
12. The Applicant concurred with this analysis in its submissions in reply, and submitted that in very general terms, the number of wagering options available to Poker players is likely to be less than available to Roulette players.

Analysis

13. Plan A was approved by decision GC01/05. Plan B, which provides for the introduction of one Poker table in place of a Black Jack table, was approved in decision GC25/05. Plan C will allow one Poker table in place of one Roulette table.
14. The Commission agreed with the Secretary, that Plan C could be compared against Plan A, the approved floor plan that represents the greatest level of opportunity to gamble. This approach is consistent with the Commission's consideration of additional floor plans in decision GC29/05.
15. The Commission noted that Plan C represents 10 fewer player spaces at table games than presently permitted by Plan A, and that both parties agree that Poker will produce fewer rounds per hour than Roulette.
16. Neither party provided any evidence comparing the number of wagering opportunities available in Roulette and Poker, although the Applicant submitted that the number of wagering options available to Poker players is likely to be less than available to Roulette players.
17. Given that Plan C has fewer player spaces than Plan A, and Poker may provide fewer rounds per hour than Roulette, the Commission is satisfied that Plan C will not increase opportunities for casino gambling.

Decision of Commission

18. The Commission decided unanimously that the application was consistent with the Act and pursuant to condition 2.1 of the Applicant's venue licence, approved Plan C (attached to this decision), subject to the following requirements:

- (a) The Licence Holder may operate on the 12 tables shown in Plan C the following games:

Black Jack – up to 5 games;

Midi Baccarat – up to 3 games;

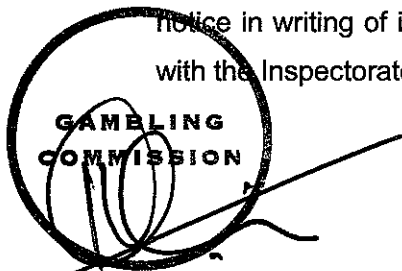
Roulette – up to 2 games;

Caribbean Stud Poker – up to 1 game;

Poker – up to 1 game.

- (b) The foregoing list refers to manual versions of the games specified and does 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 floor layout.

- (c) The Licence Holder is permitted to change between Plans A, B and C subject to providing the Commission and the Inspectorate with a minimum of 5 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.

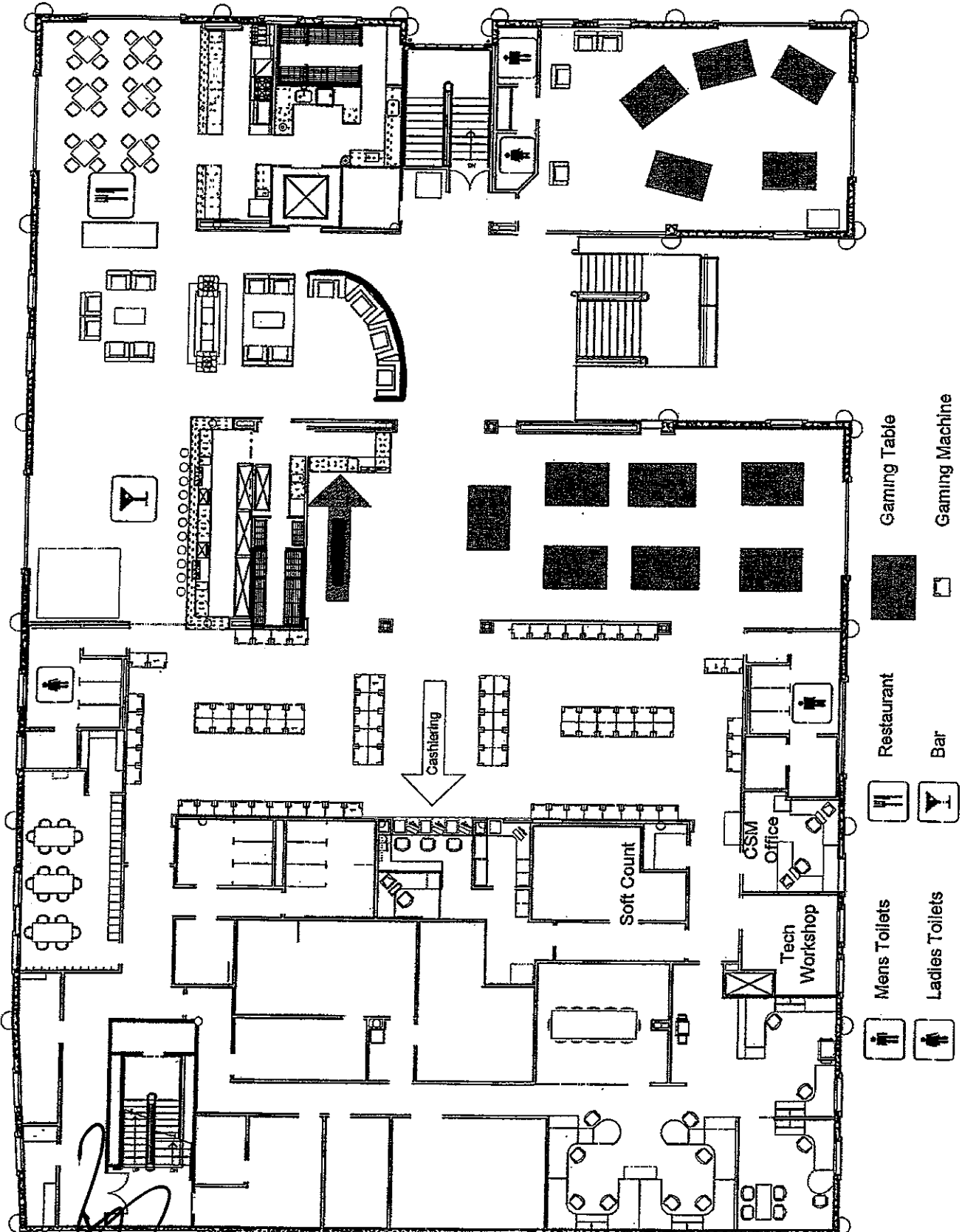


Peter Chin
Chief Gambling Commissioner

for and on behalf of the
Gambling Commission

12 April 2006

SKYCITY Queenstown Casino - Gambling Area Floor Layout

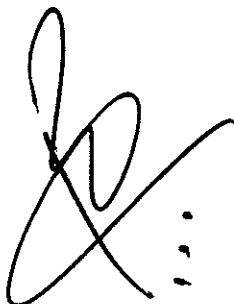


Refer explanatory notes attached

Explanatory Notes

- 1 86 gaming machines are represent on Plan `C`
- 2 The licence holder may operate on the 12 tables shown in Plan `C`, manual versions of the following games:

Black Jack	up to five games
Midi Baccarat	up to three games
Roulette	up to two games
Caribbean Stud Poker	up to one game
Poker	up to one game

A handwritten signature in black ink, consisting of a large, stylized initial 'L' followed by a flourish and three dots.