

IN THE MATTER of the Gambling Act 2003

AND An application by **QUEENSTOWN CASINOS LIMITED** (now **SKYCITY QUEENSTOWN LIMITED**) to renew its casino venue licence

BEFORE THE GAMBLING COMMISSION

Members: S W Hughes KC (Chief Gambling Commissioner)
S C L Pearson
S T Shaw
C M Risk

Date of Application: 21 August 2024

Date of Decision: 10 November 2025

Date of Amended Decision: 10 December 2025

Date of Notification of Decision: 5 December 2025

Date of Notification of Amended Decision: 11 December 2025

DECISION ON APPLICATION TO RENEW CASINO VENUE LICENCE BY QUEENSTOWN CASINOS LIMITED

Background to application

1. Queenstown Casinos Limited ("**QCL**" or "**Applicant**") was granted a casino premises licence ("**Licence**") on 18 June 1999 under the Casino Control Act 1990. Casino premises licences became casino venue licences pursuant to section 122(2) of the Gambling Act 2003 ("**Act**", all statutory references are to this Act unless otherwise stated). The licensed venue is 16–24 Beach Street, Queenstown ("**Casino**"). On 21 August 2024, QCL applied to renew its casino venue licence ("**Application**"). QCL changed its name to SkyCity Queenstown Limited on 31 January 2025 but is referred to in this decision as QCL, by reference to the name on the Application and the Licence.
2. Section 134 of the Act sets out the requirements of an application to renew a casino venue licence:

134 Application for renewal of casino venue licence

- (1) The holder of a casino venue licence may apply to the Gambling Commission to renew the licence.
- (2) An application under subsection (1) must be—
 - (a) made in the period that is at least 1 year but not more than 2 years before the date on which the licence is due to expire; and
 - (b) on the relevant form; and
 - (c) accompanied by a casino impact report.
- (3) A casino impact report must be prepared by a person approved by the Commission as independent of the applicant, and must—
 - (a) report on the expected social and economic effects on the local and regional areas affected by the operation of the casino, and on New Zealand generally, of—
 - (i) the continued operation of the casino; and
 - (ii) the closure of the casino; and
 - (b) report on matters identified by the Gambling Commission.
- (4) The Gambling Commission may specify the research to be undertaken in preparing a casino impact report.
- (5) The applicant for renewal of a casino venue licence must pay for the casino impact report.

3. The Licence is due to expire at midnight on 6 December 2025, 25 years after the Casino commenced operation. On 21 August 2024, QCL filed the Application to renew the Licence for a further 15 years, within the period specified in section 138(2) for making renewal applications, being at least 1 year but no more than 2 years before the expiry of the Licence. Having made an application for renewal, the Licence continues in force until the Commission issues a decision on the renewal application, irrespective of the formal expiry date.¹
4. In accordance with the Act's requirements, the Application was made on the relevant form and accompanied by a casino impact report ("**CIR**"), entitled *An Assessment of the Social and Economic Impacts of the SkyCity Casino Queenstown*.
5. On 9 September 2022, in decision GC11/22, Carl Davidson, Simon Harris and Geoff Butcher were approved by the Gambling Commission as being independent of QCL and suited for authorship of the CIR. In addition to approving Mr Davidson, Mr Harris and Mr Butcher as authors, the Commission identified² matters for the CIR to cover, additional to the default statutory requirements set out in section 134(3)(a), and specified certain research to be undertaken in preparing the CIR. The additional matters to be covered were the amenities and facilities at the Casino and the level of support locally, regionally and nationally for its continued

¹ Section 138(4).

² Under section 134(3)(b)

operation, being matters which the Commission is required to consider under section 137(2). In addition, the Commission specified research to be undertaken into the Casino facilities, the economic effects of its operation and the support for the Application.³

Procedural requirements

6. Section 135(1) sets out the process which the Commission is required to follow in determining applications for renewal, as follows:

135 Process for determining applications for renewal

- (1) After receiving an application for renewal of a casino venue licence, the Gambling Commission must do the following things, although not necessarily in the order given:
- (a) investigate the applicant and persons with a significant influence under section 125 to determine whether they—
 - (i) are suitable, in terms of section 124; and
 - (ii) have complied with this Act and previous gaming Acts and regulations made under them:
 - (b) give public notice of the application:
 - (c) by public notice, invite written submissions on the application:
 - (d) by public notice, invite people who wish to appear and be heard at a public hearing to apply to the Gambling Commission for authorisation:
 - (e) give public notice of the commencement of hearings, and of how people may find out where and when hearings are to be held:
 - (f) make available for public inspection, subject to any agreement between the applicant and the Gambling Commission regarding confidentiality, copies of the application, any amendments to it, the casino impact report, and any other relevant documentation:
 - (g) conduct a public hearing of the application at which evidence of the parties is heard and parties may examine and cross-examine witnesses:
 - (h) give public notice of the decision of the Gambling Commission:
 - (i) make copies of the decision available to the public.
7. Section 125 requires the Commission to investigate both the applicant for renewal and persons with a significant influence. It sets out steps which the Commission is obliged to undertake, including the reference of the application and any additional information required by the Commission to the Police and any government agency (apart from the Inland Revenue Department) which the Commission considers relevant. The section requires the Police and the selected agencies to report to the Commission about the applicant and the persons with a significant influence. QCL identified a total of 18 people and 5 companies as having a significant influence on QCL and provided information about them.

³ Under section 134(4)

8. Section 124 indicates the purpose of the investigation required by section 125, namely, to enable the Commission to consider whether the applicant and persons with a significant influence are “suitable”. Section 124(2) sets out what the Commission must take into account in that consideration:

124 Suitability requirements

- (1) A casino operator’s licence must not be granted and a casino venue licence must not be renewed unless the Gambling Commission is satisfied that the applicant and persons with a significant influence are suitable.
- (2) In considering whether an applicant or person with a significant influence is suitable, the Gambling Commission must take into account the following matters:
 - (a) the honesty of the applicant or person with a significant influence, including—
 - (i) whether the applicant or person with a significant influence has been convicted of a relevant offence; and
 - (ii) whether the applicant or person with a significant influence has been disciplined by a professional body for ethical misconduct; and
 - (iii) whether the applicant or person with a significant influence has been disciplined in any way during previous involvement with a casino; and
 - (iv) any other matters raised in the Police report, and the report of any government agency to which the application is referred, provided under section 125; and
 - (b) the financial position of the applicant or person with a significant influence, including—
 - (i) whether the applicant or person with a significant influence has ever been adjudged bankrupt; and
 - (ii) whether the applicant or person with a significant influence has been directly involved in the management of a company that went into receivership or liquidation; and
 - (iii) whether the applicant or person with a significant influence has sufficient financial resources; and
 - (iv) whether the applicant or person has been prohibited or disqualified from acting as a director or promoter of, or in any way, whether directly or indirectly, being concerned or taking part in the management of, a company under section 382, 383, or 385 of the Companies Act 1993; and
 - (v) whether the applicant or person has been prohibited from acting as a director or directly or indirectly being concerned, or taking part, in the management of a company under section 299 of the Insolvency Act 2006; and
 - (c) the business skills of the applicant or person with a significant influence, including—
 - (i) whether the applicant or person with a significant influence has sufficient business management experience; and

- (ii) whether the applicant or person with a significant influence has sufficient experience in casino operation or the operation of similar ventures; and
 - (iii) whether the applicant or person with a significant influence has qualifications relevant to the operation of a casino; and
 - (d) the management structure of the applicant, including—
 - (i) whether that structure is suitably arranged for effective compliance with this Act; and
 - (ii) the nature of all relevant interests in the financial and management structure of the applicant; and
 - (iii) whether all such interests encourage the applicant's effective compliance with the Act; and
 - (e) any other matter the Gambling Commission considers relevant
9. The first requirement of section 135(1) is to investigate the applicant and persons with a significant influence under section 125.⁴ In discharge of its section 135(1)(a) investigations under the Act, the Commission sought and received responses concerning QCL and the identified persons of significant influence from the Police, the Department of Internal Affairs (“**DIA**”), the Insolvency and Trustee Service, and the Companies Office. The Commission also gave public notice of its receipt of the Application and invited both written submissions on the Application and applications to appear at the public hearing, from the public.⁵
10. The Commission received 77 submissions on the Application and indications from two submitters that they wished to appear at the hearing. On 19 September 2025, in GC10/25, the Commission gave directions regarding the hearing. As neither of the submitters who sought to appear in person provided sufficient reason to justify a personal appearance, the Commission denied their request to appear at the hearing.
11. As required by section 135(1)(e), the Commission gave public notice of the commencement of the public hearing of the Application at 9.00am on Monday, 10 November 2025 at the Sudima Five Mile Hotel, Frankton, Queenstown.
12. As required by section 135(1)(f), a copy of the Application and all amendments to it, the CIR, and other relevant documentation was made available for inspection on the Commission's website.
13. QCL filed submissions in reply following receipt of the public submissions in which it pointed to the level of public support for renewal, for reasons which included a perception that the Casino provided a safe option for entertainment and socialising, that QCL was a responsible host, and that the Casino provided economic benefits in the form of employment and financial support for the local community projects.

⁴ Section 135(1)(a).

⁵ Section 135(1)(b) – (d).

14. The public hearing of the Application took place in Queenstown on 10 November 2025. QCL appeared by counsel and presented evidence from six witnesses, being two CIR authors and four senior and experienced executives associated with the Casino. The text of the evidence had been provided in affidavit form in advance of the hearing, and the Commission excused the attendance in advance of Carl Davidson, the CIR author responsible for the social impact sections of the CIR. All other witnesses were sworn, were able to give supplementary evidence and were made available for examination by the Commission. Counsel for QCL also filed an outline of closing submissions shortly prior to the hearing.
15. At the conclusion of the evidence, counsel for QCL made oral submissions to the Commission, in the course of which it was suggested that additional information on charitable trust funds be provided after the hearing. The Commission agreed and directed that the further information offered be provided within 14 days. The further information was provided on 19 November 2025.

The statutory test for renewal

16. The Act sets out, in section 136, the information and matters that the Commission must consider in deciding whether to renew a casino venue licence:

136 Information and matters to be considered

Before deciding whether to renew a casino venue licence, the Gambling Commission must consider—

- (a) the application; and
- (b) the casino impact report; and
- (c) any additional information or evidence provided by the applicant or person with a significant influence at the Gambling Commission's request; and
- (d) any written submissions and other written and oral evidence; and
- (e) the compliance record of the applicant and persons with a significant influence; and
- (f) any views conveyed by a local authority after an opinion poll or community consultation process; and
- (g) the results of investigations under section 125.

17. The Act sets out, in section 137, the test which the Commission must apply in considering an application to renew a casino venue licence as follows:

137 Renewal of casino venue licence

- (1) The Gambling Commission must not renew a casino venue licence unless it is satisfied that—
 - (a) the applicant and persons with a significant influence are suitable in terms of section 124; and
 - (b) the applicant's compliance record, and that of persons with a significant influence, is satisfactory; and

- (c) renewing the licence will result in a net benefit—
 - (i) to the local and regional communities around the casino; and
 - (ii) to New Zealand generally.
 - (2) In assessing whether there is a net benefit, the Gambling Commission must consider—
 - (a) the social and economic effects of granting, or refusing to grant, the renewal; and
 - (b) the level of support for the application, including the result of any poll conducted by the local authority; and
 - (c) the nature and standard of the casino facilities.
18. The Commission must not renew a licence unless it is satisfied that all section 137(1) criteria are met. In assessing whether there is a net benefit, the Commission must consider the factors set out in section 137(2). The primary question accordingly is whether the information before the Commission leaves it satisfied of each of the listed matters.

The meaning of “satisfied”

19. As noted in the outline of submissions for the Applicant, the term “satisfied” was considered by the Commission in the Christchurch casino venue renewal decision, GC05/19, being the first renewal application under section 137 and, more recently, in the Dunedin casino renewal decision, GC1/25. The Commission had had regard to an earlier decision regarding the term where it appeared in a similar provision, section 52 (grounds for granting a class 4 operator’s licence), and decisions under section 66 of the Commerce Act 1986 which contains a similar provision,⁶ citing a passage from the Court of Appeal decision in *Commerce Commission v Woolworths Ltd*,⁷
20. The Commission approaches the statutory “satisfied” test on the basis that the persuasive rather than the evidential burden is on the Applicant to satisfy the Commission that each section 137(1) criterion is met. The Commission will not be satisfied if it is in doubt or is unsure whether any criterion is met but doubt, in this context, does not import the criminal law concept of “a reasonable doubt”.

First criterion - suitability of Applicant and persons with influence

21. Under section 137(1)(a), the Commission must not renew a casino venue licence unless satisfied that the applicant and persons with a significant influence are suitable in terms of section 124.
22. The Commission required QCL and each person of significant influence to complete detailed personal information forms. The Commission subsequently received reports on QCL, and the persons identified as having significant influence (which included the Casino’s licensed casino

⁶ Decision GC05/19 at [3.6] – [3.11].

⁷ [2008] NZCA 276 at [98].

operator, SkyCity Management Limited (“**SCML**”)) from the Police, DIA, the Insolvency and Trustee Service and the Companies Office.

23. None of the agencies listed above raised any issues with the suitability of QCL or the 18 people and 5 companies with significant influence on QCL.⁸ No issues regarding suitability were raised in any submission received.
24. The Commission is satisfied of the first criterion.

Second criterion – compliance record of Applicant and persons with influence

25. Under section 137(1)(b), the Commission must not renew a casino venue licence unless satisfied that the compliance records of the applicant and persons with significant influence are satisfactory.
26. QCL is owned by SkyCity Entertainment Group and the casino operator’s licence for the Casino is held by SCML. The Commission received a report on regulatory compliance from DIA concerning compliance records. The DIA reported that it “has no compliance concerns with QCL.”⁹ DIA reported that it visits the Casino every three months and has found QCL to be responsive to any matters raised by DIA. Interactions with staff show that they had a clear understanding of harm prevention and minimisation. Few complaints were received about the Casino.¹⁰ The references to QCL in the report have been taken to include SCML in respect of the operation of the Casino.
27. Since the opening of the Casino, there have been 12 recorded breaches and a further three suspected breaches that were investigated but no breaches were found. Ten breaches related to the age restriction at the Casino and either resulted in a warning letter, educational compliance action or, in one case, no further action. One breach related to the regulations around advertising and the remaining breach to compliance with game rules.¹¹
28. SCML agreed to close the Auckland Casino for five days from 9 September 2024 to 13 September 2024 following 22 incidents of continuous play obligation breaches between 1 July 2018 and 27 February 2021. While those breaches related to the Auckland Casino only, they reflect more broadly on SCML’s operating practices. There are no current issues with SCML’s practices.¹²

⁸ Response from DIA dated 4 June 2025; Response from Ministry of Business, Innovation and Employment (New Zealand Insolvency and Trustee Service) dated 7 March 2025; Response from New Zealand Police dated 13 March 2025; Response from Companies Office dated 9 May 2025.

⁹ Response from DIA dated 4 June 2025.

¹⁰ Response from DIA dated 4 June 2025.

¹¹ Response from DIA dated 4 June 2025.

¹² Response from DIA dated 4 June 2025.

29. The last DIA mystery shopper exercise was in 2017 with no issues raised. SkyCity also runs its own regular mystery shopping exercises to ensure ongoing compliance with the host responsibility policy.¹³
30. Section 137(1)(b) requires a satisfactory (rather than unblemished) compliance record. Apart from the matters summarised above, the Commission received no other information on the compliance record of QCL or the persons of influence. No compliance record concerns were raised in any submission received.
31. The Commission is satisfied of the second criterion.

Third criterion – net benefit

32. Under section 137(1)(c), the Commission must be satisfied that renewing the casino venue licence will result in a net benefit to local and regional communities around the casino as well as New Zealand generally. In assessing net benefit, it must consider the matters set out in section 137(2) namely:
- (a) the social and economic effects of granting, or refusing to grant, the renewal;
 - (b) the level of support for the application, including the result of any poll conducted by the local authority; and
 - (c) the nature and standard of the casino facilities.
33. Under section 134(3), the CIR is required to report on the expected social and economic effects on the local and regional areas affected by the operation of the Casino, and in New Zealand generally, and on any matters identified by the Commission. As noted at paragraph 5 above, the Commission identified for additional inclusion in the CIR, the amenities and facilities at the Casino and the level of support locally, regionally and nationally for the continued operation of the Casino. It also sought specific research on the facilities, economic effects and support for the application. The following paragraphs, 34 to 62, summarise the relevant contents of the CIR on those matters.

The social and economic effects of granting, or refusing to grant the renewal

34. The Casino spent an average of \$3.36 million per annum with suppliers in the period 2020 to 2023, of which 41% was spent in Queenstown, 4% in the rest of Otago and 54% elsewhere.¹⁴ As at the end of FY23, the Casino had a payroll of 53 (FTE 43). The total expenditure on staff between FY20 and FY23 averaged \$3.77 million. The average earnings of employees were \$81,000 (a figure taking into account other wage and salary items). Casino management reported that staff earnings increased following an increase in the April 2023 wage negotiations.¹⁵

¹³ CIR at pages 82 and 83.

¹⁴ CIR at page 42.

¹⁵ CIR at page 44.

The Casino generates \$3.98 million in taxes and levies annually,¹⁶ a figure which was later corrected in Mr Harris's evidence to \$4.3 million. Neither figure included taxes and levies generated at the Casino but reported through SkyCity's Internation Business unit.

35. While the Queenstown economy does not rely substantially on the Casino and it would be unlikely to have a significant positive or negative impact on the local economy if the Casino were to close, it is a source of employment, and its employees enjoy working there. Employees at the Casino are also more highly paid than is typical for hospitality employees. The Casino also creates an entertainment option and is valued by its patrons.¹⁷
36. The majority (80.5%) of visitors to the Casino are from outside the Queenstown Lakes District, with 1% of them from elsewhere in Otago, 37% from elsewhere in New Zealand and 42% from overseas. 194 respondents to a survey carried out as part of the CIR who lived out of the Queenstown Lakes District were asked if their decision to come to Queenstown would have been different had the Casino not been there. Of the 194, 8% said they would have come to Queenstown for an average of 1.25 nights less if the Casino had not been there.¹⁸ While the Casino is not a determining factor in coming to Queenstown, a representative from Destination Queenstown said: "I don't think that people travel to Queenstown for the Casino, but I think it adds value and a cosmopolitan offering when they're here. It does add value to the tourism offer."¹⁹
37. The CIR calculated the total tourism spend associated with the Casino to be \$1.3 million per year. This translates to a total tourism impact arising from the Casino of 10.9 FTE jobs, \$0.91 million per year of added value and \$0.53 million per year of additional household income.²⁰
38. There are 50 businesses in the Casino's neighbourhood. Of these businesses, only one (2%) indicated that the Casino was a factor in their choice of location and eight (16%) responded that the closure of the Casino would have a major impact on their business. Most were neutral or disagreeing that the closure would have a major impact. 60% thought that the closure of the Casino would have some impact on the economy in that location, while 36% thought it would impact Queenstown more widely. Only 10% considered Queenstown would be better off without a casino.²¹ The Casino is considered a key tenant by its landlord.²²

Community effects, including harm

39. The most obvious benefit of the presence of the Casino is that it provides a significant entertainment option for residents in Queenstown and visitors. Among the Queenstown

¹⁶ CIR at page 113.

¹⁷ CIR at page 113.

¹⁸ CIR at page 53.

¹⁹ CIR at page 73.

²⁰ CIR at page 54.

²¹ CIR at page 65.

²² CIR at page 66.

residents surveyed for the CIR, 55% said they had been to the Casino, with roughly half having been there to gamble.²³ A survey of patrons showed that 72% were satisfied or very satisfied with the Casino on their last visit.²⁴ Further, over half of the patrons surveyed rated the likelihood of them recommending the Casino as 8, 9 or 10 out of 10.²⁵

40. The most common negative impact of a casino is gambling harm and crime. The Casino has a Host Responsibility Programme (“**HRP**”) which has a wide range of initiatives to ensure guests enjoy a safe and responsible gaming environment and is favourably regarded by stakeholders.²⁶ In a recent DIA mystery shopper exercise (2017), the Casino was commended for its use of logbooks and the monitoring of patrons. The SkyCity group also operates several surveillance and facial recognition cameras throughout its New Zealand venues which have resulted in an increase in exclusions.²⁷
41. Queenstown has 0.3% of New Zealand’s population, but only accounts for 0.2% of new problem gambling cases and 0.17% of those who seek help for problem gambling. It is unclear how much of the local problem gambling cases can be attributed to the Casino, but it is suggested it could be as little as two or three per year.²⁸
42. None of the stakeholders²⁹ consulted had specific concerns about gambling harm directly attributable to the Casino. Rather, a number commented on concerns with casinos or the gambling industry in general.³⁰ The Queenstown Lakes District Council’s view was that problem gambling numbers are relatively low given the population, the number of EGMs and the presence of the Casino. The local police reported that they rarely interacted with the Casino; they viewed online gambling as causing more harm than casinos.³¹
43. Māori and Pacific adults are generally five to eight times more likely to be identified as problem gamblers compared to the average for all New Zealanders. In the Queenstown area, only 4.6% of the residents are Māori, compared with 16.5% nationally and 1.2% are Pacific peoples, compared with 8.1% nationally. Māori and Pacific peoples only made up 2.9% of visitors to the Casino in the year to June 2023 and, of the 38 exclusions, only 3 were Māori or Pacific peoples.

²³ CIR at page 69.

²⁴ CIR at page 71.

²⁵ CIR at page 72.

²⁶ CIR at page 77 and 81.

²⁷ CIR at page 82.

²⁸ CIR at page 75 – in FY21 there were a total of 4,762 presentations to gambling services, of which the Ministry of Health estimates approximately 20% of all presentations at services are attributable to casinos. Eight of the presentations were from Queenstown Lakes District which equates to two or three being attributable to the Casino.

²⁹ The term “stakeholders” is not expressly defined in the CIR, but the report states at 8.2.4 that the stakeholders interviewed for the CIR included; the Gambling Commission, Queenstown Lakes District Council, the Salvation Army Oasis, Problem Gambling Foundation, relevant iwi/Runanga representatives, Queenstown and Otago tourism agencies, Department of Internal Affairs, Ministry of Health and local police representatives.

³⁰ CIR at page 83.

³¹ CIR at pages 84 – 85.

The comparatively low number of Māori and Pacific peoples living in the Queenstown area, visiting the Casino or being excluded as problem gamblers indicates that the Casino is not responsible for disproportionate harm to Māori and Pacific peoples.³²

44. Another group at risk of disproportionate gambling harm are Asian residents. They make up 17.8% of the population in Queenstown, compared with 15.1% nationally, and 17.5% of visitors to the Casino. Despite this, an Asian Family Services representative said they had no referrals from the Casino that they could recall.³³
45. A number of stakeholders consulted for the CIR wondered about the effects of the Casino on older residents. 25% of visitors to the Casino were aged 60 years and over, compared to 16% of the population. Despite this, the data showed that older people were much less likely to be excluded from the Casino and a representative from Grey Power was unaware of any systemic issues with problem gambling among older residents in Otago.³⁴
46. A Queenstown Lakes District Council representative suggested that the high tourism numbers might inhibit the identification of problem gamblers. When asked about this, SCML said that, while it lacked the necessary information to enforce overseas exclusions locally, their Host Responsibility Programme was applied to everyone visiting the Casino, regardless of their residence.³⁵
47. In that regard, the evidence presented at the hearing included the recent introduction of mandatory carded play (“MCP”) at the Casino. MCP requires all gambling patrons to use a personalised digital card when gambling which enables their individual gambling activity to be much more effectively monitored by the Casino staff than reliance on personal observation by staff. Provision for MCP was a recent modification to the HRPs for each of the SkyCity casinos, with the Casino being the first site to operate the new system in July 2025. The QCL evidence was that MCP had been readily accepted by patrons and had effected a material improvement in the effectiveness of the Casino’s host responsibility efforts.
48. The second most common adverse effect associated with casinos is crime or antisocial behaviour. While both violent and property crime increased in the year to July 2023 in the Queenstown Lakes District, almost none of it is attributable to the Casino. In the year to June 2023, the Casino only had 3 patrons excluded for antisocial behaviour and the immediate residential neighbours did not report any problems with antisocial behaviour in the neighbourhood.³⁶ Local stakeholders had few concerns about antisocial behaviour being exacerbated by the Casino.³⁷

³² CIR at pages 87 – 88.

³³ CIR at pages 89 – 90.

³⁴ CIR at pages 91 – 92.

³⁵ CIR at page 93.

³⁶ CIR at page 95.

³⁷ CIR at page 97.

49. Audits are regularly carried out at the Casino to ensure compliance with AML procedures. Queenstown has not been singled out for a specific recommendation following an audit, but SkyCity's Financial Crime Team has enhanced processes in response to audit findings over time. None of the stakeholders consulted for the CIR reported any concerns relating to money laundering.³⁸

Direct community benefits

50. The SkyCity Queenstown Casino Community Trust ("**Charitable Trust**") was established as a result of QCL's original licence application. The Licence requires QCL to pay the Charitable Trust not less than 2.5% of the net profit from the operation of the Casino or \$100,000 per annum (whichever is greater).³⁹
51. The CIR recorded that the Charitable Trust had distributed over \$2.37 million to more than 680 charities since its establishment in 1997⁴⁰ at an average of \$144,000 per financial year.⁴¹ The grants that organisations receive from the Charitable Trust are highly valued and many acknowledged that, without the funding, they might struggle to secure alternative financial support.⁴²
52. QCL also distributes directly an average of \$44,000 in funding per annum to organisations as sponsorship. Sponsorship additionally extends beyond funding to promotion of the entities and assistance through media and charity events.⁴³

Level of support for the application

53. Under section 137(2)(b), the Commission must consider the level of support for the application, including the result of any poll conducted by the local authority. No such poll was taken, but the CIR authors undertook a survey of community attitudes to the Casino.
54. The CIR reported on local community engagement with the Casino. 26% of participants had visited the Casino and gambled there, 29% had been to the Casino but did not gamble and 45% had never been to the Casino.⁴⁴
55. The CIR also addressed community attitudes towards the Casino. Most participants (53%) were neutral or not sure about the Casino. 21% thought Queenstown would be a better place without the Casino, and 26% thought Queenstown is a better place with the Casino.

³⁸ CIR at page 98.

³⁹ QCL Licence, condition 15.

⁴⁰ The SkyCity Casino Community Trust Deed, B.

⁴¹ CIR at page 46. These figures differed slightly from those in QCL's application which stated that, since the establishment of the Charitable Trust in 2002, it had awarded over \$2.53 million to 688 charitable organisations.

⁴² CIR at page 49.

⁴³ CIR at page 59. Examples were provided.

⁴⁴ CIR at page 70.

56. The Commission received 77 written submissions on the Application, comprising 76 in favour and one neutral. Those in favour of the Application were generally staff members, patrons of the Casino, local businesses and Charitable Trust recipients.
57. The general themes covered in the written submissions supporting the Application included the Casino being a good employer, a responsible host of gambling and a safe option for entertainment and tourism activity and its provision of community support through donations to local charities.

Nature and standard of the casino facilities

58. In assessing net benefit under section 137(1)(c), the Commission must consider the nature and standard of the casino facilities (section 137(2)(c)).
59. The Casino is licensed to operate up to 86 electronic gaming machines and 12 table games including Blackjack, Roulette, Midi Baccarat, Poker and Caribbean Stud Poker.⁴⁵
60. In addition to gaming spaces, the following entertainment facilities also operate within the Casino venue:⁴⁶
- (a) Wild Thyme Bar and Kitchen – the Casino’s restaurant and bar, catering for up to 150 people at a time.
 - (b) Function Room – a function space that offers conference facilities for up to 60 people.
61. The Casino operates from 11am to 1am every day, excluding Christmas Day, Good Friday and between 12am and 1pm on Anzac Day.⁴⁷
62. The Casino has an annual capital expenditure budget which includes maintenance on the Casino and its equipment, and an occasional upgrade of the facilities. From 2020 to 2023 capital expenditure averaged \$0.73 million per annum.⁴⁸

Satisfaction with third criterion – net benefit

63. The Commission has drawn the following conclusions from the CIR, the submissions received and the evidence:
- (a) The Casino makes a positive, although modest and non-essential, social and economic contribution to Queenstown Lakes, the Otago region and New Zealand.
 - (b) From an economic perspective, the Casino provides employment for 53 people and provides them with an enjoyable place to work and benefits to their employment. It

⁴⁵ QCL application at [4] – [5].

⁴⁶ QCL application at [8].

⁴⁷ QCL application at [3].

⁴⁸ CIR at page 42.

provides funding, both directly and through the Charitable Trust, to support the local community. It provides social and entertainment options in Queenstown which are appreciated.

- (c) The negative social and economic effects of casinos usually relate to problem gambling and crime or antisocial behaviour. While there is limited direct evidence of the extent to which the Casino is responsible for gambling harm (because of the high percentage of patrons that do not reside in Queenstown or New Zealand), the Casino applies its regular harm reduction procedures set out in its HRP to all those who gamble, regardless of residence.
- (d) The available evidence suggests that it has been responsible for only a very small amount of harm (likely two or three presentations at gambling services each year). None of the reporting agencies, stakeholders interviewed or submitters suggested that there were any material harm or crime related concerns associated with the Casino.
- (e) Although there is general concern nationally about Māori and Pacific people experiencing disproportionately more gambling harm than other groups, that does not seem to be the case in Queenstown; Māori and Pacific people are relatively under-represented in the Casino customer base.
- (f) Similarly, while there can be a general concern about disproportionate gambling harm for Asian people and older residents, there is nothing to suggest that that is the case with the Casino.
- (g) The Casino has recently introduced a new system for closely monitoring gambling activity which is expected to result in an increase in the effectiveness of its past harm reduction efforts.
- (h) The evidence indicates that local, regional and national levels of support are positive, both in the CIR survey and the balance of the submissions received. There were no submissions made from the local authority, Health New Zealand, Problem Gambling Foundation or a Māori representative body.
- (i) There is nothing to indicate that the nature and standard facilities of the Casino are other than completely satisfactory.

64. The Commission is accordingly satisfied of the third criterion.

Conditions in licence previously identified for revision - charitable trust obligations

65. Section 139(1)(b) provides expressly that the Commission may specify, vary or revoke the conditions of a casino licence “on renewing a casino venue licence”. As a result, the Commission may consider whether the current conditions in QCL’s licences should be varied, or additional conditions specified.

66. In decision GC18/21, the Commission concluded a national review of all charitable trust conditions in casino venue licences. The review, which commenced in April 2021, had been signalled in the Christchurch casino renewal decision⁴⁹ and in a decision to amend the Auckland casino charitable trust condition.⁵⁰ Decision GC18/21 set out in detail the history of the charitable trust conditions and the amendments made prior to the national review, and summarised and analysed the submissions received. Submissions were received from the casino licence holders, relevant government agencies, local authorities and gambling harm sector advocates and treatment providers.
67. The Commission concluded that charitable trust conditions should be retained. On the question of uniformity, it concluded that there should be immediate amendments to all conditions relating to reporting on the funding of, and distributions by, the casino charitable trusts⁵¹ but that, based on the experience of the Christchurch casino renewal, revision of the level of contributions for each casino (basis and amount) was better left to casino venue licence renewal applications rather than a single national review. The exception was a further amendment to the basis and amount set out in the Christchurch casino conditions,⁵² for which renewal had already been completed.
68. The Commission also recorded that, in the course of subsequent renewal applications, it expected to consider historical comparative results of the current conditions, the basis for imposing minimum contributions (whether percentage of casino win or some other value), the appropriate percentage in each case and whether a minimum amount should also be specified.

Contribution obligations at the other casinos

69. In decision GC18/19, the Commission amended condition 15 of the casino venue licence of SkyCity Auckland Limited (“**SCAL**”) to set the required contribution to the relevant trust to the higher of 0.7% of the Casino Win and \$500,000. “Casino Win” is defined, in an amendment to condition 4 of the licence, to have the same meaning as the definition of the same term in section 12M of the Gaming Duties Act 1971, which provides:

casino win, in relation to a casino operator and to any return period, means an amount (not being less than zero) ascertained by deducting from the amount of the gaming income of the casino for the return period the aggregate of—

- (a) the amount of gaming wins paid out by the casino in the return period; and
- (b) the amount of casino losses (if any) of the casino for the immediately preceding return period.

70. The casino win based formula was adopted because it would connect charitable contributions to periodic gambling turnover, limit the focus to money derived from gambling (and not from conjoint facilities and non-casino businesses) and avoid the potential for reduction which would follow a

⁴⁹ Decision GC05/19.

⁵⁰ Decision GC18/19.

⁵¹ Subsequently effected in Decision 05/22.

⁵² Subsequently effected in Decision 06/22.

decision to capitalise and transfer future non-gambling income (thus removing the profits from the previous profit-based contribution formula).⁵³ The percentage was then set to reflect the contributions received historically under the former condition and was expressly not an evaluation of the future appropriateness of the level of contribution.

71. Condition 15 of the SCAL venue licence now provides:

15. The Licence Holder shall financially support the Independent Charitable Trust established by the Deed of Trust. The Licence Holder shall pay to the Trust, in respect of each full year of casino operations, commencing 1 July 2019, not less than 0.7% of the Casino Win, such payment in any one year never to be less than \$500,000. The Licence Holder is required to provide annually to the Commission an audited statement certifying the amount constituting 0.7% of the Casino Win, the amount paid by the Licence Holder to the Trust, and confirming that payment by the Licence Holder to the Trust has been made in accordance with condition 15.

72. On the renewal of the Christchurch Casino Limited's licence, in decision GC05/19, the Commission amended the equivalent condition to reflect the earlier SCAL condition (as it had been prior to decision GC18/19), but with a lesser \$250,000 fixed minimum, and a further provision requiring either additional direct community contribution or additional trust funding, a provision which does not have an Auckland equivalent. The decision was expressly interim as the Commission expected to undertake a general review of charitable trust conditions in the future.⁵⁴

73. Following decisions in GC18/19 and GC18/21, in decision 06/22, the Commission amended condition 14 for the Christchurch casino venue licence to realign with condition 15 of SCAL's licence such that that the minimum percentage contribution would be based on "Casino Win" rather than "net profit." Condition 14 now reads:

14. The Licence Holder shall financially support the Christchurch Casinos Charitable Community Trust established by the Deed of Trust dated 23 November 2021 to undertake the objectives and purposes set out in the said Trust Deed. The Licence Holder shall pay to the Trust, in respect of each full year of casino operations, commencing 1 April 2021, not less than 0.7% of the Casino Win, such payment in any one year never to be less than \$250,000. The Licence Holder is required to provide annually to the Commission an audited statement certifying the amount constituting 0.7% of the Casino Win, the amount paid by the Licence Holder to the Trust, and confirming that payment by the Licence Holder to the Trust has been made in accordance with condition 14.

74. Provision continued to be made separately for the option of additional discretionary direct donations, with any shortfall from a \$100,000 minimum being additionally paid to the charitable trust, as set out in condition 17, the material parts of which provide:

The Licence Holder shall ensure that payments under this condition are to charitable organisations which are primarily located in Christchurch or the Canterbury region and result in no direct commercial advantage to the Licence Holder. In the event that the Licence Holder fails to make payments under this condition totalling \$100,000 in any financial year, the shortfall shall be paid immediately to the Trust, such payment being separate from that required by condition 14.

⁵³ Decision GC18/19 at [4.11].

⁵⁴ Decision GC05/19 at [9.12] and [9.16].

75. In decision GC01/25, being the renewal of the Dunedin casino venue licence, the Commission amended condition 14 of the venue licence held by Dunedin Casinos Limited. The condition previously provided for the casino to pay no less than \$52,000 a year to a charitable trust which had a purpose of funding gambling disorders and a further sum which was equal to 1% of turnover of the gaming machines, to a maximum of \$110,000 a year. Dunedin was the only casino which had either separate provision for gambling disorders funding or a maximum level of required charitable trust funding.
76. In decision GC01/25, the Commission endorsed the move away from fixed amounts because they did not take into account changes over time in market conditions or inflation. Adopting a percentage of casino win should remove the need to impose a fixed sum minimum to ensure that “money from gambling” benefits the community and should provide adequately for variations in the size of casinos and for variable local market conditions. Consideration was given to making provision for additional direct community donations (as had been included in the Christchurch casino conditions) but the Commission declined to do so because it saw the making of direct donations as a business decision for individual casinos which was better kept separate from the community trust obligations.⁵⁵
77. In reaching its decision in decision GC01/25, the Commission had regard to the following matters:⁵⁶
- (a) The percentages imposed at Auckland and Christchurch did not follow a comprehensive review and so did not provide guidance for future charitable trust conditions.
 - (b) The historical charitable trust conditions varied materially across casinos because they arose from the original casino premises application under the Casino Control Act 1990, which, in contrast to the Act, contained neither a purpose of ensuring that money from gambling benefitted the community nor a provision permitting the imposition of such conditions. The conditions were the result of a voluntary promise made in the course of competitive applications for licences.
 - (c) On the basis that contribution obligations should be retained, the Commission believed that strong reasons would be required to reduce the payment obligation under the original conditions and, in some cases, an increase might be appropriate.
78. Following renewal, the Dunedin casino venue licence now contains the following condition relating to its charitable trust.
14. The Licence Holder shall financially support the Dunedin Casinos Charitable Trust established by the Deed of Trust dated 16 June 2000 to undertake the objectives and purposes set out in the said Trust Deed. The Licence Holder shall

⁵⁵ Decision GC01/25 at [9.28].

⁵⁶ Decision GC01/25 at [9.32].

pay to the Trust, in respect of each full year of casino operations, commencing 1 April 2025, not less than 1% of the Casino Win. The Licence Holder is required to provide annually to the Commission an audited statement certifying the amount constituting 1% of the Casino Win, the amount paid by the Licence Holder to the Trust, and confirming that payment by the Licence Holder to the Trust has been made in accordance with this condition 14.

79. The Hamilton Casino, the venue licence for which is yet to be renewed, contains the following condition relating to its charitable trust.

14. The Licence Holder shall financially support the Independent Charitable Trust established by the Deed of Trust. The Licence Holder shall pay to the Trust, in respect of each full year of casino operations, not less than 1.5% of the revenue from the operation of the Casino (GST exclusive) before gaming tax. The Licence Holder is required to provide annually to the Commission an audited statement certifying the amount constituting 1.5% of the revenue from the operation of the Casino before gaming tax, and confirming that payment by the Licence Holder to the Trust has been made in accordance with this condition.

80. In summary:

- (a) The Auckland and Christchurch casinos have minimum contribution obligations based on a percentage (0.7%) of gambling turnover (casino win), both supplemented by fixed sum minimums and, in the latter case only, with an additional fixed sum obligation.
- (b) The Dunedin casino now has a minimum contribution of not less than 1% of casino win without a fixed sum minimum.
- (c) The Hamilton casino currently has minimum contribution obligations based on a percentage (1.5%) of revenue of the casino operation, without a fixed sum minimum.

Contribution obligations of Queenstown casino

81. The Casino's venue licence contains the following condition relating to its charitable trust.

15. The Licence Holder shall financially support the Independent Charitable Trust established by the Deed of Trust. The Licence Holder shall pay to the Trust, in respect of each full year of casino operations, not less than 2.5% of the net profit from the operation of the Casino, or \$100,000 per annum, whichever is the greater. The Licence Holder is required to provide annually to the Commission an audited statement certifying the amount constituting 2.5% of the net profit from the Casino, and confirming that payment by the Licence Holder to the Trust has been made in accordance with this condition.

82. The Casino is currently one of only two casinos with a contribution obligation not based on casino win. The obligation includes a fixed minimum sum which, the Commission indicated in decision GC01/25, may only be appropriate in cases where contributions are based on annual profit⁵⁷ (as the current condition specifies).

83. The Commission received no submissions from local authorities or members of the public regarding amendment of the charitable trust condition in QCL's licence.

⁵⁷ Decision GC01/25 at [9.28(b)].

84. QCL's evidence included a table showing annually the casino win figure, an amount equal to 0.7% of casino win, 2.5% of annual net profit and the actual annual contribution to the Charitable Trust for the period covering the preceding 3 years (2023-2025). The annual contributions not only exceeded 2.5% of net profit (which averaged around \$75,000 in the 3 year period) but also the specified fixed sum minimum of \$100,000 each year, in one of the years by a very substantial margin. In evidence, the reasons for payments exceeding the minimum were said to include "found money", customer donations, and unclaimed or decommissioned jackpots. QCL submitted that the current condition worked well, that the concerns raised in earlier Commission decisions which adopted a casino win basis did not apply in its case, and that no amendment was required.
85. The Commission had earlier obtained information showing, for each year since 2003, the annual casino win amount (except for 2006), the actual amount paid to the Charitable Trust and had calculated the percentage of casino win which each annual contribution represented. The information showed significant variability in the annual casino win figure, with 3 years showing amounts 2 to 3 times most other years (including the last 3 years). In addition, the annual contribution amount, even putting to one side the initial amount (which appears may have covered a 2.5 year period), showed all contributions exceeding the \$100,000 minimum, including one year where the amount was over \$250,000, 2 years where it was around \$200,000 and 2 further years in which it was around \$150,000. The information gathered was shared with counsel for QCL who sought the opportunity to check the amounts and provide a more detailed breakdown of the figures.
86. The additional breakdown was subsequently provided to the Commission. The breakdown corrected the amount paid in 2019 and otherwise confirmed the casino win figures and the amounts paid. It advised that the 2003 amounts appeared to include the period from opening in December 2000 until June 2003 and broke down, for the period from 2013 (when the SkyCity group acquired QCL), the annual contribution amounts attributable to profit, found money, customer donations and unclaimed or decommissioned jackpots.
87. As described above, the Commission previously amended the charitable trust conditions of the Auckland, Christchurch and Dunedin casinos to be calculated on the basis of a percentage of casino win. Casino win basis was thought to be ideal to ensure that money from gambling benefitted the community over time.
88. Notwithstanding the submission for QCL that no amendment to the current condition was required, the Commission considers, for the reasons given in its previous decisions, that it is preferable for charitable trust contribution obligations to be framed on a casino win basis and that fixed sum conditions are not ideal because of the effect of inflation and the lack of responsiveness to changes in gambling activity over time.

89. As to the appropriate percentage, the Commission has previously indicated that, on reviewing charitable trust contributions on licence renewal, the amount historically paid by a casino should not be reduced without good reason.
90. From the information provided, for most years, QCL's effective minimum contribution obligation under the current condition has been the fixed sum minimum of \$100,000, set when the licence was issued on 18 June 1999, with annual payments always exceeding \$100,000 (as a result of the additional sources of contribution referred to in paragraph 84 and 86 above). For that reason, the minimum contribution did not change in most years, despite variations in the casino win amounts. The only years in which the stipulated profit percentage required a higher annual contribution than the fixed sum minimum were 2015, 2019 and 2020. As a result, the annual contribution as a percentage of casino win reduced throughout the period (as casino win amounts gradually increased), with the exception being 2022 when a decommissioned jackpot more than doubled the contribution amount.
91. Having regard to the history of contributions made by QCL, the Commission considers that condition 15 of the Licence should be amended to require a minimum contribution to the Charitable Trust of 1.2% of casino win, without the addition of a minimum fixed sum amount, with the amended contribution obligation to take effect from 1 July 2026.⁵⁸ Any additional annual contribution amounts attributable to found money, customer donations and unclaimed or decommissioned jackpots must be treated as separate from, and in addition to, the percentage of casino win minimum.

Decision

92. For the reasons set out in paragraphs 24, 31 and 64 above, the Commission is satisfied that QCL's casino venue licence should be renewed and grants the application for renewal accordingly, pursuant to section 137.
93. In addition, it makes orders under section 139(1)(b), varying the conditions attached to QCL's casino venue licence as follows:
- (a) Adding the following definition to condition 4:
- Casino Win** has the same meaning as Casino Win in section 12M of the Gaming Duties Act 1971.
- (b) Replacing the current condition 15 with the following condition:
- The Licence Holder shall financially support the SkyCity Queenstown Casino Community Trust established by the Deed of Charitable Trust dated 2 December 2002. The Licence Holder shall pay to the Trust, in respect of each full year of casino operations, commencing on 1 July 2026, not less than 1.2% of the Casino Win. The Licence Holder is required to provide annually to the Commission an audited statement certifying the amount constituting 1.2% of the Casino Win and

⁵⁸ The date aligns with QCL's financial year.

the amount paid to the Trust and confirming that payment by the Licence Holder to the Trust has been made in accordance with this condition 15.

Right of appeal

94. Pursuant to section 235 of the Act, a person affected by this decision may appeal the decision to the High Court. An appeal must be made within 15 working days of the date of notice of the Commission's decision, or any longer period that the High Court may allow.



Susan Hughes KC
Gambling Commissioner

for and on behalf of the
Gambling Commission

11 December 2025

