

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: 13 April 2006

Date of Decision: 9 June 2006

Date of Notification of Decision: **22** June 2006

DECISION

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

Application

1. Queenstown Casinos Limited (the "**Applicant**") presently has three approved floor plans, Plans A, B and C. The floor layout for each is identical; the difference between Plans A, B and C is in the approved table game mix. The Applicant seeks approval under condition 2.1 of its venue licence for approval of a new floor plan which consolidates Plans A, B and C into a single plan, and allows the Applicant to deploy an additional alternative game mix, C (alternative)). The Applicant proposes to alternate between the game mix in C and C (alternative) using a "flip-top" table.
2. If game mix C (alternative) is approved, the following game mixes would be available:

Game	Table Numbers			
	Plan A	Plan B	Plan C	C (alternative)
Black Jack	5	4	5	5
Midi Baccarat	3	3	3	2
Roulette	3	3	2	2
Caribbean Stud Poker	1	1	1	1
Poker	0	1	1	2

Licence conditions

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

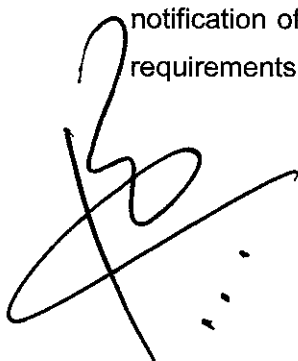
Approval of specifications for security and surveillance installations

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 close 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 submitted that game mix C (alternative) would not increase opportunities for casino gambling as it provides 28 fewer player spaces than Plan A, and 17 fewer player spaces than Plans B and C.
5. The Applicant compared the rates of play for Poker and Midi Baccarat (Midi Baccarat in Plan C is replaced by Poker in C (alternative)) and submitted that approval of C (alternative) would not result in any increase. Based on a review conducted at the Christchurch casino, the Applicant submitted that over twice as many Midi Baccarat rounds were dealt per hour compared with Poker. It also submitted that there is not any material difference between the wagering options for Midi Baccarat and Poker, although there may be occasions when Poker allowed a player to exercise more wagering options.
6. The Applicant stated that any necessary adjustments to the CCTV layout associated with the introduction of C (alternative) will be implemented, and the Department of Internal Affairs (the "**Department**") notified.
7. The Applicant has applied to the Department for approval of Minimum Operating Standards which will provide for the use of flip top tables, and submitted that the notification of change between game mix C and C (alternative) should be subject to the requirements set out in those Standards.



Submissions by the Secretary

8. The Secretary submitted that Plan C (alternative) is unlikely to increase opportunities for casino gambling, taking into account the reduction in player spaces from Plan A and the likelihood that Poker is slower than Midi Baccarat.
9. The Secretary agreed that the change from game mix C to C (alternative) could appropriately be regulated by Minimum Operating Standards.

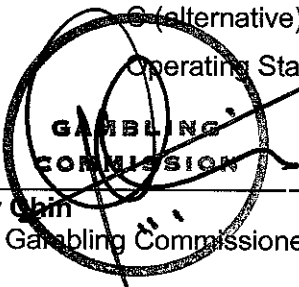
Analysis

10. In assessing whether the proposal would give rise to an increase in opportunities for casino gambling, the Commission compared the game mix proposed in C (alternative) with the game mix in Plan A, as that plan represents the greatest level of opportunity for gambling at the casino. This is consistent with the Commission's approach in its previous decisions.
11. The Commission noted the Applicant's submissions that Plan C (alternative) represents 28 fewer player spaces at table games than presently permitted by Plan A. In making this assessment, the Applicant has calculated Poker as having 10 player spaces rather than 11, which is the maximum provided under the Game Rules. The Applicant has done so on the basis that the Poker tables at Queenstown accommodate a maximum of 10 players. The Applicant has not, however, sought to impose a restriction on the number of player spaces for Poker.
12. 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 two 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 Plan A and C (alternative).
13. The Applicant and the Secretary both submitted that Poker would produce fewer rounds per hour than either Roulette or Midi Baccarat, with the Applicant initially producing limited evidence to support this submission. The Applicant subsequently produced data from the review carried out by the Christchurch casino that, although not wholly applicable to the Queenstown casino, confirmed the parties' submissions.
14. Having reviewed the information, the Commission was satisfied that the proposed game mix would not increase opportunities for casino gambling. It agreed that Plans A, B, C (approved in decisions GC01/05, GC25/05, and GC04/06 respectively) and C (alternative), could usefully be consolidated into a single floor layout plan which

specifies the alternative game mixes which can be deployed by the Applicant. The floor layout for A, B, C, and C (alternative) is identical; the variation is in the table game mix.

Decision of Commission

15. 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 the **attached** floor layout plan, subject to the following requirements:
- (a) The Licence Holder may operate on the 12 tables shown in Game Mixes A, B, C and C (alternative) as specified in the Explanatory Notes to the Plan.
 - (b) The table games specified in the Explanatory Notes to the Plan 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.
 - (c) The Licence Holder is permitted to change between Game Mixes 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.
 - (d) The Licence Holder is permitted to change between Game Mixes C and C (alternative) subject to the requirements specified by way of Minimum Operating Standards.

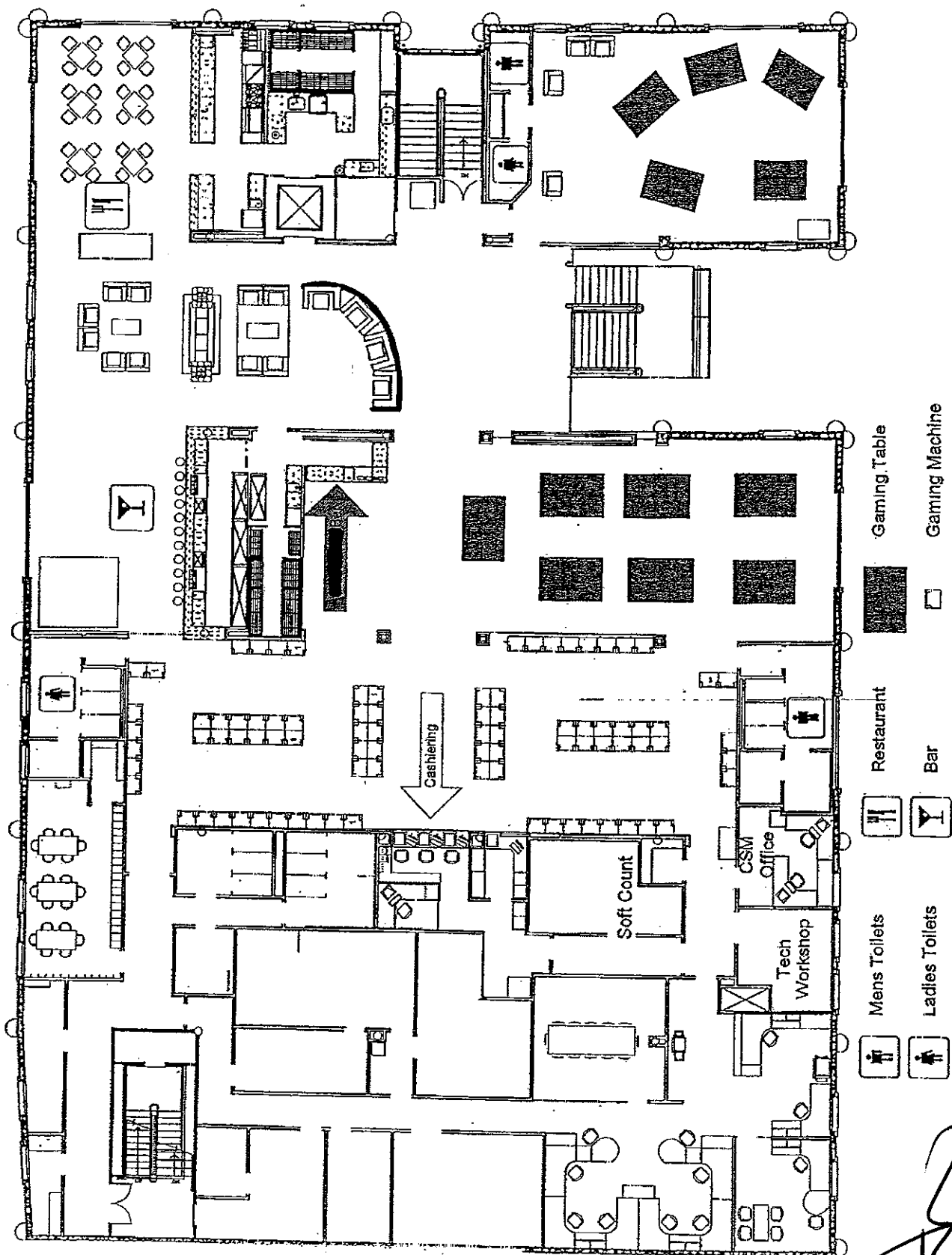


Peter Chin
Chief Gambling Commissioner

for and on behalf of the
Gambling Commission

22 June 2006

SKY CITY Queenstown Casino – Gambling Area Floor Layout



Refer explanatory notes attached

Explanatory Notes

The licence holder may operate no more than 86 gaming machines and 12 table games in the configuration shown in the plan. The following table game mixes are approved for operation.

Game Mix A

Blackjack	x5
Roulette	x3
Midi Baccarat	x3
Caribbean Stud Poker	x1

Game Mix B

Blackjack	x4
Roulette	x3
Midi Baccarat	x3
Caribbean Stud Poker	x1
Poker	x1

Game Mix C

Blackjack	x5
Midi Baccarat	x3
Roulette	x2
Caribbean Stud Poker	x1
Poker	x1

Game Mix C (Alternative)

Blackjack	x5
Roulette	x2
Midi Baccarat	x2
Caribbean Stud Poker	x1
Poker	x2

Notes

- 1 The licence holder is permitted to change between the game mixes specified in 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.
- 2 The licence holder is permitted to change between the game mixes specified in C and C (Alternative) subject to the requirements specified by way of minimum operating standards.

