

IN THE MATTER of the Gambling Act 2003
AND on an application by **SKYCITY CASINO MANAGEMENT LIMITED** for approval to deploy a new Roulette layout at the Auckland casino

BEFORE THE GAMBLING COMMISSION

Members: G L Reeves (Chief Gambling Commissioner)
P J Stanley
L M Hansen
R D Bell
A K Foote

Date of Application: 21 March 2012

Date of Decision: 13 April 2012

Date of Notification
of Decision: *21* May 2012

**APPLICATION BY SKYCITY CASINO MANAGEMENT LIMITED
FOR APPROVAL TO DEPLOY A NEW ROULETTE LAYOUT AT THE AUCKLAND CASINO**

Introduction

1. SKYCITY Casino Management Limited ("**SCML**") applied, under condition 10 of its operator's licence, for approval to deploy a new layout on some of its Roulette tables at the Auckland casino. The new layout features an additional wagering area known as a "Racetrack".

Relevant licence condition

2. The relevant licence condition is as follows:

SCML's operator's licence (Auckland)

10. The approval of the Commission is required prior to the introduction in to the Gambling Area of any electronic version of game type specified in condition 9 above or electronic aids or enhancements or changes to table game rules which create new wagering opportunities.

Submissions by SCML

3. SCML submitted, in summary, as follows:
 - (a) Pursuant to condition 10 of the conditions attached SCML's operator's licence, Commission approval is required prior to the introduction into the Gambling Area



of any electronic version of game type, or electronic aids, or enhancements, or changes to table game rules which create new wagering opportunities.

- (b) The Rules of Roulette provide the operator with the discretion to use one of a number of layouts marked with areas for the placement of wagers. One of those layouts features an optional additional wagering area known as a racetrack. The racetrack layout was approved by the Casino Control Authority pursuant to its powers under the Casino Control Act. The layout provides for a range of wagering combinations traditionally offered in European casinos. To date it has never been used on Roulette games at the Auckland casino, although racetrack wagers are available on Electronic Roulette games.
- (c) It now wants to use the racetrack layout on some roulette tables. The adoption of this layout would not require Commission approval pursuant to condition 10. The layout in question formed part of the Roulette Rules before condition 10 was introduced, and in this sense is unlikely to represent a 'change to table game rules.' The layout in question does not create new wagering opportunities, but rather facilitates the placement of wagers on existing opportunities. The wagers that may be placed on the racetrack represent combinations that could also be placed on the main layout – the difference being that the chips may be placed on one spot on the racetrack covering multiple combinations rather than on multiple spots on the main layout.
- (d) As this is the first time such an issue has arisen in the context of condition 10, it is appropriate to refer the matter to the Commission for consideration. To the extent that the Commission is of the view that the adoption of the racetrack on Roulette games would require its approval pursuant to condition 10, it hereby seeks approval.
- (e) The racetrack does not affect the size of the table and so will not have any impact on the theoretical number of player spaces. It is also not expected to have any impact on the game's rate of play. While the racetrack facilitates the placement of multiple wagers on a range of specific combinations, those combinations will not appeal to all players who wish to place multiple wagers.

The Secretary's submissions

4. The Secretary submitted, in summary, as follows:

- (a) Condition 10 does not apply to SCML's proposal. "Racetrack" is an existing layout option set out in the current approved game rules for Roulette. This means



that SCML's proposal is not the result of changes to game rules, and should therefore not require Commission approval pursuant to condition 10.

- (b) It agrees that the Racetrack layout should not create new wagering opportunities.
- (c) On the other hand, it is possible that the introduction of the Racetrack layout could have an effect on the rate of play one way or the other. If significant changes were to result, Racetrack Roulette could be categorised and considered separately for the purposes of assessing game mix applications in the future in a similar way to dealing styles A and B for Baccarat.

SCML's submissions in reply

5. In reply, SCML submitted, in summary, as follows:

- (a) It shares the Secretary's view that condition 10 has no application to this matter, but it chose to submit the application out of an abundance of caution. The Commission may wish to consider whether the wording of condition 10 is sufficiently clear and if not, may wish to consider proposing an amendment to better convey its expectations in this area. Alternatively, it may simply wish to provide Licence Holders with some guidance as to how it interprets the current condition.
- (b) The Secretary considers it possible that the introduction of the layout could have an effect on the rate of play for Roulette. For the reasons set out in its application, it considers this to be highly unlikely. However the simulated trials that have been relied on in the past to estimate and compare the theoretical rate of play for different games would not assist in making any determination in this regard.
- (c) It has no particular objection to categorising Racetrack Roulette as a distinct game in its own right for the purposes of assessing rate of play, as suggested by the Secretary, but there is no basis for assigning to it a different theoretical rate of play to that used for standard Roulette.

Analysis

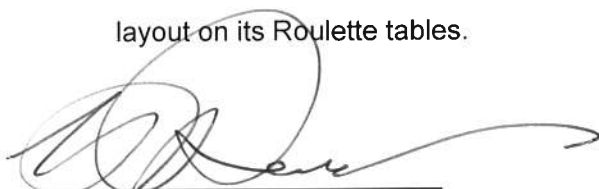
6. SCML sought Commission approval to deploy a "Racetrack" layout on some of its Roulette tables at the Auckland casino. SCML submitted that Commission approval was not required pursuant to condition 10 but sought Commission approval nonetheless – "out of an abundance of caution". The Secretary agreed that Commission approval was not required.



7. Condition 10 of SCML's operator's licence for the Auckland casino provides as follows:
10. The approval of the Commission is required prior to the introduction in to the Gambling Area of any electronic version of game type specified in condition 9 above or electronic aids or enhancements or changes to table game rules which create new wagering opportunities.
8. The condition was introduced by the Commission when it reviewed licence conditions for the Auckland casino in 2005/6, its purpose being to allow the Commission to oversee the possible introduction of new game rules, or new technologies, and assess whether their deployment will increase opportunities for casino gambling.
9. As the parties submitted, the proposed deployment of the racetrack layout does not require Commission approval because its deployment was approved in the Roulette game rules before condition 10 took effect. This means that there is no "change to table game rules which increase opportunities for casino gambling" – the opportunities offered by the racetrack layout have always been part of the approved level of opportunity for the Auckland casino.

Decision

10. The Commission decided that Commission approval is not required, under condition 10 of SCML's operator's licence for the Auckland casino, for SCML to deploy the racetrack layout on its Roulette tables.



Graeme Reeves
Chief Gambling Commissioner

for and on behalf of the
Gambling Commission

21 May 2012

