

IN THE MATTER of the Gambling Act 2003
AND on an application by **SKYCITY CASINO MANAGEMENT LIMITED** for approval to install new non-cash dispensing mobile scanners at Auckland Casino

BEFORE THE GAMBLING COMMISSION

Members: G L Reeves (Chief Gambling Commissioner)
L M Hansen
R D Bell
D C Matahaere-Atariki
W N Harvey

Date of Application: 20 October 2017

Date of Decisions: 8 December 2017

Date of Notification
of Decision: 14th December 2017

**DECISION ON AN APPLICATION BY SKYCITY CASINO MANAGEMENT LIMITED
FOR APPROVAL TO INSTALL NEW NON-CASH DISPENSING MOBILE SCANNERS
AT AUCKLAND CASINO**

Introduction

1. SKYCITY Casino Management Limited ("SCML" or the "Applicant") applied to the Commission for approval, under condition 14 of SCML's operator's licence for the Auckland casino, to introduce 15 new non-cash dispensing mobile scanners into the Auckland casino.
2. The relevant licence condition is as follows:

SCML's operator's licence (Auckland)

14. The Licence Holder is prohibited from using mobile EFTPOS terminals (cash or non-cash dispensing) or like devices in the Gambling Area unless approved by the Commission. The approval of the Commission shall be revocable at the discretion of the Commission and may be subject to such conditions as the Commission may from time to time impose.

Submissions by the Applicants

3. The Applicants submitted, in summary, that:
 - (a) The Commission has previously approved the installation of three mobile EFTPOS terminals in Andy's Burger and Bar in decision GC23/15. That decision was subject to the following restrictions:

- (i) the terminals may be used only in the Burger Bar dining area at the Diamond Room and not elsewhere in the Gambling Area; and
 - (ii) the terminals may be used only to pay for meals served in the Burger Bar dining area of the Diamond Room.
- (b) It wants to use further non-cash dispensing mobile technology in some food and beverage areas of the Gambling Area in Auckland. The technology involves the use of a mobile phone app for making payments. WeChatPay and AliPay are two common apps which are popular with international tourists. Once enabled on a customer's phone, users can transact payments for their food and beverage via the app. The payment is completed when SCML scans the payment code on the customer's phone. This completes the transaction. In the context of licence condition 14, this technology would appear to constitute a "like device" similar to a mobile EFTPOS terminal. Accordingly its deployment in the Gambling Area will require Commission approval.
- (c) To complete a transaction requires the customer's phone and an SCML scanner, meaning that transactions could potentially be completed anywhere in the Gambling Area. Having regard to the issues highlighted in decision GC23/15, SCML proposes restricting payment transactions to the outlet(s) which support this technology and only where the customer is present. This will ensure that a customer cannot pay for food and beverage using this technology whilst continuing to gamble. The Commission may wish to make this a condition of any approval.
- (d) This technology has been running successfully in the Sky Tower for some time and is currently being rolled out to food and beverage outlets outside the Gambling Area. Subject to the Commission's approval, SCML would like to extend that deployment to food and beverage outlets within the Gambling Area. A list of those outlets and the number of scanners for which approval is sought is as follows:

Food and beverage outlet	No. of scanners
Deli	Up to 2
Andy's Burger and Bar	Up to 2
Sammy's Place	Up to 3
Aces Bar	Up to 3
Rouge Bar	Up to 2
Twenty One	Up to 3
Total	15



The Secretary's submissions

4. The Secretary submitted, in summary, that:
- (a) This is an extension of the approval granted in Commission decision GC23/15 and any risk, as it may relate to gambling harm, can be mitigated by the extension of the current restrictions:
- Restricting the terminals to be used only in the food and beverage areas (as listed in the food and beverage outlet table); and restricting the terminals to be used only to pay for food and beverages.
- (b) He also supports the inclusion of a further restriction, as proposed by SCML, to prevent players from making purchases while continuing to gamble, namely:
- Restricting payment transactions to the outlet(s) which support this technology and only where the customer is physically present.
- (c) On this basis, he has no objection to the application.

Analysis

5. Although the application refers only to decision GC23/15, the last similar authorisation at the Auckland casino, the cash access conditions, including condition 14, were amended at all SCML casinos by the Commission in decision GC10/17. The amendment provided for the use of mobile EFTPOS devices in the Gambling Area only with prior Commission approval on suitable conditions.
6. The Commission recorded that the purpose of the mobile EFTPOS restrictions was to minimise unplanned expenditure on gambling (via cash dispensing devices) and to prevent their use to enable customers to avoid taking breaks from play (via cash or non-cash dispensing devices). The Commission stated accordingly that cash dispensing mobile devices should be restricted to appropriately limited areas for cash access and non-cash dispensing devices should be restricted both to expressly defined areas and to expressly defined uses to ensure that they could not be used by customers while gambling (thus avoiding breaks in play).
7. In the only subsequent decision granting approval under the amended conditions, GC15/17, the Commission approved the use of both mobile cash and mobile non-cash dispensing devices at the Hamilton casino on conditions which included the precise delineation of the approved areas of use for each device on a casino floor plan.
8. SCML is seeking Commission approval to deploy 15 new non-cash dispensing mobile scanners in 6 food and beverage areas in the Gambling Area at the Auckland casino. The devices are not mobile EFTPOS devices but function sufficiently similarly to constitute "like devices".

9. The application has anticipated the likely restrictions for non-cash dispensing devices by proposing conditions restricting their use to certain listed food and beverage outlets and while the customer is present. The Secretary supports those restrictions and submits that a further condition should be imposed restricting the use of the technology to purchases of food and beverages only.
10. As the terminals are non-cash dispensing, the only harm minimisation concern relates to the possibility of avoiding breaks, a concern which is addressed by the foregoing conditions. The Secretary concurs in this view.
11. SCML has provided floor plans delineating the areas in which the devices may be used. Provision of marked floor plans reduces the scope for misunderstandings about boundaries and was a requirement which SCML foresaw.
12. The Commission was prepared to permit the deployment of the "like" mobile technology on the suggested conditions.

Decision of the Commission

13. The Commission approves, pursuant to condition 14 of SCML's operator's licence for the Auckland casino, the introduction of 15 additional non-cash dispensing mobile EFTPOS or like devices, namely mobile scanners for use with mobile phone payment apps.
14. The scanners may be used only in the food and beverage outlets listed above, as shown on the marked casino floor plan **attached**. The approved use is restricted to payment for food and beverages and while the customer is physically present in the defined outlet area.

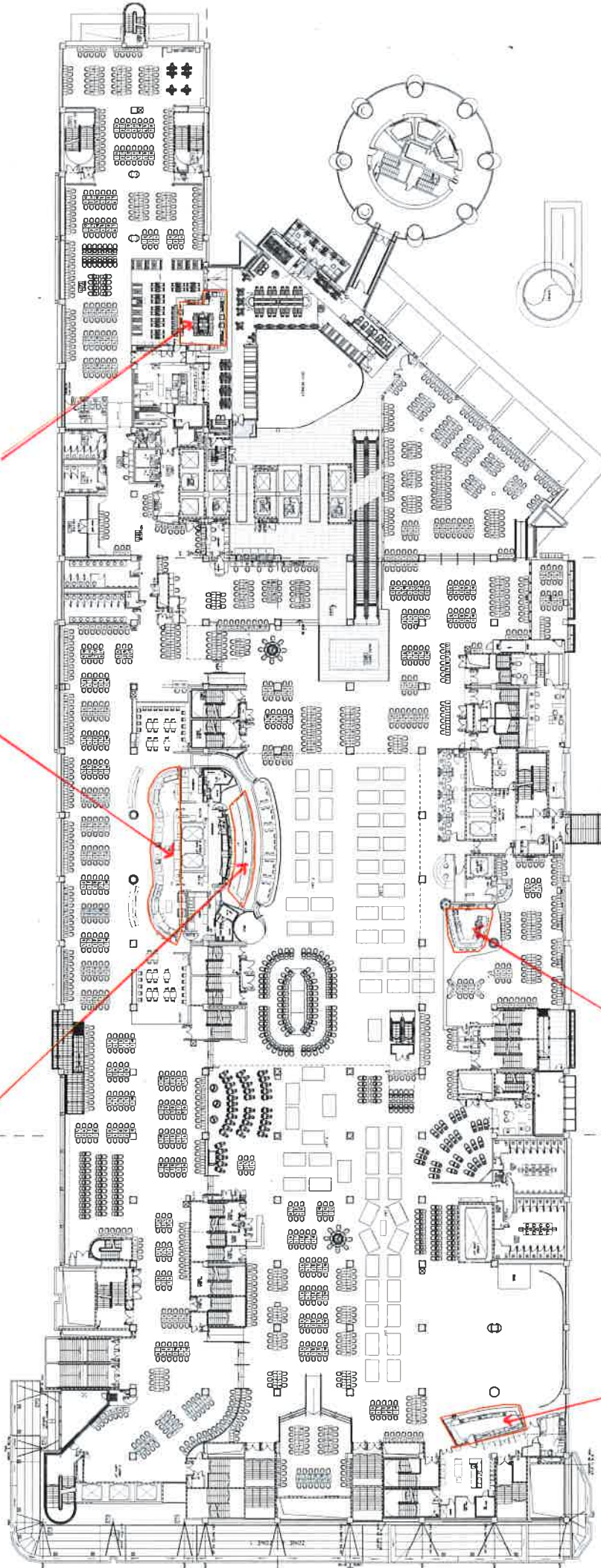


Graeme Reeves
Chief Gambling Commissioner

for and on behalf of the
Gambling Commission

14th December 2017





Aces Bar

Deli

Andy's Burgers and Bar

Rouge Bar

Sammy's Place



Twenty One

