

IN THE MATTER of the Gambling Act 2003

AND on a proposal by the Gambling Commission to vary condition 5 of the operator's licences held by SKYCITY Casino Management Limited (for the Skycity Hamilton and Queenstown casinos), Christchurch Casinos Limited and Otago Casinos Limited

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: 15 September 2011

Date of Decision: 12 November 2011

Date of Notification
of Decision: 25 November 2011

**DECISION ON A PROPOSAL BY THE GAMBLING COMMISSION
TO VARY CONDITION 5 OF THE OPERATOR'S LICENCES HELD BY
SKYCITY CASINOS MANAGEMENT LIMITED ("SCML") (FOR THE SKYCITY HAMILTON
AND QUEENSTOWN CASINOS), CHRISTCHURCH CASINOS LIMITED ("CCL")
AND OTAGO CASINOS LIMITED ("OCL")**

Introduction

1. In decision GC24/11, the Gambling Commission approved an application by SCML to vary conditions 5, 6 and 6A attached to SCML's operator's licence for the Auckland casino. The variation of condition 5 substituted "Gambling Area" for "Casino". In approving this variation, the Commission stated that:

39. The Commission observed that the present wording of [condition 5] appears to be an anomaly when it is compared to the equivalent condition for gaming tables. When the Commission proposed to revoke SKYCITY's licence conditions and specify new licence conditions in substitution, the Secretary proposed amending the reference to "casino venue" in condition 6 to "Gambling Area". The Commission treated this as an unopposed, minor, and primarily technical amendment, and approved it without discussion. Parties either did not notice, or were unconcerned by, the anomaly created with condition 5.
40. Condition 5 is the same in all casino operator's licences, except for the Dunedin casino. Dunedin casino requested that the reference to "casino" in its original condition 5 be amended to "Gambling Area" on the basis that this was consistent with condition 6. The Commission adopted the proposed amendment.



41. There is no good reason for distinguishing between "Gambling Area" and "Casino Venue" between conditions 5 and 6, and the anomaly should be remedied for all casinos. The Commission will, on its own initiative, propose such an amendment for the casino.
2. Following decision GC24/11, the Commission proposed, by letter dated 14 September 2011, to vary condition 5 of the operator's licences for the Hamilton, Queenstown, Christchurch and Wharf casinos pursuant to section 139(1)(e) of the Gambling Act 2003 (the "Act"). The proposal was to substitute "Gambling Area" for "Casino".
 3. Section 140 of the Act requires the Commission to notify the Licence Holder, the Secretary for Internal Affairs and other potentially affected persons of the proposed changes. No potentially affected persons were identified so the Commission notified only the Licence Holders and the Secretary. The Commission received submissions from SCML, OCL and the Secretary.

Licence conditions

4. The proposed amendment to the four casino licence conditions is shown in mark-up as follows:

Condition 5 of SCML's operator's licence – Hamilton

5. The number of gaming machines in the ~~Casino~~ Gambling Area shall not exceed 339. Each terminal or player station of a multi-terminal or multi-player gaming machine shall be treated as one gaming machine.

Condition 5 of SCML's operator's licence – Queenstown

5. The number of gaming machines in the ~~Casino~~ Gambling Area shall not exceed 86. Each terminal or player station of a multi-terminal or multi-player gaming machine shall be treated as one gaming machine.

Condition 5 of CCL's operator's licence

5. The number of gaming machines in the ~~Casino~~ Gambling Area shall not exceed 500. Each terminal or player station of a multi-terminal or multi-player gaming machine shall be treated as one gaming machine.

Condition 5 of OCL's operator's licence (Lasseters Wharf casino, Queenstown)

5. The number of gaming machines in the ~~Casino~~ Gambling Area shall not exceed 74. Each terminal or player station of a multi-terminal or multi-player gaming machine shall be treated as one gaming machine.

Submissions

5. SCML, the Secretary and OCL had no objection to the proposal.

Analysis

6. This matter arose following decision GC24/11 - SCML's application to vary conditions 5, 6 and 6A of the operator's licence for the Auckland casino. In that matter SCML stated that

the wording of condition 5 applies to the number of gaming machines that may be installed in the casino whereas the equivalent condition for gaming tables, condition 6, specifies the number of tables that may be installed in the Gambling Area. SCML submitted that it was not aware of any reason for this distinction between the conditions, so it applied to amend condition 5 to make it consistent with condition 6.

7. In its decision, the Commission concurred with SCML, stating that “there is no good reason for distinguishing between “Gambling Area” and “Casino” between conditions 5 and 6, and the anomaly should be remedied for all casinos.”
8. The Commission’s proposal attracted no opposition and it approved the amendments to the operator’s licences for the Hamilton, Christchurch, Queenstown and Wharf casinos.

Decision

9. The Commission amended condition 5 attached to the operator’s licences for the Hamilton, Christchurch, Queenstown and Wharf casinos, to substitute “Gambling Area” for “casino”. The amendments were made pursuant to section 139(1)(e) of the Act.
10. The conditions now read as follows:

Condition 5 of SCML’s operator’s licence – Hamilton

6. The number of gaming machines in the Gambling Area shall not exceed 339. Each terminal or player station of a multi-terminal or multi-player gaming machine shall be treated as one gaming machine.

Condition 5 of SCML’s operator’s licence – Queenstown

6. The number of gaming machines in the Gambling Area shall not exceed 86. Each terminal or player station of a multi-terminal or multi-player gaming machine shall be treated as one gaming machine.

Condition 5 of CCL’s operator’s licence

6. The number of gaming machines in the Gambling Area shall not exceed 500. Each terminal or player station of a multi-terminal or multi-player gaming machine shall be treated as one gaming machine.

Condition 5 of OCL’s operator’s licence (Lasseters Wharf casino, Queenstown)

6. The number of gaming machines in the Gambling Area shall not exceed 74. Each terminal or player station of a multi-terminal or multi-player gaming machine shall be treated as one gaming machine.

Right of appeal

11. Pursuant to section 235 of the Act, a person affected by this decision may appeal that 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.





Graeme Reeves
Chief Gambling Commissioner

for and on behalf of the
Gambling Commission

25 November 2011

