
GAMBLING COMMISSION



REPORT OF THE GAMBLING COMMISSION FOR THE YEAR ENDED 30 JUNE 2023

Presented to the House of Representatives pursuant to section 229 of the Gambling Act 2003

CONTENTS

The Minister of Internal Affairs

I have the honour to forward the report of the Gambling Commission (the “Commission”) for the year ended 30 June 2023.

Susan Hughes KC

Chief Gambling Commissioner

Page 2	Introduction by the Chief Gambling Commissioner
Page 3	Report on activities
	Role and Function of the Commission
	Casino Sector
	- Review of Cash Access licence conditions
	- Application to renew casino venue licence for Dunedin casino
	Appeals to the Commission
	Sector Engagement
	Procedures
	Administration
	Commission Meetings
	Future Work Programme
Page 6	Commission Members
Page 7	Contact details for Commission
Page 7	Appendix 1
	Duties and Functions of Commission under the Gambling Act 2003
Page 8	Appendix 2
	Decisions of the Commission: 2022/2023 (including Delegated Approvals of Commission)

INTRODUCTION

By the Chief Gambling Commissioner

I am pleased to present to you my annual report for the period 1 July 2022 to 30 June 2023, the Commission's seventeenth full year of operation, and my first as Chief Gambling Commissioner.

The Commission has a mixture of regulatory, judicial and advisory functions in relation to gambling and the gambling sector. The functions most regularly exercised by the Commission involve determining applications for approval under casino licence conditions, amending casino licence conditions and considering appeals from gaming machine operators against decisions made by the Department of Internal Affairs (the "**Department**").

In the last year, the Commission determined 113 applications to amend casino licence conditions or grant approvals under casino licence conditions. No Class 4 appeals were considered.

Susan Hughes KC

Chief Gambling Commissioner

REPORT ON ACTIVITIES

Role and function of Commission

The Commission was established under the Gambling Act 2003 (the “Act”). It is an independent decision-making body with the powers of a Commission of Inquiry. The duties and functions of the Commission, which are set out in Appendix 1 to this report, include specifying, varying and revoking casino licence conditions, and considering and determining appeals against regulatory and licensing decisions made by the Department in respect of Class 3 and Class 4 gambling.

The Commission must make decisions independently of the Minister and the Secretary for Internal Affairs.

Membership

The Act provides that the Commission shall comprise up to five Commissioners.

The Chief Gambling Commissioner is Susan Hughes KC, a Barrister based in New Plymouth, who was appointed to the role in June 2023.

The other four Commissioners are:

- Scott Pearson, a Business Consultant based in Auckland;
- William (Bill) Acton, a Barrister based in Wellington;
- Sarah Shaw, a Barrister based in Whangarei; and
- Carolyn Risk, a Barrister and Public Sector Consultant based in Christchurch.

The previous Chief Gambling Commissioner, Lisa Hansen, concluded her appointment in June 2023. Ms Hansen made an outstanding contribution to the Commission during her tenure, which commenced in 2011. The Commission thanks her sincerely for that contribution.

Casino Sector

The Commission is responsible for casino licensing, with the Department being responsible for operating and equipment standards, game rules and compliance. The Commission’s decisions on licensing matters are subject to appeal to the High Court.

New Zealand has six casinos (new ones being prohibited under the Act) varying considerably in size, as shown below:

Casino	No. of tables	No. of gaming machines	Fully automated gaming machines
Auckland	150	1,877	240
Christchurch	36	500	-
Hamilton	23	339	-
Dunedin	12	180	-
Queenstown (Beach Street)	12	86	-
Queenstown (Steamer Wharf)	6	74	-

SKYCITY is the dominant operator in New Zealand, operating four of the six casinos: one in Auckland, one in Hamilton and two in Queenstown. The Auckland Casino is by far the largest, with approval to operate up to 150 table games, 1,877 gaming machines and 240 fully automated gaming machines.

SKYCITY Wharf closed in 2020 and appears likely to remain closed for the foreseeable future.

In the year ending 30 June 2023, the Commission made 113 decisions on applications to amend licence conditions or obtain approvals under licence conditions. Applications related mainly to approval of new signage around the casinos, revised floor layouts and new game mixes. This compares with 110 decisions made last year.

In 2022, the Commission commenced a review of the cash access licence conditions attached to the operator’s licences for all six casinos. The review was commenced because the current cash access licence conditions were imposed in 2005 and in light of submissions received at that time, which saw cash access as being linked to the facilitation of continuous gambling and resulting in harm. The Commission wanted to investigate whether these licence conditions remain appropriate in light of consumer behaviour away from cash and towards cashless transactions.

After consulting widely on the review and obtaining assistance from an independent expert, the Commission determined that the review would benefit from information on cashless gambling developments currently taking place in Australia. The Commission therefore paused the review to 1 December 2023 to allow the Australian developments to progress. The Commission is monitoring these developments, with the New Zealand casino operators also reporting to it on them.

In June 2023, Dunedin Casinos Limited filed an application to renew its casino venue licence which will be considered in the year commencing 1 July 2023.

The Commission was named as the Second Respondent in a Declaratory Judgment proceeding commenced by Feed Families Not Pokies Aotearoa Incorporated. The Secretary was named as the First Respondent.

The Applicant is seeking declarations on several matters, with the key question being whether the Secretary (and the Commission on appeal) can amend the location of a Class 4 venue on a Class 4 venue licence. The Applicant's position is that the Department (and Commission) cannot do so.

The proceeding has its genesis in a decision of the High Court from 2013 but is also a challenge to a Commission decision on Class 4 premises relocation.

The Commission has given notice that it abides the decision of the High Court and does not expect to play an active role in the proceeding, which is expected to conclude in the year ending 30 June 2024.

The Commission commenced its reviews of the Host Responsibility Programmes for the Dunedin, Auckland, Hamilton, Queenstown, Wharf and Christchurch casinos. These Programmes set out how casino operators must undertake activities aimed at preventing and minimising harm to its patrons in a manner that complies with the Act, regulations and licence conditions. The Commission undertakes these reviews every three years.

The Commission will conclude the reviews for all six casinos in 2023/24.

Appeals to the Commission

The Department exercises primary licensing and enforcement functions in relation to non-casino gambling (gaming machines and large-scale lotteries).

Operators have rights of appeal to the Commission against decisions made by the Department in circumstances including loss of licence, enforcement action and in relation to the imposition of licence conditions by the Department. An appeal is heard on a *de novo* basis, meaning that the Commission considers the matter afresh.

The Commission determined no appeals in the year ending 30 June 2023.

Sector Engagement

In the year ended 30 June 2023, the Commission maintained regular contact with stakeholders, including representatives from all six Casinos, the Class 4 sector, the Department, the Ministry of Health, and treatment providers. The Commission also liaised with gambling regulators in Australian jurisdictions on a broad range of issues including cashless gambling. The Commission also briefed Australian gambling regulators on the Commission's work.

The Commission continues to keep abreast of relevant gambling issues at both governance and management levels.

Procedures

In exercising its functions, the Commission has wide powers to determine its own procedures, to engage experts and to receive evidence. The policies and procedures developed by the Commission, and the decisions which it makes, are all published on its website.

Appeal proceedings are run along judicial lines. Procedures involve filing of submissions and affidavit evidence by the appellant, submissions and evidence in response by the respondent Secretary (Department), and submissions and evidence in reply from the appellant.

The Commission consults on applications to amend licence conditions with the casino licence holder, the Secretary and affected persons. The Commission's decisions on casino licensing matters are subject to appeal to the High Court.

The Commission can, and does, obtain independent legal advice in relation to matters under consideration – both casino applications and appeals.

Apart from its decisions, the Commission (mainly through the Secretariat) communicates on an ongoing basis with stakeholders.

Administration

The Commission has no power to acquire, hold or alienate property, or to employ staff. Instead, the Act requires the Department to service the Commission, by arranging the administrative services necessary for the Commission to perform its functions.

The Act also requires the Commission to make decisions independently of the Minister and the Secretary, and to have a stand-alone office. This is located in Auckland, where the Secretariat is based.

The Commission is funded from the Department's Vote but as noted above, is functionally independent. The Commission's annual expenditure is variable, depending upon the volume of applications and appeals before it, and any litigation with which it is involved.

Commission Meetings

The Commission met 11 times during the year under review: 8 July, 5 August, 9 September, 7 October, 4 November, 9 December 2022, and 10 February, 10 March, 6 April, 5 May and 9 June 2023.

Future Work Programme

The focus of the Commission in 2023/2024 will be the following activities:

- Consider the application by Dunedin Casinos Ltd to renew its venue licence.
- Consider a likely application by Queenstown Casinos Ltd to renew its venue licence.
- Continuing with its review of the cash access licence conditions.
- Completing the review of the Host Responsibility Programmes for the Dunedin, Auckland, Hamilton, Queenstown, Wharf and Christchurch casinos.
- The ongoing effective discharge of its licensing and appeal functions.
- Continuing to meet with the interested parties and participants in the sector.
- Keeping the Minister informed of developments relating to the Commission's functions.

COMMISSION MEMBERS

Susan Hughes KC

Barrister
New Plymouth
Appointed 14 February 2022
Term expiring 11 June 2026

Scott Pearson

Business Consultant
Auckland
Appointed December 2018
Term expiring 31 January 2025

William (Bill) Acton

Barrister
Wellington
Appointed 14 February 2022
Term expiring 31 January 2025

Sarah Shaw

Barrister
Whangarei
Appointed 14 February 2022
Term expiring 31 January 2025

Carolyn Risk

Barrister and Consultant
Christchurch
Appointed 12 June 2023
Term expiring 11 June 2026

CONTACT DETAILS FOR COMMISSION

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Website

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Email

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APPENDIX 1

Duties and Functions of the Commission under the Act

The Commission is an independent decision-making body with the powers of a Commission of Inquiry. Its functions are wide-ranging, and include the following:

- specifying, varying and revoking casino licence conditions
- considering and determining applications for casino operators' licences and the renewal of casino venue licences
- approving agreements and changes to agreements between casino operators and casino venue licence holders
- considering and determining appeals against regulatory and licensing decisions made by the Department in respect of Class 3 and Class 4 gambling. Class 3 gambling involves prizes of more than \$5,000 but does not take place at a casino or involve gaming machines. Class 4 gambling relates to non-casino gaming machine operations
- considering and dealing with complaints about the way the Department has handled complaints in relation to Class 4 gambling
- advising the Minister for Internal Affairs on matters relating to the performance of the Commission's functions and the administration of the Act, either at the Minister's request or on its own initiative
- advising Ministers and facilitating consultation on the setting of the problem gambling levy.

APPENDIX 2

Decisions of the Commission: 2022/2023

Decision		Status
GC08/22	Application by CCL for approval of a new game mix Annex for the Christchurch Casino	Approved
GC09/22	Application by SCML for approval of a new game mix Annex for the Queenstown casino	Approved
GC10/22	Application by CCL for approval to introduce a new wagering option on its Ultimate Texas Hold'em games	Approved
GC11/22	Application by QCL for approval of independent experts to prepare a Casino Impact Report to accompany the renewal application for its Casino Venue Licence	Approved
GC12/22	Application by SCAL to redesignate the Gambling Area on Level 3 of the Auckland Casino	Approved
GC01/23	Application by SCML and QCL to relinquish part of the premises at the Queenstown Casino	Approved
GC02/23	Application by SCML for approval of a new game mix Annex for the Queenstown Casino	Approved
GC03/23	Decision on an application by SCML for approval of a new game mix Annex for the Queenstown Casino	Approved

Delegated Approvals allowed by the Commission: 2022/2023

1-Jul-22	SHL	Application for approval of signage at the Hamilton casino
6-Jul-22	SHL	Application for approval of signage at the Hamilton casino
7-Jul-22	DCML	Application for approval of a new floor plan for the Dunedin casino
11-Jul-22	SCAL	Application for approval of signage at the Auckland casino
12-Jul-22	SCML/SCAL	Application for approval of two new floor plans, and construction and design changes at the Auckland casino
13-Jul-22	SCAL	Application for approval of signage at the Auckland casino
14-Jul-22	SCAL	Application for approval of signage at the Auckland casino
25-Jul-22	SHL	Application for approval of signage at the Hamilton casino
26-Jul-22	SCAL	Application for approval of signage at the Auckland casino
26-Jul-22	SCAL	Application for approval to broadcast gambling activity from the Auckland casino
28-Jul-22	SCAL	Application for approval of signage at the Auckland casino
28-Jul-22	CCL	Application for approval of a new floor plan, and construction and design changes at the Christchurch casino
29-Jul-22	CCL	Application for approval of signage at the Christchurch casino
1-Aug-22	SHL	Application for approval of signage at the Hamilton casino
10-Aug-22	SCAL	Application for approval of signage at the Auckland casino
15-Aug-22	SHL	Application for approval of signage at the Hamilton casino
19-Aug-22	SHL	Application for approval of signage at the Hamilton casino
24-Aug-22	SHL	Application for approval of signage at the Hamilton casino
29-Aug-22	SCML	Application for approval of a new floor plan for the Hamilton casino
30-Aug-22	CCL	Application for approval of signage at the Christchurch casino
31-Aug-22	SHL	Application for approval of signage at the Hamilton casino
31-Aug-22	SCML	Application for approval of a new floor plan for the Auckland casino
6-Sep-22	CCL	Application for approval of construction and design changes at the Christchurch casino
7-Sep-22	CCL	Application for approval of signage at the Christchurch casino
7-Sep-22	SHL	Application for approval of signage at the Hamilton casino
12-Sep-22	CCL	Application for approval of signage at the Christchurch casino
27-Sep-22	SHL	Application for approval of signage at the Hamilton casino
27-Sep-22	CCL	Application for approval of a new floor plan for the Christchurch casino

28-Sep-22	CCL	Application for approval of signage at the Christchurch casino
29-Sep-22	SCAL	Application for approval of signage at the Auckland casino
30-Sep-22	SHL	Application for approval of signage at the Hamilton casino
3-Oct-22	SCAL	Application for approval of signage at the Auckland casino
6-Oct-22	DCML/DCL	Application for approval of a new floor plan, and for construction and design changes at the Dunedin Casino
10-Oct-22	SHL	Application for approval of signage at the Hamilton casino
10-Oct-22	SCAL	Application for approval to broadcast gambling activity from the Auckland casino
18-Oct-22	SHL	Application for approval of signage at the Hamilton casino
18-Oct-22	SCML	Application for approval of a new floor plan for the Auckland casino
27-Oct-22	SHL	Application for approval of signage at the Hamilton casino
27-Oct-22	SCAL	Application for approval to broadcast gambling activity from the Auckland casino
3-Nov-22	CCL	Application for approval of signage at the Christchurch casino
8-Nov-22	SCAL	Application for approval of signage at the Auckland casino
10-Nov-22	SHL	Application for approval of signage at the Hamilton casino
10-Nov-22	CCL	Application for approval of a new floor plan, and for construction and design changes at the Christchurch Casino
16-Nov-22	SCAL	Application for approval of signage at the Auckland casino
17-Nov-22	SCAL	Application for approval of construction and design changes at the Auckland casino
18-Nov-22	SCAL	Application for approval of signage at the Auckland casino
18-Nov-22	SCML	Application for approval of a new floor plan for the Auckland casino
18-Nov-22	SCAL	Application for approval of construction and design changes at the Auckland casino
21-Nov-22	SCAL	Application for approval of signage at the Auckland casino
24-Nov-22	DCML/DCL	Application for approval of a new floor plan, and for construction and design changes at the Dunedin Casino
25-Nov-22	CCL	Application for approval of signage at the Christchurch casino
30-Nov-22	SHL	Application for approval of signage at the Hamilton casino
30-Nov-22	SCAL	Application for approval of signage at the Auckland casino
9-Dec-22	SCAL	Application for approval of signage at the Auckland casino
9-Dec-22	SCAL	Application for approval of signage at the Auckland casino
9-Dec-22	SHL	Application for approval of signage at the Hamilton casino

16-Dec-22	SHL	Application for approval of signage at the Hamilton casino
22-Dec-22	SCAL	Application for approval of signage at the Auckland casino
22-Dec-22	CCL	Application for approval of signage at the Christchurch casino
22-Dec-22	SHL	Application for approval of signage at the Hamilton casino
22-Dec-22	CCL	Application for approval of a new floor plan for the Christchurch casino
9-Jan-23	SCAL	Application for approval of signage at the Auckland casino
16-Jan-23	SHL	Application for approval of signage at the Hamilton casino
20-Jan-23	CCL	Application for approval of signage at the Christchurch casino
25-Jan-23	SHL	Application for approval of signage at the Hamilton casino
1-Feb-23	SCAL	Application for approval of signage at the Auckland casino
1-Feb-23	SCAL	Application for approval of signage at the Auckland casino
8-Feb-23	SHL	Application for approval of signage at the Hamilton casino
13-Feb-23	SCAL	Application for approval of signage at the Auckland casino
15-Feb-23	SHL	Application for approval of signage at the Hamilton casino
15-Feb-23	CCL	Application for approval of construction and design changes at the Christchurch casino
15-Feb-23	SCAL	Application for approval of construction and design changes at the Auckland casino
15-Feb-23	SCML	Application for approval of new floor plans for the Auckland casino
20-Feb-23	SCAL	Application for approval of signage at the Auckland casino
24-Feb-23	SCAL	Application for approval of signage at the Auckland casino
27-Feb-23	SHL	Application for approval of signage at the Hamilton casino
7-Mar-23	SCML	Application for approval of new floor plans for the Auckland casino
10-Mar-23	CCL	Application for approval of signage at the Christchurch casino
13-Mar-23	SCAL	Application for approval of signage at the Auckland casino
16-Mar-23	SHL	Application for approval of signage at the Hamilton casino
22-Mar-23	CCL	Application for approval of new floor plans for the Christchurch casino
24-Mar-23	CCL	Application for approval of signage at the Christchurch casino
31-Mar-23	SHL	Application for approval of signage at the Hamilton casino
19-Apr-23	SCAL	Application for approval of signage at the Auckland casino
19-Apr-23	CCL	Application for approval of construction and design changes at the Christchurch casino

21-Apr-23	SHL	Application for approval of signage at the Hamilton casino
2-May-23	SHL	Application for approval of signage at the Hamilton casino
2-May-23	CCL	Application for approval of signage at the Christchurch casino
10-May-23	SHL	Application for approval of signage at the Hamilton casino
22-May-23	SCAL	Application for approval of construction and design changes at the Auckland casino
25-May-23	SCML	Application for approval of new floor plans for the Auckland casino
30-May-23	CCL	Application for approval of signage at the Christchurch casino
30-May-23	CCL	Application for approval of signage at the Christchurch casino
31-May-23	SHL	Application for approval of signage at the Hamilton casino
2-Jun-23	CCL	Application for approval of a new floor plan for the Christchurch casino
2-Jun-23	SCML	Application for approval of a new floor plan for the Queenstown casino
7-Jun-23	DCML/DCL	Application for approval of a new floor plan, and for construction and design changes at the Dunedin Casino
7-Jun-23	CCL	Application for approval of construction and design changes at the Christchurch casino
8-Jun-23	CCL	Application for approval of signage at the Christchurch casino
14-Jun-23	SCAL	Application for approval of signage at the Auckland casino
22-Jun-23	SCAL	Application for approval of signage at the Auckland casino
27-Jun-23	SHL	Application for approval of signage at the Hamilton casino
27-Jun-23	SCAL	Application for approval of signage at the Auckland casino
29-Jun-23	CCL	Application for approval of a new temporary floor plan, and for construction and design changes at the Christchurch Casino
29-Jun-23	CCL	Application for approval of signage at the Christchurch casino

