

# Casino faces 7-day shutdown

The Dunedin casino faces a week-long shutdown if the Gambling Commission finds that it failed to do what was required for a single problem gambler, Christine Keenan.

On the final day of a series of hearings which began in April, the Internal Affairs Department finally specified yesterday that it wants a seven-day suspension of the casino's licence.

Details on the costs of the suspension were suppressed, but the wage bill for the casino's 170 staff alone is likely to be in the order of NZD 170,000 a week.

The casino's lawyer, Christchurch QC Tom Weston, told the commission hearing in Auckland that a penalty on that scale would be out of all proportion to the alleged offences of failing to identify Mrs Keenan as a problem gambler and offer her help.

„There are very few organisations in New Zealand that would ever be fined an amount approaching such a sum – yet that is the effect of what the department seeks,“ he said.

He said the casino had already spent about NZD 50,000 on travel and accommodation for three hearings in Auckland. „Legal fees will be considerably in excess of that.“

He suggested that, even if the commission found that the law had been breached, it could decide the casino had already paid a high enough penalty.

The case is the first test of tough new provisions in the Gambling Act, passed in 2003, which provide for suspending casino licences for up to six months for breaching the rules for problem gamblers.

A problem gambler is someone whose gambling causes or may cause harm.

Mrs Keenan, a mother of two daughters aged 12 and 10, gambled away her inheritance, her divorce settlement and the proceeds of her house sale before stealing from her employers. Over three years, she gambled NZD 6.6 million at the casino and lost a net NZD 400,000.

The casino's general manager, Rod Woolley, spoke to her about her gambling five or six times over three years and made enquiries with her employer, but found nothing to prove she was a problem gambler.

Security and surveillance manager Geoff Purdon knew Mrs Keenan personally, but gave evidence that her children were picked up after school, were „always well dressed“ and seemed to be well cared for.

Mr Weston told the commission yesterday that Mrs Keenan had shared custody of the children with her ex-husband Ross.

The department's lawyer, Mark Woolford, said the maximum penalty of six months should be „reserved for the worst possible case“.

But he said the casino should be penalised because:

- It failed to acknowledge any wrongdoing.
- It did not provide training in problem gambling to certain key staff, including Mr Woolley.
- It allowed Mrs Keenan to keep gambling for more than three years.
- Controlling problem gambling was an important issue.
- There was a „need for deterrence“.

Auckland University law professor Mike Taggart agreed that a penalty worth hundreds of thousands of dollars would be much higher than penalties imposed in comparable cases where

workers were killed or injured and employers were found to have breached health and safety rules.

„They are trying to send a message that they want a deterrent fine,“ he said. „The Dunedin casino might not be big, but the people that stand behind them are.“

The Dunedin operation is part-owned by Sky City through its 40 per cent stake in Christchurch Casinos Ltd. A Sky City executive sat through the hearings.

### **Alleged breaches**

- Licence condition requiring a responsible gambling programme under which a problem gambler should be identified, given a problem gambling pack and, if appropriate, encouraged to take „time out“ from the casino for a month.
- Licence condition banning gambling by intoxicated persons.
- Gambling Act requirement to take all reasonable steps to identify „actual or potential problem gamblers“.
- Penalty sought: seven-day suspension of licence.