| 13 August 2013 | 46 Waring Taylor St, Po Box 805Wellington 6140, New ZealandPhone +64 4 495 7200Fax +64 4 495 7222Website www.dia.govt.nz |
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**Proposed Amendments to the Rules of Money Wheel (Division 10)**

The Secretary for Internal Affairs (the Secretary), subject to appropriate consultation, is able to make, amend or revoke rules under section 367 of the Gambling Act 2003 (the Act).

The Department of Internal Affairs (the Department) has received a request for amendments to the rules for Money Wheel (Division 10). Explanations of the amendments are provided within this document, and full versions of the proposed amended rules are attached to this letter at Appendix A. The proposed amendments in the appendix are shown in underlined font.

We invite you to review the proposed amendments and submit your views and comments to the Department of Internal Affairs. Details of how to make your submission are at the end of this letter.

*The amendments*

The Applicant proposes to change the rules for Money Wheel so that casino operators may have two further pay table options which could be used at their discretion. The Applicant proposes to amend current rule 3.8 which sets out the present pay table (which involves only one option), to show the total of three options proposed by the Applicant – that is the current pay table plus two additional new options. The full current and amended rule 3.8 is described below.

*Current rule 3.8*

3.8 Winning wagers made pursuant to rule 3.1 shall be paid at the following odds:

 **Wagers on: Odds**

 Symbol A 1 to 1

 Symbol B 3 to 1

 Symbol C 5 to 1

 Symbol D 11 to 1

 Symbol E 23 to 1

 Symbol F 47 to 1

 Symbol G 47 to 1.

*Proposed new rule 3.8*

3.8 Winning wagers made pursuant to rule 3.1 shall be paid in accordance with one of the following payout options, which must be specified on the money wheel and on the table layout:

 **Option One**

 **Wagers On Odds**

 Symbol A 1 to 1

 Symbol B 3 to 1

 Symbol C 5 to 1

 Symbol D 11 to 1

 Symbol E 23 to 1

 Symbol F 47 to 1

 Symbol G 47 to 1

 **Option Two**

 **Wagers On Odds**

 Symbol A 1 to 1

 Symbol B 3 to 1

 Symbol C 5 to 1

 Symbol D 10 to 1

 Symbol E 20 to 1

 Symbol F 47 to 1

 Symbol G 47 to 1

 **Option Three**

 **Wagers On Odds**

 Symbol A 1 to 1

 Symbol B 3 to 1

 Symbol C 5 to 1

 Symbol D 10 to 1

 Symbol E 20 to 1

 Symbol F 45 to 1

 Symbol G 45 to 1

*Further amendments this rule change will require*

If this amendment is made, amendments will also be required to:

* rule 2.3 to state that the money wheel must show the relevant payout odds
* rule 2.5(a) to state that the table layout cloths must show the relevant payout odds
* the appendices to state the diagrams of the money wheel and the table layouts show payout odds as an indication only, and that the odds relating to the appropriate payout option, as specified in rule 3.8 must be shown.

The full wording of these amended rules is shown in the amended rules attached at Appendix A.

*The effect of the change*

The Applicant states that multiple jurisdictions have amended the pay tables for Money Wheel to increase the theoretical hold of the game (that is the percentage of each bet – all things being equal - that the casino keeps). The current theoretical hold of Money Wheel is 7.69 per cent. The use of payout Option Two and payout Option Three would increase this amount by around 2.75 (to 10.44 per cent) and 3.85 (to 11.54 per cent) respectively.

*Electronic Money Wheel (Division 10A)*

These rule changes will also affect the rules for Electronic Money Wheel which refer to the rules for Money Wheel. The effect of these changes will be to allow any one of the three payout options to be used in Electronic Money Wheel, together with the corresponding money wheel and table layouts.

**Your general comments sought**

The proposed amendments will need to be assessed to ensure they do not derogate from any purposes of the Gambling Act 2003.

Some of the purposes of the Gambling Act (relevant to this proposal in particular) are to:

* Control the growth of gambling
* Prevent and minimise the harm caused by gambling, including problem gambling
* Ensure the integrity and fairness of games
* Facilitate responsible gambling

In making your submission, we seek your consideration of how this amendment relates to the Gambling Act's purposes in general, and in particular to the Act's purposes to *"facilitate responsible gambling"* and to *"ensure the integrity and fairness of games".*

We ask you to make your submission with these particular purposes in mind. You are invited to make submissions by 29 August 2013

**Your submissions**

Please address your submissions to:

Sue Clarke

Policy Advisor, Operational Policy

Department of Internal Affairs Te Tari Taiwhenua

PO Box 805

Wellington 6140

Alternatively, you can send your submission to sue.clarke@dia.govt.nz

Thank you for your attention in this matter.

Yours sincerely

Heather McShane

Manager Operational Policy

Regulatory Services Group

Department of Internal Affairs Te Tari Taiwhenua