

Information Sheet: Key Facts about Australian Casinos

The Australasian Casino Association commissioned The Allen Consulting Group to undertake a major study into the Australian casino industry as part of its submission to the 2008 Productivity Commission Inquiry into Gambling.

The report, *Casinos and the Australian Economy*, focussed on:

- ➊ Providing an overview of the Australian casino industry;
- ➋ Providing a detailed insight into the regulatory and taxation environment confronting casinos; and
- ➌ Providing an assessment of the economic contribution made by the casino industry to the Australian economy.

The Key Findings to emerge from the report are as follows:

- 1. Casinos make a significant export contribution to the Australian economy.**
 - *Over 1 million international tourists made 2.4 million visits to Australian casinos in 2007/08. These tourists spent a total of \$4.9 billion during their time in Australia – an average of \$4940 per visitor, compared to \$2630 by international visitors not visiting casinos.*
 - *A group of international visitors, known as international VIP program players, spent \$739 million during their visits to Australia in 2007/08. Expenditure associated with these players increased gross domestic product by \$84 million in 2007/08. Maintaining this export will raise Australian private consumption by \$1.8 billion over a 10-year period.*

- 2. The casino industry has improved Australia's welfare, as measured by social surplus. Social surplus measures benefits to consumers and producers.**
 - *In 2007/08 the Australian casino industry generated a social surplus of \$3 billion with the main beneficiaries being casino patrons.*
 - *Casinos received a small share of the social surplus, with a negligible amount attributable to the provision of non-gaming services. Non-gaming facilities and services by casinos depend upon gaming revenues.*

- 3. Casinos are a key provider of tourism infrastructure, including hotels, restaurants and conference facilities that raise Australia's profile as a tourism destination.**
 - *This infrastructure also supports major international events such as the Australian Grand Prix, the Spring Racing Carnival and the Hopman Cup.*

- 4. The casino industry is highly capital intensive, with casino development a catalyst for urban regeneration in a number of cities.**

- 5. Over the next three years Australia's casinos are planning a number of major capital works projects valued at just under \$1.6 billion.**
 - *These projects will make an important economic contribution to Australia's construction industry, particularly in times of economic uncertainty.*
 - *Ongoing casino investment depends upon taxation and regulation certainty.*

- 6. Casinos are major employers, with some casinos the largest single site employers in their respective states.**
 - *Casinos spent \$889 million in 2007/08 employing just under 20 000 staff.*

- 7. All Australia's casinos undertake extensive staff training, spending \$9 million on training in 2007/08. Several casinos are Registered Training Organisations.**

- 8. Casinos paid 30 per cent of revenues in taxes in 2007/08, totalling \$1.2 billion.**

- 9. Casinos operate in total compliance environments, adhering to casino and gambling specific legislation as well as general legislation.**
 - *Casinos have voluntarily implemented measures to provide a responsible gambling environment, such as hiring staff to promote responsible gambling.*

A complete copy of the Allen Consulting Group report can be downloaded from the Association's website at www.auscasinos.com.

For further information please contact:

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