



President's Report

The past year has been a good one for the Australian casino industry.

Figures from the latest URS Economic Survey indicate that our industry is in very good shape.

Overall visitor numbers are up, particularly international visitor numbers, revenue numbers are better than the previous year and the number of conventions and conferences hosted by our members were significantly higher. The ACA has continued to effectively promote the industry and co-ordinate industry responses in a number of areas.



The most important project for the past year has been to ensure that the casino industry has been thoroughly consulted with regard to the Australian Government's reform of the anti-money laundering regime. The consultation process has been in progress now for the last three years but with the release of the Draft Exposure AML/CTF Bill in December 2005 the ACA's AML Working Group has been responsible for drafting responses to this bill and the subsequent revised Draft Exposure Bill and draft rules. When the legislation finally passes through the Australian Parliament later this year it will usher in a new compliance regime for anti-money laundering and counter terrorism financing.

This new regime will have a fundamental influence on the way that casinos do business. The ACA has been working to ensure that this new regime will effectively and efficiently achieve the reforms that are needed. The ACA has welcomed the consultative process set up by the Minister for Justice and Customs, Senator Chris Ellison. The AML Working Group is continuing to work with the Attorney General's department and AUSTRAC as they finalise the detail of the draft Bill and rules. The ACA will be working in the next twelve months on an education campaign to keep our members informed of the new regime and our industry's obligations as well as working with government agencies to ensure a smooth transition to the new regime when it comes on line.

The ACA as always taken the view that it is best to work with government by developing a meaningful dialogue with all political parties at a Federal, State and Territory level. The ACA has taken an interest in the Action Plan for the Australia Pacific Cruise Ship Industry which was released by the Minister for Tourism and Small Business, Fran Bailey MP in the early part of 2006. The National Survey of Gambler Precommitment Behaviour was released in June and the ACA is in the process of reviewing this document to gain a better understanding of its implications for the casino industry. The ACA has always been of the view that any research undertaken in the gambling sector has to be rigorous as far as standards are concerned and believes there is still a need for a more co-ordinated approach to research into gambling in Australia.

The ACA has in the past year again commissioned URS to undertake its annual economic impact study of the casino industry in Australia. Our New Zealand members also commissioned a study of a similar nature. The URS Economic Survey of the Australian casino industry showed that the industry is definitely a young person's industry with 82% of employees being aged between 18 and 45 years of age. The New Zealand survey showed that 84% of employees are aged between 18 and 44 years of age. What is often overlooked is the fact that the casino industry





provides excellent training systems and programs for its staff. To that end the ACA through its HR taskforce has been working with the Service Industry Skills Council in Australia to implement a training module for table games staff.

There is no doubt that our casinos are important tourist venues, offering first class facilities for our customers. In fact, 48% of all international tourists to Australia visit a casino at least once while they are here. In this regard, the ACA has continued to play an important role as a member of the National Tourism Alliance.

It would be remiss of me not to pay tribute to our Past President David Banks who stepped down as President of the ACA in March this year. David was President for three years and before that Vice President of the ACA. David was passionate about the casino industry and gave sterling service, not only to the ACA but also to Star City and to Tabcorp where he had been on the senior management team for many years, first as Chief Operating Officer and then CEO of Star City before moving to the position of CEO of Tabcorp casino division. On behalf of my colleagues on the National Council I wish him well in his future endeavours.

I would like to take this opportunity to thank the Executive Director of the ACA, Chris Downy and his staff for the work that they do in running the ACA and co-ordinating the ACA's activities. I also thank those casino executives who work on the taskforces that provide expert advice on all major issues that impact on our industry. I thank the employees of our casinos who continue to strive for the excellence in service and professionalism that distinguishes our industry as one that always provides a premium service to our customers in all areas of our operations. Finally thank you to my colleagues on the National Council for their support and continuing input into the affairs of the ACA.

Rowen Craigie
Acting President

Executive Director's Report



In the six years that I have been Executive Director of the Australian Casino Association what has impressed me most about the industry has been the calibre and expertise of our people.

The past year has demonstrated that when it comes to putting together submission and reports, and providing expert advice, in this case to government, the casino industry does exceedingly well and it is recognised as such by those in government. The major project of the past year has been the work involved in responding to the Australian Government's reform of the Anti Money Laundering and Counter Terrorism Financing regime. The ACA through its AML Working Group has been working to ensure that the new regime, while meeting the Government's regulatory objectives, does not impose too heavy a burden on our businesses. I have always said that without the expert input of our industry employees the ACA would not be able to provide effective representation to government at both a Federal and at State and Territory level on behalf of the industry. The manner in which the ACA has approached this task also highlights the effectiveness of the collaborative approach which has been a hallmark of the ACA's organisational structure for the last five years or so. I thank the members of the AML Working Group for the time and effort that they have put into this project in addition to doing their "normal" jobs.

While on the subject of the AML/CTF reform it is anticipated that the legislation will be passed through the Parliament before the end of this year. The ACA will then work on ensuring that its members are kept up to date with plans for implementation of the new regime. The ACA is in the process of producing template programs and guidelines for use by casinos. As a first step in the education process the ACA is holding a Seminar in conjunction with its AGM to provide industry employees with a snapshot view of developments so far.



Of course while the focus has been on the AML/CTF reform, the work of the ACA in other areas has continued. In the past year the Responsible Gambling Taskforce has produced some excellent communications tools as well as developing a discussion paper on counselling services which was then adopted by the ACA as the position paper. The HR Taskforce has been involved in the development of an industry module for the training of table games staff in association with the Service Skills Industry Council as well as producing its annual industry remuneration survey. The ACA continued to support the work of the National Association of Gambling Studies by sponsoring the NAGS Annual Conference in Alice Springs. The ACA has also continued to play a role in the National Tourism Alliance and this year produced an informative Fact Sheet on the industry's contribution to tourism as well as a Fact Sheet detailing the history of the industry in Australia.

Our casinos operate in total compliance environments, going to great lengths to ensure that they meet all state regulatory requirements and operate in a fully transparent environment under scrutiny of state and federal regulators. The ACA's main task is to ensure that this message is always communicated to the decision makers of our nation and it is important that they are kept informed about the industry's position on various issues. To this end the ACA developed a position paper on ATM's in gaming venues as well as commissioning a review of a national survey developed by the National Regulators' Working Party on Player Pre

Commitment Behaviours. The ACA's National Council also met in Canberra in this year. The meeting was most productive and members again had the opportunity to meet with the Coalition's Friends of Tourism. The Federal Government also released its Action Plan on the Asia Pacific Cruise ship Industry. The ACA wrote to all relevant Ministers at the Federal and State and Territory level outlining its position on this issue and has received positive responses from the relevant Ministers

I would like to thank Meredith Laverty and Terese Christoff-Smith for their continuing work and dedication to the interest of the members. Meredith has been working on a review of the ACA's website and we look forward to seeing the end result. My thanks also go to the members especially to our office bearers, Acting President Rowen Craigie and Treasurer Xavier Walsh, for their continuing support. I particularly pay tribute to our former President David Banks who resigned his position in March. David had been president for three terms and was very supportive of the aims of the ACA and gave dedicated service to the industry.

I look forward to continuing the good work of the past year and to work with the many dedicated professionals we have in our industry.

Chris Downy
Executive Director

National Council 2005-2006



David Banks

President - Chief Executive, Casinos, Tabcorp Holdings Ltd. Resigned March 2006



Rowen Craigie

Chief Executive Officer - Crown Acting President from March 2006



Xavier Walsh

Treasurer - Chief Operating Officer - Conrad Treasury Brisbane



Chris Downy

Executive Director - Australian Casino Association



Greg Farrell

Managing Director - Federal Hotels & Resorts Wrest Point & Country Club Casinos



Jim L'Estrange

Chief Operating Officer - Star City Casino



Jackie Hutchinson

Treasurer - General Manager - Jupiters Townsville



Allan Tan

Executive Director & Regional Manager for Australia Asia Pacific - Casinos Austria International



David Kennedy

General Manager - Public Policy and Corporate Strategy, SKYCITY Entertainment Group



David Courtney

Chief Executive Officer - Burswood Entertainment Complex



Charles Read

Chief Operating Officer - Conrad Jupiters



Stephen Lyttelton

Acting Chief Executive - Christchurch Casino



Nick Winder

General Manager - Dunedin Casino



Andrew Wilson

General Manager - SKYCITY Darwin Resigned March 2006



Michael Lucas

General Manager - Lasseters Hotel Casino



Walter Bugno

Chief Executive Officer - Casinos Division, Tabcorp Holdings Limited

OUR WORK IN PROGRESS

The Australian Casino Association relies heavily on the work of our taskforces to provide comprehensive expertise on current issues. The Association has two standing Taskforces; Human Resources and Responsible Gambling.

Human Resources Review

The main project for the Human Resources Taskforce has been the work of a dedicated Training Working Group comprised of training managers and have worked to finalise the draft national Competence and Qualifications for Table Gaming. The training means dealers are to complete a nationally recognised course and receive a Hospitality Certificate III (Table Games).

To achieve a Certificate III in Hospitality Operations, 16 units must be completed all 7 core units and choose from 9 elective units.

A minimum of 7 elective units must be selected from the general elective units and specialisations is able to be achieved in Food & Beverage, Accommodation Services or Gaming.

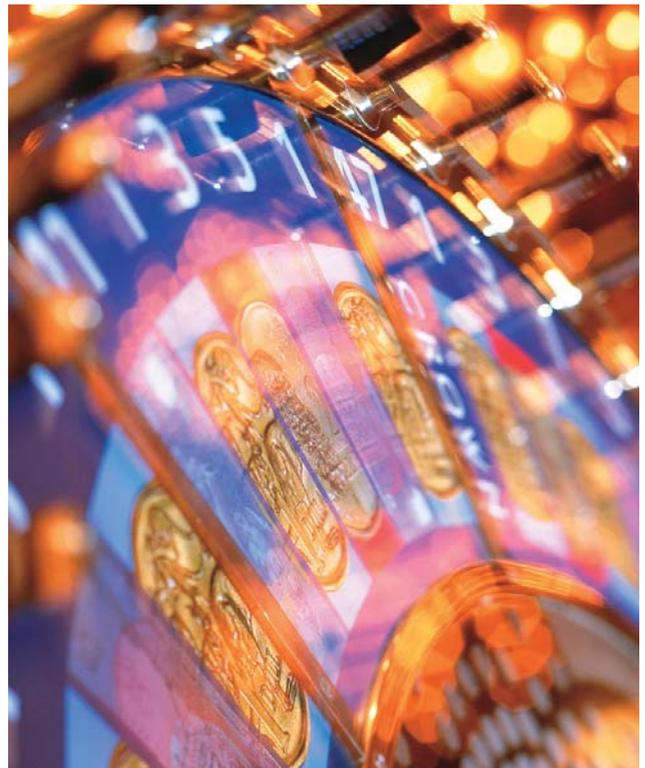


Core units include:

- Work with colleagues & customers
- Work in a socially diverse environment
- Follow health, safety & security procedures
- Follow workplace hygiene procedures
- Provide quality customer service
- Coach others in job skills
- Provide and coordinate hospitality service

The students can choose 7 elective units from the gaming units:

- Operate table games
- Deal a Sic Bo game
- Deal a Big Wheel game
- Deal a Blackjack game
- Deal a Pontoon game
- Conduct a Rapid Roulette game
- Deal a Baccarat Game
- Deal a Poker Game
- Attend gaming machines
- Operate a TAB outlet
- Conduct a Keno game
- Analyse and report on gaming machine data
- Provide responsible gambling services



The units are being sent to the state gaming regulators and registered training organisations for consultation. The units will be included in the Hospitality & Tourism training packages which have recently undergone an extensive review and going through the government approval processes over the coming months.



Responsible Gambling Taskforce

The Responsible Gambling Taskforce continues its work to examine leading programs and practices to support those for whom gambling has become a problem. The Taskforce has finalised it

Guidelines for Self-Exclusion Programs which has been approved by the National Council.

Our members continue to develop innovative programs and strive to deliver the message to their patrons to gamble responsibly. The Taskforce has developed a large poster which is to be displayed in member properties reinforcing the responsible gambling message.

Some the initiatives our members have in place include the Host Responsibility Program at the SKYCITY properties where their staff interact with patrons on the gaming floor to provide information about their programs such as self-exclusion, responsible gambling practices and how to seek further assistance.

Conrad Jupiters, Conrad Treasury and Jupiters Townsville ran a successful Responsible Gambling Awareness Week which involved a range of activities in their properties with staff and patrons alike to raise the awareness of responsible gambling practices.

Star City completed the training of 21 senior staff in Responsible Gambling Liaison management. The staff represented Security, Table Games, Electronic Gaming Operations and Hotel. The staff participated in an intensive 2 day course delivered by the Wesley Gambling Counselling Service (WGCS) team.

The modules completed are as follows:

- Suicide prevention and awareness
- Problem gambling awareness
- Advanced communication skills
- Assertive communication skills



Star City managers receiving their graduation certificates in Responsible Gambling Liaison management.

In addition 16 senior Security staff have also completed a workshop conducted by Chester Carter, Manager of WGCS in titled 'Self exclusion, understanding the procedures and processes'.

Burswood Entertainment Complex has recently launched a Responsible Gambling Code of Practice that is endorsed by the Gaming and Wagering Commission of Western Australia. The Code reinforces the Complex's commitment to delivering gaming services for customers in a responsible manner and defines company policy on the provision of information, customer and community interaction, exclusion and self-exclusion, advertising and accountability.

In addition to its ongoing responsible gambling program, Burswood has recently launched a new mission statement, logo and information brochures, increased signage across the Complex and improved access to details about problem gambling counselling services.

INDUSTRY FACTS & FIGURES



The Facts about Australian Casinos...

- Our members attract 46 million local and international visitors who spend over \$3.3 billion
- We welcome 2.5 million international visitors each year, that means 48% of all overseas visitors visit a casino at least once while they are in Australia
- We contribute to a range of community funds, activities, charities, events and sponsorships to the value of over \$36 million
- Our industry creates more than 45,000 full and part time jobs each year
- We hosted 3,200 conferences and conventions with over 390,000 delegates in the past year

In Australia's Casinos you will find...

- 83 bars and 85 restaurants
- 3,500 first-class hotel rooms and a range of recreational, entertainment and sporting facilities

Australia's casinos contribute...

- \$9.4 billion in industry output to the Australian economy
- \$6.9 billion to the Gross Domestic Product of the Australian economy
- \$853 million in revenue through various taxes to Federal, State and Local Governments
- \$2.3 billion in salaries and wages to Australian households

