

# Economic Contribution



## An Industry Snapshot

**Australia's 13 casinos make a major economic contribution to the Australian community. Our casinos are entertainment complexes that operate in total compliance environments. They are major providers of employment and training, important players in the tourism and convention industries and an important source of revenue for government at all levels.**

### Economic Contribution

The annual economic impact of the Australian casino industry is the equivalent in size to the economic impact of the 2000 Sydney Olympic Games. Australia's casinos made a direct contribution to Australia's Gross Domestic Product of \$2.008 billion – i.e. 64 cents in every dollar spent in our casinos contributes directly to GDP. Overall, our casinos directly and indirectly contributed \$5.9 billion in GDP to the Australian economy in 2003. They generated \$8.6 billion in industry sales, and provided \$2.1 billion in salaries and wages to Australian households by creating 46,012 full and part time jobs.

### Taxes

In the year 2002-2003, state gaming taxes amounted to \$561.9 million, a slight increase of \$0.48million on the previous year. Licence fees amounted to \$9 million. Australian casinos pay a range of local, state and federal taxes in addition to gaming taxes – amounting to \$727 million.

## The Community and Our Social Responsibility

In 2002-2003, the casino industry contributed \$27.3million in community benefit levies. In addition to community benefit levy, the Australian casino industry contributed to a range of other specific community groups, charities, special events and sporting organisations. For 2002/03, total additional contributions to community organizations and charities totaled \$11.7 million - making the industry's contribution to community related activities \$39 million.

### Employment

As at June 2003, the industry directly employed 19,439 people. The industry returns were \$711.7 million in salaries and wages to the community. More than 60% of those employed are between the ages of 18 and 34 years; 87% are under the age of 45. Using the Australian Bureau of Statistics data for the total work force, average casino incomes were 2 % higher than the national average in 2002/03.

### Two significant facts

Casinos make a major contribution to the Australian economy because they are heavy users of labour and make large tax payments to local, state and commonwealth taxes (23% of revenue).

Unlike other forms of gambling, there is a large "export" component to the casino industry, with 5% of all visitors to casinos being international tourists ( 31% of all international tourists visit a casino). \$550 million in revenue was earned from international players.



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## Tourism & Entertainment

Casinos provide over 3000 first class hotel rooms and a breathtaking variety of dining and entertainment experiences. In 2002-2003, 41 million people visited our casinos - an increase of 2.5 million from the previous year. Casinos provide some of Australia's best meeting and convention venues as well as being a sought after leisure destination for corporate tourism. There were 1,567 conventions / conferences hosted during 2002-2003 with over 252,000 attendees.

- 50 entertainment facilities to casino visitors - 14 movie theatres, 28 live theatres, 5 night clubs and 3 amusement arcades
- 31 sporting facilities - 12 gyms / health clubs, 2 golf courses, 1 driving range 10 swimming pools and 6 tennis courts
- 62 retail shops

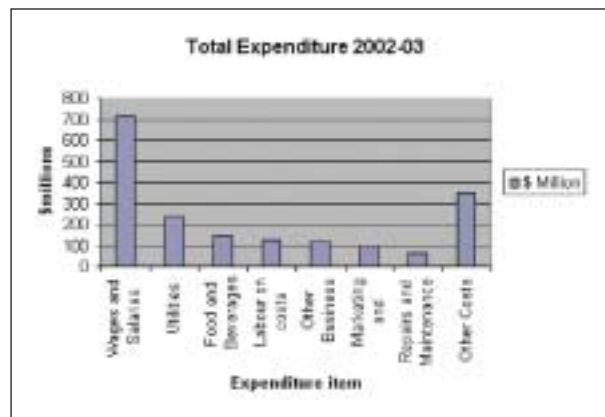
Casinos are a major player in Australia's entertainment and tourism industries providing some of the best venues in which a wide range of Australian and international talent are showcased.

Casinos are a major part of Australia's entertainment industry, providing some of the best venues in which a wide range of Australian and international talent are showcased.

## Expenditure

Casinos are large employers of labour and can operate up to 24 hours per day resulting in the largest expenditure component for the casino industry being salaries and wages. In 2002/03, casino staff salaries and wages amounted to \$711.7 million with additional labour on costs at \$124.3 million consisting of costs such as superannuation and other associated staff costs such as uniforms.

Other key expenditure items included utilities amounting to \$239.6 million, marketing and promotions \$95.6 million, repairs and maintenance \$60.8 million, other business services \$121.2 million, cost of goods sold (cogs) totalling \$142.2 million and a combination of a range of sundry costs totalling a \$350 million as outlined in the table below.



## Revenue

The overall total casino revenue totaled \$3.145 billion in 2002/03, an increase of 0.43 per cent from the previous year. Gaming revenue remains the largest contributor to overall revenue at an estimated \$2.531 billion, increasing slightly on the previous year by 0.20 per cent.

The Australia casino industry also generates a significant amount of non-gaming revenue. In 2002/03 non-gaming revenue totaled \$614.6 amounting to 20 per cent of total revenue. Non-gaming revenue included food and beverage sales of \$357.2 million, followed by accommodation (\$131.3 million), rent and leasing (\$29.9 million), entertainment (\$30.9 million) and other income of \$65.9 million consisting of items such as car parking fees, foreign exchange commissions and casino guest services.

