

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 holding four and a half Commonwealth Games in Australia each year. Australia's casinos made a direct contribution to Australia's Gross Domestic Product of \$2.3 billion – i.e. 68 cents in every dollar spent in our casinos contributes directly to GDP. Overall, our casinos directly and indirectly contributed \$6.9 billion in GDP to the Australian economy in 2004-2005. They generated \$9.4 billion in industry sales, and provided \$2.3 billion in salaries and wages to Australian households by creating more than 45,000 full and part time jobs.

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 2004-2005, casino staff salaries and wages amounted to \$767 million, with additional labour on costs at \$156.3 million consisting of costs such as superannuation and other associated staff costs such as uniforms.

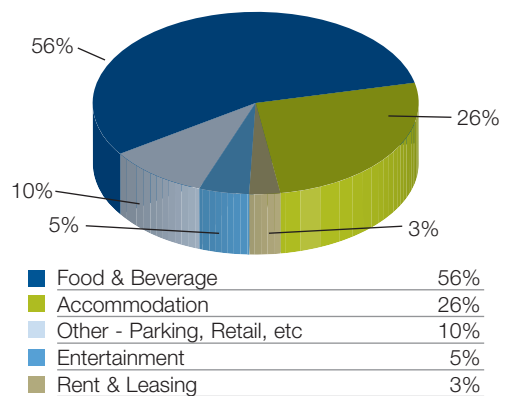
Other key expenditure items included utilities amounting to \$46.1 million, marketing and promotions \$131.4 million, repairs and maintenance \$54.1 million, food and beverages cost of goods sold (cogs) totalling \$134.3 million and a combination of a range of sundry costs totalling a \$317.5 million.

Revenue

The overall total casino revenue totalled \$3.33 billion in 2004-2005, an increase of 2.9% from the previous year. Gaming revenue remains the largest contributor to overall revenue at an estimated \$2.631 billion, increasing on the previous year by 2%.

The Australian casino industry also generates a significant amount of non-gaming revenue. In 2004-2005 non-gaming revenue totalled \$696.6 amounting to 20 per cent of total revenue. Non-gaming revenue included food and beverage sales of \$387.9 million, followed by accommodation \$181.7 million, rent and leasing \$22.9 million, entertainment \$35.7 million and other income of \$68.4 million consisting of items such as car parking fees, foreign exchange commissions and casino guest services.

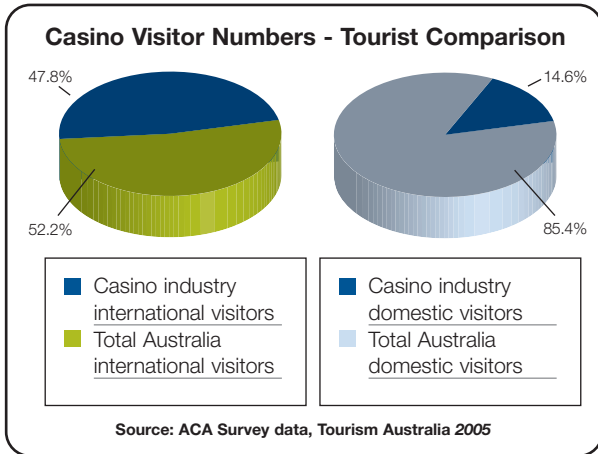
Percentage Breakdown of Non-Gaming Revenue



Source: ACA Survey data



Economic Contribution



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.

The Community and Our Social Responsibility

In 2004-2005, the casino industry contributed \$29.5 million 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 2004-2005, total additional contributions to community organisations and charities totalled \$6.7 million - making the industry's contribution to community related activities \$36.2 million.

Employment

As at June 2005, the industry directly employed 19,130 people. The industry returns were \$767 million in salaries and wages to the community. More than 60% of those employed are between the ages of 18 and 34 years; 85% are under the age of 45. Using the Australian Bureau of Statistics data for the total work force, average casino incomes were 2 % higher and an additional \$710 per annum than the national average in 2004/05.

Taxes

In the year 2004-2005, the state gaming taxes amounted to \$433.1 million, a 3.5% increase on the previous year. There were substantial increases in payroll taxes and community benefit levies. Australian casinos pay a range of local, state and federal taxes in addition to gaming taxes – amounting to \$863 million or a 12.5% increase on the previous year.

Tourism & Entertainment

Casinos provide over 3,500 first class hotel rooms and a breathtaking variety of dining and entertainment experiences. In 2004-2005 45.8 million people visited our casinos - an increase of 3 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 3,200 conventions / conferences hosted during 2004-2005 with over 390,000 attendees.

- 36 entertainment facilities to casino visitors - 15 movie theatres, 5 live theatres, 4 night clubs and 3 amusement arcade
- 33 sporting facilities - 13 gyms / health clubs, 2 golf courses, 1 driving range 10 swimming pools and 5 tennis courts and other such as horse riding and fly fishing facilities
- 67 retail shops

