

Casino and gaming management tourism essay



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In the report, we will introduce a brief history casinos in Victoria Australia, and then, the current state of casino gaming and internal description of casinos will be shown. The advantage and disadvantage of casinos will be discussed in the surrounding community.

There is no doubt that gambling is one of the most popular games in the world. Generally speaking, casino can be found in anywhere in the world. Therefore casino is not only an entertainment place for people but also relevant to the hospitality industry and it is as well as a significant aspect contained by the national finance and economics. Consequently this article will be focus on a casino which is it is in Melbourne and introduce their history, the impacts on casino, the internal description of casino and the

advantages and disadvantages of the casino. After that, people will know more about the casino (Crown) in Melbourne.

The first legal casino which is Wrest Point Hotel Casino located in Tasmania Australia in 1973, and then government allowed to set up Darwin casino in Northern Territory in 1979. Focus on 1980's, Gold Coast, Queensland and Adelaide also opened their first casino at that time. In addition, in 1990's, there are much more casinos opened than before such as Casino in Canberra; Star City Casino in Sydney and Reef Hotel Casino in Cairns Queensland. From 1994 to 1997, Melbourne also was running the first casino — Crown Casino.

In these years, there are 13 casinos in each state and territory of Australia which are running their business, maintain their legislation and policy. These casinos are not only operating in gambling places, but also in hotels, accommodations and entertainment places. Therefore Australia has great economic benefit and employment by these casinos.

Current state of casino gaming:

Crown Casino and Entertainment Complex is located in Melbourne on the Yarra River, and attracting on average 16 million tourists every year, so it is absolutely one of the largest casinos in Australia. Thus Crown Casino is a paradise for gambling, because they only provide kinds of table gaming such as blackjack, Texas Hold'em, craps, baccarat, roulette, Caribbean Stud poker and so on, but also has more than 2,500 slot machines and 350 gaming tables. According to "Herald Sun" reports, gamblers would lose 100,002 Australian dollars in table game and slot machine each hour.

Meanwhile Crown hotel provide many non-gaming services, such as hotel, restaurant, cinema, theatre shows and shopping. Consequently this hotel becomes a centre of entertainment of Melbourne. Casino managers have estimated that one-third of the money from overseas visitors and they have lost 60 million. Consequently the Victoria government as much as 3. 13 billion tax from casino and help the government budget has a surplus. “ The pokie tax increases 1. 7 percent each year for six years beginning this year, resulting in a total tax increase of 10. 3 percent by 2015. The full tax will be 32. 57 percent at that time. The change will bring more than a\$60 million to the government over the next four years and add more than 300 jobs at Crown.” (Global Gaming Business, 2009)

However, Crown casino like any other casinos, they don't allow people go into the casino if they under 18 and office signs this note in every entrance. Customers should be identified by entry point staff at all entrance 24 hours a day, 7 days a week. In addition, Crown casino set up a Responsible Gaming Support Centre (“ RGSC”), which is responsible to be tasked with implementing Crown's responsible service of gambling initiatives and providing a focal point for interacting with customers who may need support.

Future capital works projects:

Crown Melbourne spends \$300 million to build a new hotel on the casino site in 2010. The new hotel will provide 658 rooms and accommodate 340 000 guests every year; 50 exhibition booths, 7 state of the art conference-meeting rooms and an 800-seat Plenary Hall. Crown casino will also upgrade the facilities including live entertainment, restaurants, lighting and color

schemes. Therefore the new project will create significant economic benefit for Crown and Melbourne.

Casino industry description of Australia:

Since 1973, casino has become an important part in Australians' life.

Therefore in order to attract the visitors to game in their place, besides the existing 13 casinos, the expenditure of casinos grew rapidly from \$78. 5 million to \$2. 8 billion which has increase 34. 9 percent. So casino industry activates the economic and the travel image of the country. Since 1998-2006, casinos gaming expenditure has stabilized at around \$3 billion. They offer more and more thrilling game in the entertainment.

In addition, they offer provide many non-gaming activities and facilities such as hotel rooms, restaurant, bars, banquet facilities and theatres.

Therefore there are 7. 8 billion customers who come from all over the world visited casino in Australia. Consequently this brings a perfect profit for casinos and government. In 2002 to 2008, the revenues increased \$3. 1 billion to 4. 0 billion and the average revenues growth rate of 5. 2 percent every year. In a research, there are about \$1271 million dollar which has 40 per cent revenue come from table gaming and about \$572 million dollar which has 18 per cent come from international VIP customers. Moreover, casinos also create about 19, 737 jobs in Australia, and Crown casino is the largest single site employers in Victoria

The Commonwealth and local governments won \$1. 2 billion total taxes from casinos in 2007 to 2008. Particularly, casinos not only need to pay general taxes collected by the different levels of local government on all businesses,

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casinos usually pay amount of special gambling taxes as well. There are different types of general taxes, which including Goods and Services Tax (GST), firm tax and payroll tax paid by casinos for usual operations. In current situation, Casinos leading the most highly taxed compare with other gaming providers in Australia. Casino paid thirty percent of all income for their taxes to the government in a single year of 2007 to 2008. Few industries can afford to pay so much tax as casino except the industries of tobacco, alcohol and luxury cars. Leading to the casino to pay such high taxes is because the casinos are required to pay a lot of taxation (gambling taxes, license fees and community levies) besides the general taxes by all other industries.

Casino Contribution

There are plenty of international evidence indicate that casino's contribution to national economic activity is mainly dependent on the casino led to the development of tourism. However, effective research shows that tourism and hotel sector has not been much affected by non-casino facets. The following research report is about the details found in Australian.

1. More than one million overseas tourists visits to Australian casinos and bring a number of 2. 4 million consumptions in 2007 to 2008.
2. Overseas tourists who visited Australian casinos bring \$4. 9 billion total spent with an average of \$4940 per tourist, during visits to Australia. This average consume value is in the extreme higher than overseas tourists who did not visited casino during the visit with the average consume value of \$2630 per tourist.

The total number of gambling consumption by overseas VIP program players is \$553 million in the year of 2007 to 2008. It is estimated that casinos has spent a further \$65 million to attract VIP program players, these players who are estimated to cost \$121 million in Australia on non-casino consumption.

1. It is estimated that export to overseas VIP program players improved gross domestic product (GDP) by \$84 million and private consumption by \$225 million in year of 2007 to 2008.
2. To keep export of overseas VIP program players at the year of 2007 to 2008 level is prospective to improve Australia's private expenditure by \$1. 8 billion over a decade.

Casino employment

There are 19 939 people working in Casinos in year of 2007 to 2008. It is making a significant contribution to employment in Australia. Two leading employment casinos are located in Victoria (Crown Melbourne) and WA (Burswood Entertainment Complex) respectively, which employ the largest proportion of employees. Licensed gaming staff is one of most important category in casino operation. There are closely 60 percentage of staff are employed in casino on a full time basis, about 15 percentage employed on a part time basis, and 25 percentage on a casual basis.

Disadvantage of Casino industry:

Problem Gambling

From the Australia Productivity Commission's Inquiry into Australia's Gambling Industries in 1999, it is indicating that the following points:

1. About 2. 1 percentages of the Australian adults or among 293, 000 people have a significant gambling problem.

2. On average around seven other people are affected by a serious problem gambler's behavior. It is around two million Australians.

Problem Gambling is clearly a major public health issue in Australia. It is become a problem if someone spends more time or money than they can afford to, or if it is have a negative impact on their relationship. That is why just the minority country legislate the gambling is legal.

Crime Rate

With the growing of the casino industry, crime becomes another major negative impact. Casino is a place which can make a person bankruptcy in a short time; it may change a person in one night. So, the rate of crime may increase because of these factors. Also, the government adopt a lot, such as increase the number of police on duty at night, but the crime problem still have not work out in a perfect way.

Conclusion:

In conclusion, this report generally description the casino in Australia with several parts which includes the history of casino gambling, current state of casino, Impact on casino, industry of casino, and the advantages and disadvantages of casino as well. In order to more powerful support of our arguments, this article adopts the resources from Internet, chart and database.

Moreover, with the development science and technology, improve the management has become more important to casino to create more entertainment facilities to meet the needs of the people, to stimulate the economy development. However, the industry is also a potential risks (social problems, crime). In order to prevent negative, the government should pay more attention on casino management and restrictions to seek better ways to adjust entertainment and gain enormous profit.