

Lotteries and turf club horse racing tourism essay

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It had been illegal until 18 April 2005 when Prime Minister Lee Hsien Loong realized the urgency for Singapore to introduce new tourist attractions to reinvent itself. He then assertively announced the decision to build 2 Singapore IRs, which are Resorts World Sentosa (RWS) and Marina Bay Sands (MBS) by 2009. The purpose was to strengthen the tourist industry, which has been confronting severe competition in the region, especially from, Hong Kong and the next-door neighbour Malaysia whose casino operations are allowed (Wong and Goldblum 2008). However, from 2005 tremendous debate occurred among Singaporeans, especially those who opposed to having a casino, due to religious or moral reasons. Several groups of people belonging to Muslim and Christian communities publicly expressed their approval of the casinos. Others such as social workers were worried about the possible negative social effects arising from casinos such as gambling addiction. Some activists argued that it could lead to detrimental practices connected with gambling, particularly money laundering, loan sharks and organized crime (Miller, Vandome and John 2010). In response, Lee reasoned that the challenge for Singapore is to have the city-state catch up with world leading city such as New York, London and not to fall behind in the competition. In the Parliament, he also explained that the casino only accounts for a small floor-area percentage (3-5 per cent) of the whole IR. Besides the 35, 000 jobs would be generated by the two IRs, the spill-over effect to the related industries would be significant. Hence, the IR project was carried out based on Singapore's long-term interest and the vision to be a dynamic city in Asia (Lee 2008). Besides, the Prime Minister also assured that there would be safeguards to restrict the social effects of casino gambling. Restriction on the admission of indigenous people into the casinos

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was adopted. Firstly, an expensive levy of S\$100 per entry is imposed on Singaporeans and Permanent Residents. Second, exclusion orders have been implemented since 2009 to deter gamblers from potential social ills. In addition, the casinos would not be permitted to extend credit to the local populace. A National Council on Problem Gambling (NCPG) was founded with the purpose to help people deal with their gambling issues (MSF 2008). Under the full operation of the two IRs, with RWS opening in February 2010 and MBS in June 2010, Singapore has enjoyed considerable economic benefits. Singapore took in S\$18.8 billion in tourism receipts (TR), the highest in ten years (Figure 1, Appendix). TR for Quarter Two 2011 was \$5 billion, indicating a growth of 18% year on year. These TRs mainly comprise spending on shopping, dining, admission fees and accommodation. Overall, the two IRs contributed about \$3.7 billion to Singapore's Gross Domestic Product (GDP) in the first three quarters of 2010, or 1.7% towards Singapore's GDP (Chon and Hsu 2011). However, besides the benefits brought in by the two IRs, detrimental impacts of them on Singapore's society should be taken into consideration. In the following paragraphs, statistics on the number of gamblers seeking help for problem gambling and Singapore's crime rate are evaluated. The amount of people looking for help at counseling department has dramatically increased. According to counseling centers, about 7 out of 10 people say that the casinos are the major cause for gamblers' financial problems. Tanjong Pagar Family Service Centre's senior counselor, Mr Charles Lee, admitted that the existence of the IRs is a major factor that induces relapse for those people who have kicked the addiction before (Lee 2011).

Interestingly, Singapore's crime rate has been quite under control. Compared to other countries with casinos, the casino-related crime rate in Singapore is fairly low, at just 0.3% of all crimes cases. Singapore police caught 112 people for casino-related crimes within the first year of the IRs' operation, but mostly petty crimes. Yet, some critics warn that it is too early to tell if the IRs have affected the crime rate in Singapore since the IRs have only been around for a short period of time. (Da Cunha 2010). Those issues mentioned above are quite common in so that they are predictable before the establishment of the IRs. However, there are other social problems that the government did not expect, such as public transport congestion, hike of flat price, etc. started to emerge after the very first year of operation of the two IRs. Most of these problems can be traced to the influx of foreigners into the country due to the opening of the IRs. One of the most popular topics between January and November in the year of 2012 was public transport. The topic gathered as many as 3,400 feedback submissions, and was also underpinned by concerns about the influx of foreigners. The majority of them expressed unhappiness with foreigners and blamed them for crowding out public infrastructure, affecting social norms and values. Some of the foreigners are not familiar with the Singapore lining-up culture, thus jump the queue when entering the MRT doors. It is very often nowadays that MRT and bus are in overcrowded conditions that make commuters unable to relax during their rides (Yanqin 2012). The recent headline by the Housing Development Board "HDB resale prices rise 2 per cent to new record" on the media caused quite a stir in public. Despite the increase in supply of flats from Build-to-Order (BTO) projects, it will not take effect immediately on the housing market price and they have to wait at least for another two or three

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years. HDB flat prices go up because of the limited supply versus increase demand from the growing population in Singapore. With more than 100, 000 foreign workers, families and students entering the country over the past year, about 25, 000 to 30, 000 homes will needed, provided that there are three or four people per household (Lim 2012). On 12 November 2012, the question of how many Singaporeans actually under direct employment by the two IRs was raised up in the Parliament. In the reply by the Acting Manpower Minister, Mr. Tan Chuan-Jin, the two IRs directly employ more than 22, 000 staff, of which about 70 % are Singaporeans. RWS hires about 13, 000 staff and around 75% are Singaporeans. MBS employs over 9, 400 staff and around 60 % are Singaporeans (Figure 2, Appendix). In other words, only about 15, 400 jobs have been created for the local populace while the number was promised to be 35, 000 before the IR project was adopted (TR Emeritus 2012). Another environmental issue caused by RWS in the opening of its Marine Life Park at the end of 2011 when a bottlenose dolphin died before arriving in Singapore. In fact, the plan to have dolphin exhibitions in the oceanarium have already seen controversy when two the dolphins died October 2010 while they were held in Langkawi holding area. This incident has drawn criticism from Singaporeans. Some of them even stated on the media that they would not go to Marine Life Park as a way of boycotting. Animal welfare groups and animal rights activists has called on RWS to free these dolphins (Davie 2012).

Crown Casino and Entertainment Complex is an extremely large ' Integrated Resort' located on the South Bank of the Yarra River, in Melbourne, Victoria state of Australia. The entity first opened in 1994 at Melbourne's World Trade

Centre, the North Bank of Yarra. In 1997, it is moved to the South Bank of the Yarra River as part of a \$2 billion development. Crown is the largest entertainment complex in the Southern Hemisphere, attracting up to 16 million visitors each year (John and Miller 2011). Unlike Singapore, Australian's casino industry was established in 1973 with the opening of Wrest Point Hobart, Tasmania. Since then, most of Australian state governments have authorized the operations of casinos, despite strong public opposition. In general, there are three identified stages of IR development in Australia: the first stage 1970s (Tasmania and the Northern Territory); the second stage 1980s (Queensland, Western Australia and South Australia); the third stage 1990s (the Australian Capital Territory, Victoria and New South Wales) (ACA 2008). By the late 1980s, the expansive progress of casino resorts, which resulted in the introduction of American style mass-market casinos to Queensland, Western Australia and South Australia, came to a halt in the south-eastern areas of Australia. Before casinos were eventually approved, political and administrative problems stalled government plans to legalize casinos in New South Wales and the Victorian government kept resisting casinos in the light of community welfare (Sutton 1999). The development of Crown Casino & Entertainment Complex falls under the third stage of IR development: the 1990s when visions of Victorian government had changed. Firstly IRs were perceived as an essential and crucial facility for the competitive expansion of international tourism, which had become a major factor of Australian economic policy. Second, for those states faced with problems of economic restructuring and a declining industrial sector, tourism and high-standard casinos were likely to offer a ready means for stimulating regional economic activity. Lastly,

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international IR investors were trying to get into the Australian market. As well as the development of new local markets, it was envisaged that an Australian casino license would give an operator the strategic access to the highly profitable yet undeveloped Asian market (Basham and White 2002). After the IR trend had been quite settled, the Australia Casino Association (ACA) assigned the Allen Consulting Group (ACG) to undertake the research identifying the role of IR in Australian economy. Crown Melbourne is a main driver of tourism for Victoria as it has been ranked as Australia's top tourist attraction by Euromonitor International. Crown Melbourne contributed \$ 1. 5 billion to value-added in the Victorian economy annually. Crown also pays a significant amount of taxes to the State and local Governments from its operating revenues, mounted to more than \$ 1. 3 billion during the review period (ACA 2008). Other than that, Crown Melbourne contributed to Australia's community welfare through activities such as creating employment, staff training and urban redevelopment, which will be demonstrated clearly in the following paragraphs. IR employed huge amount of staff in Australia, making a substantial contribution to employment in each state and territory. The magnitude of employment is reflected in Crown Melbourne, which is being the largest single site employer in Victoria, with over 6, 500 direct employees, over 3, 300 contractors and over \$ 350 million annual payroll. Crown Melbourne operates its own training facilities, Crown College, to provide ongoing training for staff with over 10, 000 employees for the past years. The college provides both operational and development training and is offered to all employees on a rolling calendar model. Training is delivered by professional or external trainers, providing both operational and development training on a rolling calendar model (Crown Ltd 2008). IR

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development provides a catalyst for urban regeneration, especially in run-down urban areas. Key examples include Crown Melbourne, which is located on former industrial sites in Melbourne. Following the opening of Crown Melbourne in 1997, a number of landmark projects were carried out in the Southbank precinct, including the construction of the 92-story Eureka Tower and numerous high-rise apartment developments. There are also a large number of restaurants and entertainment facilities clustered close to Crown Melbourne, including the Melbourne Aquarium, Melbourne Recital Centre and the new Melbourne Convention Centre. In an overall view, these developments are considered vital for maintaining a 'competitive' edge, keeping Melbourne an attractive destination for both domestic and international patrons (Young and Tyler 2007). Making big income and bringing a lot of economic benefits to the Victorian Government are positive outcomes of Crown Melbourne establishment. However, together with it are considerable detrimental impacts on the society. Even though Crown Melbourne brought a lot of direct economic benefits to the precinct, a 1998 study argued that the costs of detrimental impacts were approximately \$50 million each year. This figure includes legal costs (\$18 million); costs related to personal finance and family issues (\$1 million); work-related costs (\$18 million) and costs of service provision for problem gamblers (\$3 million). Legal costs refer to incidences of violence, theft, imprisonment and loan sharks. Personal finance and family issues include financial hardship, debts, asset loss, depression, suicides and relationship breakdown. Work-related costs include job loss, absenteeism and poor performance (Volberg and Abbott 2003). These points are demonstrated in detail with statistics in the following paragraphs. IR negatively influences the spending pattern as well <https://assignbuster.com/lotteries-and-turf-club-horse-racing-tourism-essay/>

as income budget of the local citizens. Victoria's gambling expenditure and percentage of disposable income devoted to gambling has grown faster than the national trend in 1994-1995 right after Crown Melbourne was founded and the figure has remained in excess of the national average in the subsequent years. The sudden increase in Victorian expenditure on gambling was caused mainly by new gaming (casino and Electronic Gaming Machine EGM) as traditional gambling (racing, lotto, Tattsлото) was declining slightly over the same period (Figure 3, Appendix). Over 49.4% of problem gamblers live in a household of two children on average. Their gambling losses account for about 20% of household income (AIGR 2002). Besides, the Australian Productivity Commission found that about 5 to 10 people are affected by every single problem gamblers. Reduced familial stability and household income can affect the children, who in turn are more likely to involve in addictive substances and more psycho-social problems at school than others. Wives of problem gamblers report higher than average level of depression, physical abuse and suicide attempts (Jacobs and Marston 2001). Other studies have found that problem gamblers report high incidences of job loss. Those who remain in work report lost productivity due to lateness, absenteeism and preoccupation with gambling. Around 60% of those with gambling problems expressed that they had suffered depression and around 9% had consider suicide (Volberg and Abbott 2003). Therefore, the Victorian Government and people in authority of Crown Melbourne have developed some measures in the effort to strike the balance between making huge profit and reducing its cost to the society as part of the liabilities to local welfare. Many of harm minimization approaches have been implemented for a number of years. These measures might assist the potential customers to

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make decisions regarding gambling. Crown Melbourne also established certain restrictions to help customers keep their gambling under control. Refer to Figure 4, Appendix for a number of harm minimization initiatives carried out in Crown Melbourne (Crown Responsible Gambling 2010). Since 2002, Crown has operated the Responsible Gaming Support Centre (RGSC) on a 24 hours a day, 7 days a week basis. The RGSC is a facility which includes a dedicated team of staff, managers and professionals who are tasked with implementing Crown's initiatives and for providing a focal point for interacting with customers who may need support. Other than that, Crown led the industry with its voluntary pre-commitment program that was introduced on June 2003. The program allows members to voluntarily set, in advance, time limit and spend limit relating to their gaming activities (Crown Melbourne Ltd 2012). Responsible Gaming Liaison Officers (RGLOs) are responsible for facilitating the Crown Self-Exclusion program. The Act provides that people might apply to be self-excluded and that the casino operator may issue Exclusion Orders. When a person is detected breaching their Self-Exclusion Order, an RGLO will attend to offer assistance and support (Nettleton 2008). Discussed in conclusion is how Crown Casino and Entertainment Complex continues to thrive in the next 3 years. Recognizing that world-class tourism is critical for the future of tourism in Australia, Crown has been undergoing a \$1.5 billion refurbishment and expansion program, employing partnership strategy together with organizing mega-sized international events on a yearly basis to attract new patrons to the IR and retain its loyal customers. A \$1.5 billion renovation and expansion program embodies the following features: refurbishment of Crown Towers including superior new Crown Spa facilities; significantly upgrade of all VIP

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facilities including the Mahogany Room; substantially refurbishment of the level 1 gaming area to create The West End at Crown, combining a mix of places to dine, bars, gaming and live environment; building and extending the Crown Conference Centre facilities, which offer a multi-functional venue with a capacity for up to 840 delegates with two plenary halls, 16 breakout rooms; refurbishment of the entire gaming floor which includes live entertainment venues, on-floor restaurants and new lighting (Crown Melbourne Ltd 2012). In addition, at the end of the year 2012 Crown Melbourne has enlisted the help of Passkey's GroupMAX to strengthen its meeting and events offerings. Already being a top choice for local event location, with the partnership with GroupMAX, the IR will leverage a wide variety of technology features to push Crown's event services offerings to a new level and enhance its existing appeal to the huge international event organizers (Passkey 2012). In fact, the Victorian IR has made a move for the incoming international event in 2013. The World Series of Poker (WSOP), the largest gaming event in the world founded in 1970, and Crown Melbourne have together announced the creation of WSOP Asia-Pacific version. The inaugural World Series of Poker Asia-Pacific (WSOP APAC) has finalized its tournament schedule for its April 4-15, 2013 event dates in Crown Melbourne, Australia. Players from all over the world will descend on Crown Melbourne in April competing each other for 1 of the 5 coveted bracelets on offer. The five WSOP APAC winners will have their names carved in the long and coveted history that is the World Series of Poker. Video coverage of WSOP APAC will be widespread, with each of the first four WSOP gold bracelet events live-stream globally. Television broadcasting from the Main Event, Caesars Cup and High Rollers event will be projected (Crown Ltd <https://assignbuster.com/lotteries-and-turf-club-horse-racing-tourism-essay/>

2013). (refer to Figure 5, Appendix for the schedule and the poster of the event).