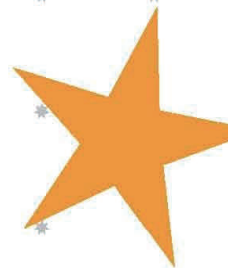
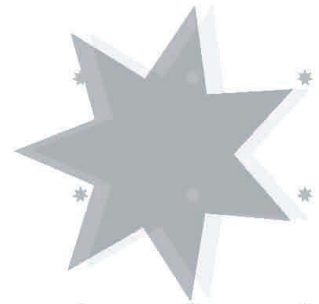
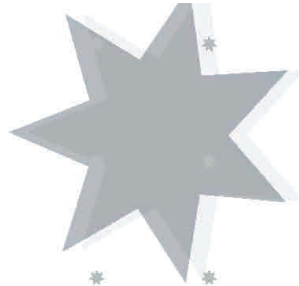


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Gaming Council

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A Database
on Australia's Gambling Industry

Glossary

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A Database

On Australia's Gambling Industry

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Glossary

The following information provides a summary of select gambling terms used throughout this database. In addition, this glossary contains some commonly used gambling terms which may be referred to in discussion surrounding the AGC *Database on Australia's Gambling Industry*.

Aggregate winnings: Cumulative or total winnings.

Betting limits: The minimum and maximum amounts of money that a player can wager on one bet. You cannot wager less than the minimum or more than the maximum amount posted.

Bingo: Gambling activity in which numbers are drawn at random (out of a possible 75 in American bingo, and 90 in British and Australian bingo) and players mark off drawn numbers on a printed bingo card until one player completes a 'Bingo' line with five numbers in a vertical, horizontal or diagonal row on one of their cards and wins the prize. Variations of bingo cards and the requisites for a win exist.

Bookmakers off-course: Relates to the amount wagered via off-course bookmakers. In Tasmania it represents the figure for sports betting or amounts wagered on events other than horse racing or greyhound racing.

Bookmakers on-course: Relates to the amount wagered via bookmakers at the race track on both horse and greyhound racing. A player can wager any amount above a set minimum and will receive the bookmaker's odds at the time of making the wager. Those odds stand, irrespective of whether the bookmaker alters the odds at a later time. Bookmakers are licensed in each jurisdiction.

Casino gaming: Represents wagering at casinos, including wagers on table games, gaming machines and Keno systems.

Casino turnover: The casino turnover figure is actually a combination of handle and turnover. Turnover is the amount wagered on a gambling activity whereas handle is a term used to describe the amount of money exchanged for gaming chips at a gaming table. It is difficult, if not impossible, to record the amount of each wager made on a table game, therefore it is difficult to report casino turnover accurately. Hence, the only amount that can be reported for table games is handle.

Credit: In online casinos and EGMs, wagers are expressed in credits. One credit equals one unit.

Class I Game: A U.S definition of gambling type; Class I games are those considered a social game, played solely for prizes of minimal value or traditional forms of Indian gaming.

Class II Game: A U.S definition of gambling types; Class II games are games of chance including bingo, pull-tabs etc. These must be played in the same location and can be electronic and linked to a central computer system.

Class III Game: A U.S definition of gambling types; Class III games are any form besides Class I and II including electronic gaming devices with random-number generators and house-banked table games.

CPI: The price index used as the deflator for conversion of current year (nominal) values to real values is the Consumer Price Index (CPI) All Groups weighted average of eight capital cities. The consumer price index is a measure of change over time in the retail price of a constant basket of goods and services which is representative of consumption patterns of employee households in metropolitan areas.

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EGM: A shorthand term for 'electronic gaming machine'. EGM is a term applied to any form of gambling offered via a terminal screen and typically includes slot machines or their variants (video lottery terminals, poker machines, and fruit machines), Keno, video draw-poker and blackjack, and electronic roulette.

Expenditure/gross profit: Expenditure refers to the net amount lost by an individual who gambles - in other words, the total amount wagered less any amounts won. Conversely, by definition, it represents the gross profit for the operators of each particular form of gambling.

Football Pools (Pools): The Pools is a numbers game of chance where the winning numbers are based on the results of the United Kingdom or Australian soccer matches.

Gambling: Gambling is the (lawful) placement of a wager or bet on the outcome of a future uncertain event. In this document it includes gaming, racing and sports-betting activities.

Gaming: Gaming refers to all legal forms of gambling other than racing and sports betting, such as lotteries, poker and gaming machines, casino gaming, football pools, interactive gaming and minor gaming (which is the collective name given to raffles, bingo, lucky envelopes and the like).

Gaming machines: Common term relating to EGMs and VLTs.

Gross winnings: The total payout (including bettor's stake).

Handle: A casino gambling term meaning estimated total amount wagered, including the winnings returned to players.

Household disposable income (HDI): Household gross disposable income is defined as gross household income less income tax payable, other current taxes on income, wealth etc.

Instant lottery: Instant lotteries are commonly known as 'scratchies', and involve a player scratching a coating off a ticket to identify whether the ticket is a winner. Prizes in the instant lottery are paid on a set return to player and are based on the number of tickets in a set, the cost to purchase the tickets, and a set percentage retained by the operator for costs.

Interactive gaming: Interactive gaming is defined as gambling on activities conducted via an internet casino site. It specifically excludes wagering in the form of racing and sports-betting and lotteries via the internet.

Keno (clubs and/or hotels): Keno is a game in which a player wagers that their chosen numbers match any of the 20 numbers randomly selected, via a computer system or a ball draw device, from a group of 80 numbers. In most states, Keno is linked to all venues within a particular jurisdiction, enabling the operator to offer large jackpot prizes. Keno has a fixed pay scale such that the pay out for each wager is established by rules and is independent of the total wagers made on the game.

Lotteries: Lotteries are conducted Australia-wide by both government and commercial operators. There are three components to a lottery: the purchase of a ticket, a draw and a prize. A person whose ticket is selected in a lottery wins a prize based on the total amounts wagered, after deduction of a set percentage by the operator to cover costs. Lottery tickets are sold at various outlets, such as newsagents, around Australia. The same operators may also conduct lotto, pools, and instant lottery.

Lotto: Lotto is a game where a player selects any six numbers between 1 and 45 in anticipation that they will be among the eight numbered balls, randomly drawn from a device containing balls numbered from 1 to 45. The first six of the eight balls drawn are known as the 'winning numbers' and the last two balls are called 'supplementary numbers'. There are five prize divisions, with Division 1 being the major

prize. The prize pay out for each division is dependent on the amount of wagers made, less the operator's costs. A player wins if their selected numbers match those randomly drawn in a set combination.

Maximum bet: The highest bet a player is allowed to make. Also in slot machines, a button that lets you bet the maximum coin size and the maximum number of coins, taking into account the total number of paylines.

Minor gaming: The collective name given to raffles, bingo, lucky envelopes and the like.

Net winnings: Total payout less player's stake.

Odds: Ratio of probabilities. The figure or fraction by which the betting agent offers to multiply a bettor's stake, which the bettor is entitled to receive (plus his or her own stake) if they win.

Payline: The line on an electronic gaming machine window on which the symbols from each reel must line up. Machines can have as many as 50 paylines, although most have between 9 and 20.

On-course totalisator: The amount wagered on the TAB, on a racetrack, during race meetings.

Payout: The amount of money paid out to a player as a win.

Payout percentage: Also referred to as return to player, the percentage of each dollar played in a video or slot machine that the machine is programmed to return to the player.

Payout table: A display on an EGM or VLT that advises how much each winning combination will pay for the number of coins or credits played.

Probability: A mathematical calculation that establishes the likelihood that an event will occur. Probabilities are expressed as a decimal between zero and one. The probability of an impossible event is zero, while an event that is certain to occur has a probability of one.

Progressive: An EGM on which the potential jackpot increases with each credit that is played. When the progressive jackpot is finally hit, the amount resets to the starting number.

Racing betting: Comprises legal betting with bookmakers and totalisators, both on racecourses and off-course (TAB). It is related to betting on the outcome of horse and greyhound races.

Session: A period of play or a table sitting at any gambling games a roulette spin, a Keno game or a cards shuffle.

Sports betting: Sports betting is wagering on approved types of local, national or international sporting activities (other than the established forms of horse and greyhound racing), whether on or off-course, in person, by telephone, or via the Internet.

Totalisator Agency Board (TAB): This form of wagering is conducted Australia-wide and relates to the amount wagered at TAB outlets (other than those on a race track). Totalisator wagering (sometimes called parimutuel betting) involves a player makes a 'unit' wager (a unit being any multiple of 50 cents or one dollar depending on the jurisdiction). The operator deducts a percentage of the total units wagered (for costs including tax), and the remainder is returned as dividends (winnings) to players in multiples of the unit wagered.

True odds: The real odds of something happening. The ratio of the number of times one event will occur to the number of times that it will not. The odds posted in a casino are usually not the true odds.

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Turnover: Turnover is an expression used to describe the amount wagered. This does not include any additional charges that may also be paid at the point of purchase, such as selling agents' commission in the case of lotteries.

VLT: Video lottery terminal, a variety of electronic gaming device, mainly operated in Canada and the United States.

Wagering: The term wagering refers to all legal forms of gambling on racing and sporting events.

Source: Extracted from Office of Economic and Statistical Research (2007) with additions from the AGC