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# A GUIDE TO AUSTRALASIA'S GAMBLING INDUSTRIES

Facts, Figures and Statistics

## CHAPTER THREE

Australia's Gambling Expenditure

2017/18

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# A Guide to Australasia's Gambling Industries

Published and Prepared by the Australasian Gaming Council (AGC).



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## Chapter 3

# Australia's Gambling Expenditure

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### Version Control

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Version	Date	Explanation
2015-16 (1.0)	November 2016	2015-16 Edition.
2015-16 (2.0)	November 2017	2015-16 Edition updated with statistics from <i>Australian Gambling Statistics</i> , 33rd Edition.
2016-17 (1.0)	May 2019	2016-17 Edition. Updated with statistics from <i>Australian Gambling Statistics</i> , 34th Edition.
2017-18 (1.0)	January 2020	2017-18 Edition. Updated with statistics from <i>Australian Gambling Statistics</i> , 35th Edition.

## OVERVIEW

## Aggregate and per capita expenditure - summary

Table 3-1 Summary: Aggregate and per capita gambling expenditure in Australia by state/territory (2017-18)

		Casino <sup>1</sup>	Gaming machines <sup>2</sup>	Keno	Lotteries <sup>3</sup>	Minor Gaming	Racing	Sports Betting	All
ACT		24.777	168.090	13.263	20.481	-	16.057	-	242.668
Aggregate	\$ million	76.51	519.06	40.96	63.24		49.58		749.35
Per capita	\$								
NSW		1,574.819	6,386.773	56.091	542.078	-	998.580	177.695	9,836.036
Aggregate	\$ million	255.21	1035.01	25.30	87.85		161.83	28.80	1,593.99
Per capita	\$								
NT		96.384	103.397	10.501	48.064	-	1,393.406	551.244	2,202.996
Aggregate	\$ million	522.40	560.41	56.92	260.50		7552.23	2,987.73	11,940.20
Per capita	\$								
QLD		805.852	2,378.540	97.908	432.895	-	320.311	20.815	4,056.320
Aggregate	\$ million	211.482	624.21	25.69	113.61		84.06	5.46	1,064.51
Per capita	\$								
SA		180.402	682.252	22.837	124.241	-	105.087	9.692	1,124.510
Aggregate	\$ million	132.29	500.30	16.75	91.11		77.06	7.11	824.61
Per capita	\$								
TAS		81.161	106.086	31.007	39.811	-	42.719	3.267	304.052
Aggregate	\$ million	196.55	256.91	75.09	96.41		103.46	7.91	736.34
Per capita	\$								
VIC		1,773.563	2,695.284	23.063	515.755	-	434.462	371.699	5,813.826
Aggregate	\$ million	354.70	539.04	4.61	103.15		86.89	74.34	1,162.73
Per capita	\$								
WA		563.624	-	-	372.056	34.610	236.236	100.747	1,307.273
Aggregate	\$ million	283.34			187.03	17.40	118.76	50.65	657.17
Per capita	\$								
<b>AUST</b>		<b>5,100.583</b>	<b>12,520.422</b>	<b>354.670</b>	<b>2,095.380</b>	<b>34.610</b>	<b>3,546.857</b>	<b>1,235.159</b>	<b>24,887.681</b>
<b>Aggregate</b>	<b>\$ million</b>	<b>264.84</b>	<b>650.10</b>	<b>18.42</b>	<b>108.80</b>	<b>1.80</b>	<b>184.16</b>	<b>64.13</b>	<b>1,292.25</b>
<b>Per capita</b>	<b>\$</b>								

Please note that due to rounding totals may not equal the sum of individual values.

Source: Government Statistician, Queensland Treasury and Trade (2019) Australian Gambling Statistics 1992-93 to 2017-18 (35th edition). Refer to Australian Gambling Statistics Explanatory Notes for further information.

Gambling expenditure in Australia in 2017-18 amounted to \$24.89 billion AUD. Expenditure on gaming machines totalled \$12.5 billion and accounted for approximately 50.3% of all expenditure on the various gambling forms available.

Expenditure on casino gambling accounted for 20.5% of Australian spend (\$5.1 billion). On the available figures, racing accounted for 14.3% (\$3.5 billion) while Sports Betting represented 5.0% (\$1.2 billion) and Keno 1.4% (\$354.7 million) of expenditure. Expenditure on lottery products and pools (\$2.1 billion) accounted for a further 8.4%.

In 2017-18 the average gambling expenditure in Australia per adult was \$1,292.25 – a figure comprised of sums spent on racing (\$184.16 per adult), sports betting (\$64.13), lotteries (\$108.80), gaming machines (\$650.10), casinos (\$264.84) and Keno (\$18.42).

The Northern Territory had the highest expenditure per adult in Australia, although it should be noted that a significant proportion of NT gambling business is derived from interstate and international markets. Western Australia and the TAS reported the lowest aggregate expenditure figures per adult, at \$657.17 and \$736.34 respectively per capita.

<sup>1</sup> Includes wagers on table games, gaming machines and keno systems.

<sup>2</sup> Excludes gaming machines at casinos.

<sup>3</sup> Includes lottery, lotto, Tattsлото, instant lottery and pools.

## EXPENDITURE ON GAMBLING

## Aggregate

Table 3-2 Aggregate gambling expenditure in Australia (2017-18) (\$million)

GAMBLING FORM	ACT	NSW	NT	QLD	SA	TAS	VIC	WA	AUSTRALIA
<b>GAMING</b>	<b>\$ million</b>								
Casino	24.777	1,574.819	96.384	805.852	180.402	81.161	1,773.563	563.624	5,100.583
Gaming machines	168.090	6,386.773	103.397	2,378.540	682.252	106.086	2,695.284	-	12,520.422
Instant lottery	1.839	39.253	1.596	72.677	10.752	4.612	21.179	37.096	189.005
Interactive gaming	-	-	0.001	-	-	-	-	-	0.001
Keno	13.263	156.091	10.501	97.908	22.837	31.007	23.063	-	354.670
Lottery	0.513	45.656	-	-	-	0.251	-	-	46.420
Lotto, Tattslotto	18.073	454.603	46.339	358.860	113.154	34.835	493.057	334.219	1,853.139
Minor Gaming	-	-	-	-	-	-	-	34.610	34.610
Pools	0.056	2.566	0.128	1.357	0.335	0.113	1.518	0.741	6.815
<b>Total</b>	<b>226.611</b>	<b>8,659.761</b>	<b>258.346</b>	<b>3,715.194</b>	<b>1,009.732</b>	<b>258.066</b>	<b>5,007.665</b>	<b>970.290</b>	<b>20,105.665</b>
<b>RACING</b>									
Off-course bookmaker	-	-	-	-	0.252	-	-	-	0.252
On-course bookmaker	0.057	30.340	1,381.806	-	0.425	0.038	-	0.875	1,413.541
On-course totalisator	0.269	7.638	0.696	-	-	0.752	22.729	4.174	36.258
TAB	15.731	960.602	10.904	320.311	104.410	41.929	411.732	231.187	2,096.806
<b>Total</b>	<b>16.057</b>	<b>998.580</b>	<b>1,393.406</b>	<b>320.311</b>	<b>105.087</b>	<b>42.719</b>	<b>434.462</b>	<b>236.236</b>	<b>3,546.857</b>
<b>SPORTS BETTING</b>									
Bookmaker and other Fixed Odds	-	15.651	551.244	-	0.060	-	-	-	566.955
Bookmaker and other Pool Betting	-	-	-	-	-	-	-	-	-
TAB Fixed Odds	-	158.936	-	20.440	9.622	3.258	370.402	100.477	663.135
TAB TOTE Odds	-	3.108	-	0.375	0.010	0.009	1.297	0.270	5.069
<b>Total</b>	<b>-</b>	<b>177.695</b>	<b>551.244</b>	<b>20.815</b>	<b>9.692</b>	<b>3.267</b>	<b>371.699</b>	<b>100.747</b>	<b>1,235.159</b>
<b>ALL GAMBLING</b>	<b>242.668</b>	<b>9,836.036</b>	<b>2,202.996</b>	<b>4,056.320</b>	<b>1,124.510</b>	<b>304.052</b>	<b>5,813.826</b>	<b>1,307.273</b>	<b>24,887.681</b>

Please note that due to rounding totals may not equal the sum of individual values.

Source: Government Statistician, Queensland Treasury and Trade (2019) Australian Gambling Statistics 1992-93 to 2017-18 (35<sup>th</sup> edition). Refer to Australian Gambling Statistics [Explanatory Notes](#) for further information.

Chapter 3 – Australia's Gambling Expenditure

Per capita

Table 3-3 Per capita gambling expenditure in Australia (2017-18)

GAMBLING FORM	ACT	NSW	NT	QLD	SA	TAS	VIC	WA	AUSTRALIA
<b>GAMING</b>									
					\$ (value)				
Casino	76.51	255.21	522.40	211.482	132.29	196.55	354.70	283.34	264.84
Gaming machines	519.06	1,035.01	560.41	624.21	500.30	256.91	539.04	-	650.10
Instant lottery	5.68	6.36	8.65	19.07	7.88	11.17	4.24	18.65	9.81
Interactive gaming	-	-	0.01	-	-	-	-	-	0.00
Keno	40.96	25.30	56.92	25.69	16.75	75.09	4.61	-	18.42
Lottery	1.58	7.40	-	-	-	0.61	-	-	2.41
Lotto, Tattslotto	55.81	73.67	251.16	94.18	82.98	84.36	98.61	168.01	96.22
Minor Gaming	-	-	-	-	-	-	-	17.40	1.80
Pools	0.17	0.42	0.69	0.36	0.25	0.27	0.30	0.37	0.35
<b>Total</b>	<b>699.77</b>	<b>1,403.37</b>	<b>1,400.23</b>	<b>974.99</b>	<b>740.44</b>	<b>624.97</b>	<b>1,001.50</b>	<b>487.77</b>	<b>1,043.95</b>
<b>RACING</b>									
Off-course bookmaker	-	-	-	-	0.18	-	-	-	0.01
On-course bookmaker	0.18	4.92	7,489.36	-	0.31	0.09	-	0.44	73.40
On-course totalisator	0.83	1.24	3.77	-	-	1.82	4.55	2.10	1.88
TAB	48.58	155.67	59.10	84.06	76.56	101.54	82.34	116.22	108.87
<b>Total</b>	<b>49.58</b>	<b>161.83</b>	<b>7,552.23</b>	<b>84.06</b>	<b>77.06</b>	<b>103.46</b>	<b>86.89</b>	<b>118.76</b>	<b>184.16</b>
<b>SPORTS BETTING</b>									
Bookmaker and other Fixed Odds	-	2.54	2,987.73	-	0.04	-	-	-	29.44
Bookmaker and other Pool Betting	-	-	-	-	-	-	-	-	-
TAB Fixed Odds	-	25.76	-	5.36	7.06	7.89	74.08	50.51	34.43
TAB TOTE Odds	-	0.50	-	0.10	0.01	0.02	0.26	0.14	0.26
<b>Total</b>	<b>-</b>	<b>28.80</b>	<b>2,987.73</b>	<b>5.46</b>	<b>7.11</b>	<b>7.91</b>	<b>74.34</b>	<b>50.65</b>	<b>64.13</b>
<b>ALL GAMBLING</b>	<b>749.35</b>	<b>1,593.99</b>	<b>11,940.20</b>	<b>1,064.51</b>	<b>824.61</b>	<b>736.34</b>	<b>1,162.73</b>	<b>657.17</b>	<b>1,292.25</b>

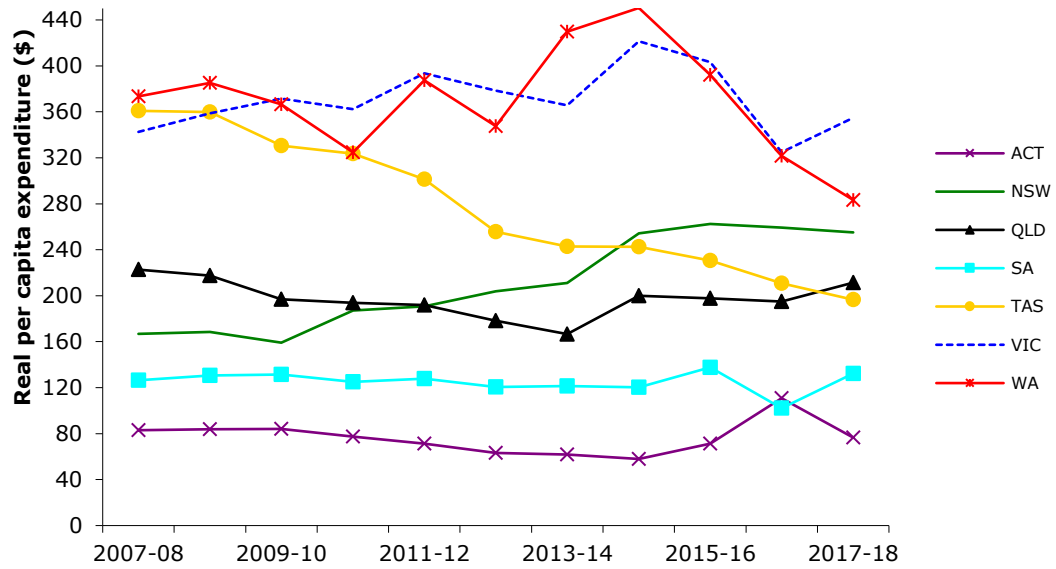
Please note that due to rounding totals may not equal the sum of individual values.

Source: Government Statistician, Queensland Treasury and Trade (2019) Australian Gambling Statistics 1992-93 to 2017-18 (35<sup>th</sup> edition). Refer to Australian Gambling Statistics [Explanatory Notes](#) for further information.

## TEN YEAR EXPENDITURE TREND

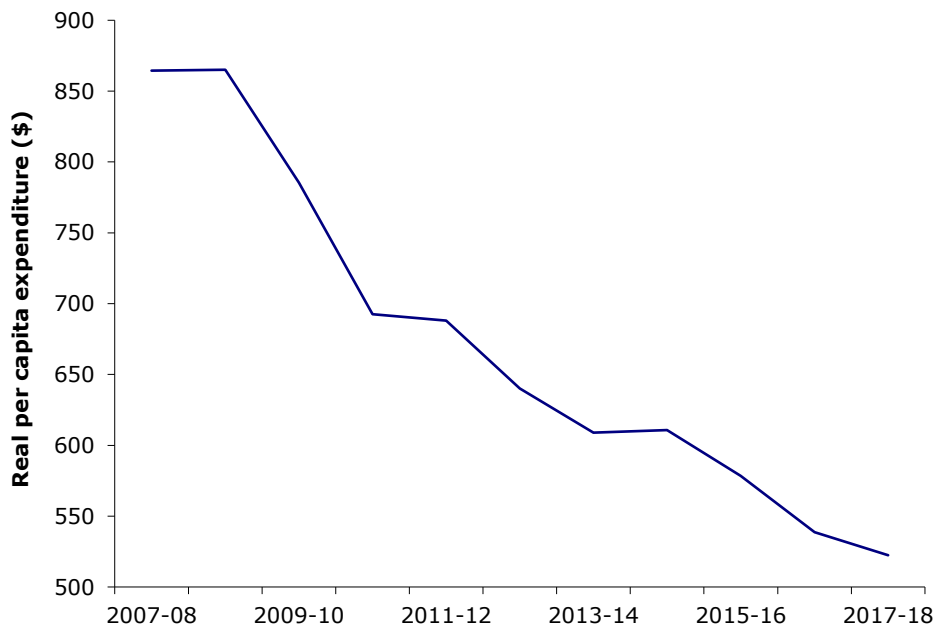
### Casinos

Figure 3-1 Real per capita casino expenditure - Australia (excluding NT) (2007-08 to 2017-18)



Source: Government Statistician, Queensland Treasury and Trade (2019) Australian Gambling Statistics 1992-93 to 2017-18 (35<sup>th</sup> edition). Refer to Australian Gambling Statistics [Explanatory Notes](#) for further information.

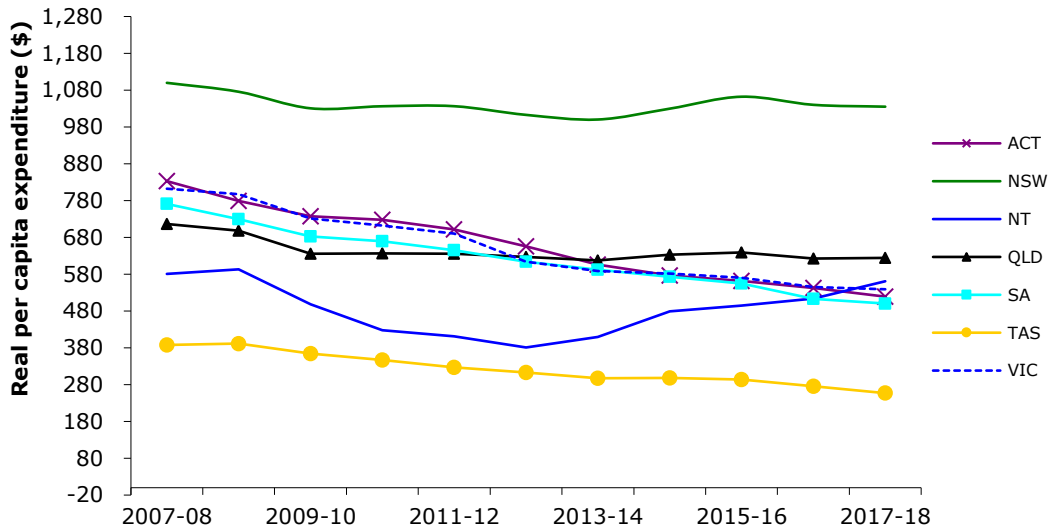
Figure 3-2 Real per capita casino expenditure – Northern Territory (2007-08 to 2017-18)



Source: Government Statistician, Queensland Treasury and Trade (2019) Australian Gambling Statistics 1992-93 to 2017-18 (35<sup>th</sup> edition). Refer to Australian Gambling Statistics [Explanatory Notes](#) for further information.

### Electronic Gaming Machines

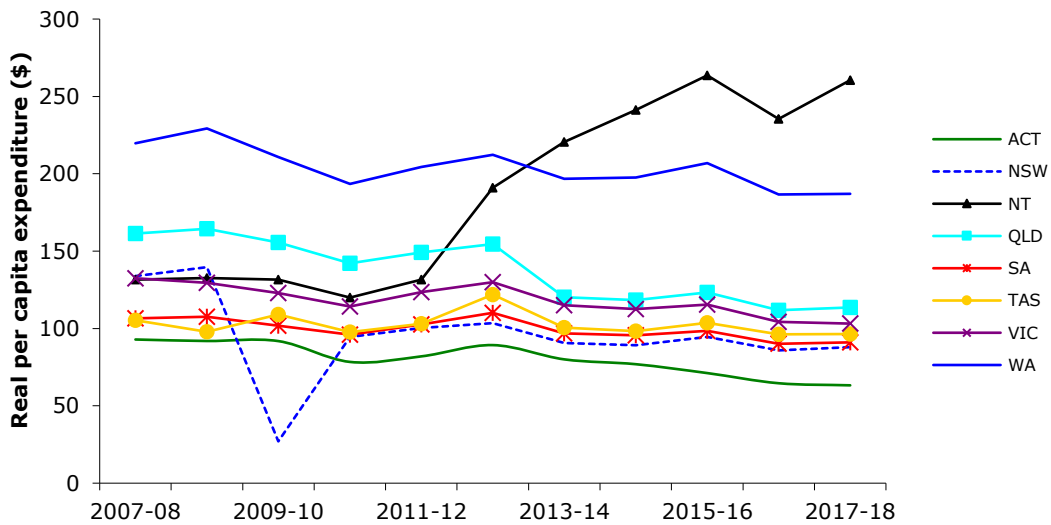
Figure 3-3 Real per capita EGM expenditure – Australia (2007-08 to 2017-18)



Source: Government Statistician, Queensland Treasury and Trade (2019) Australian Gambling Statistics 1992-93 to 2017-18 (35<sup>th</sup> edition). Refer to Australian Gambling Statistics [Explanatory Notes](#) for further information.

### Lottery

Figure 3-4 Real per capita lottery expenditure – Australia (2007-08 to 2017-18)



Source: Government Statistician, Queensland Treasury and Trade (2019) Australian Gambling Statistics 1992-93 to 2017-18 (35<sup>th</sup> edition). Refer to Australian Gambling Statistics [Explanatory Notes](#) for further information.

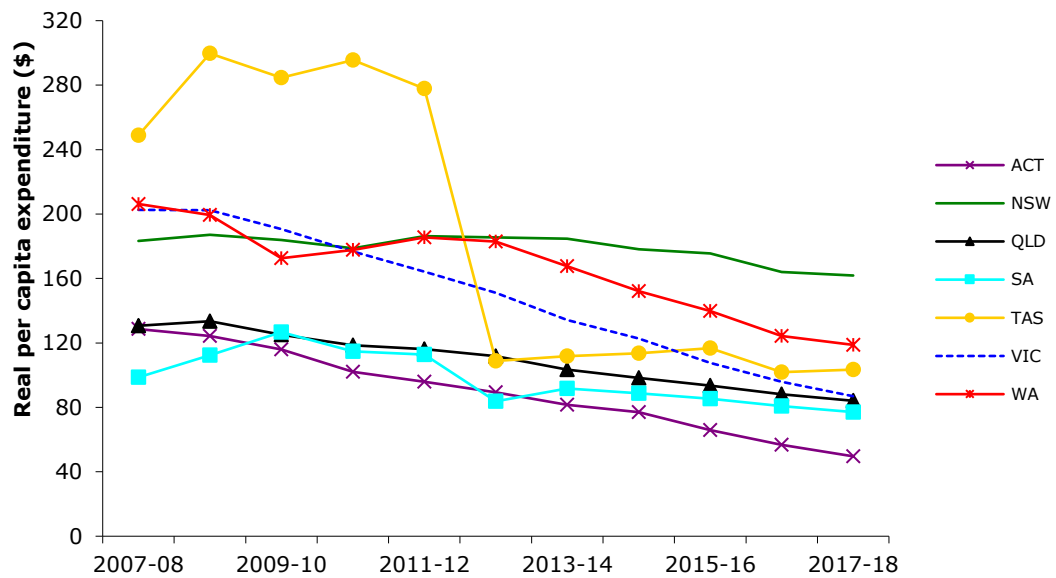
Lotteries NSW was privatised in late 2010, with the Tatts Group having purchased an exclusive, 40 year licence to conduct public lotteries in NSW – excluding Keno. In the 2009-10 financial year, NSW Lotteries experienced a sharp drop in per capita expenditure.

A sharp increase in expenditure in the Northern Territory from 2012-13 may be attributed to the expansion and integration of Tatts Lotteries in the State, including a new 20-year license agreement.



Racing

Figure 3-5 Real per capita racing expenditure - Australia (excluding NT) (2007-08 to 2017-18)



Source: Government Statistician, Queensland Treasury and Trade (2019) *Australian Gambling Statistics 1992-93 to 2017-18 (35<sup>th</sup> edition)*. Refer to *Australian Gambling Statistics Explanatory Notes* for further information.

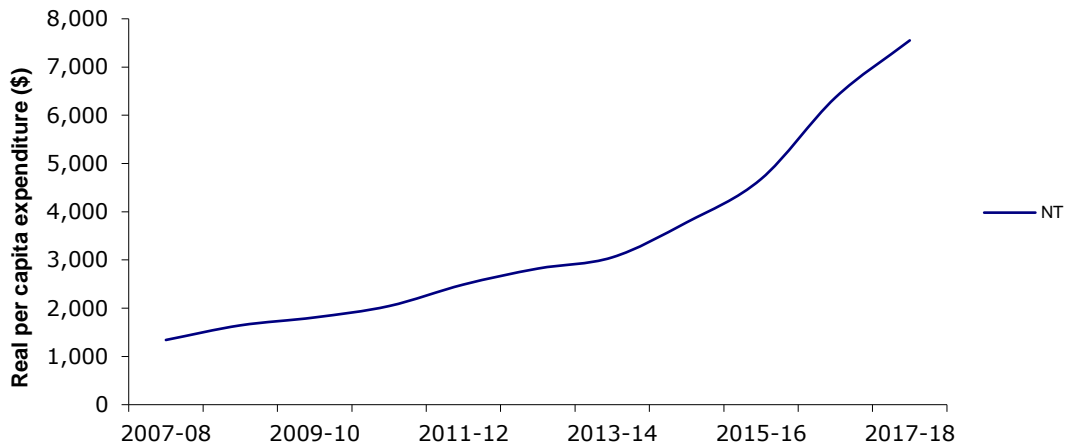
Tasmania has experienced significant fluctuations in race wagering expenditure over a ten year period. First, there was a large increase in expenditure resulting from the introduction of Betfair in 2005, Australia's only betting exchange.

Expenditure figures for racing subsequently decreased, by almost two thirds, subsequent to the TattsBet acquisition of TOTE Tasmania in March 2012.

TattsBet no longer takes bets from the high stakes professional punters that the former TOTE previously accepted, which may explain the significant reduction in race wagering expenditure figures.<sup>4</sup>

<sup>4</sup> Government Statistician, Queensland Treasury and Trade (2014) *Australian Gambling Statistics 1987-88 to 2012-13 (30<sup>th</sup> edition)*.

Figure 3-6 Real per capita racing expenditure - Northern Territory (2007-08 to 2017-18)

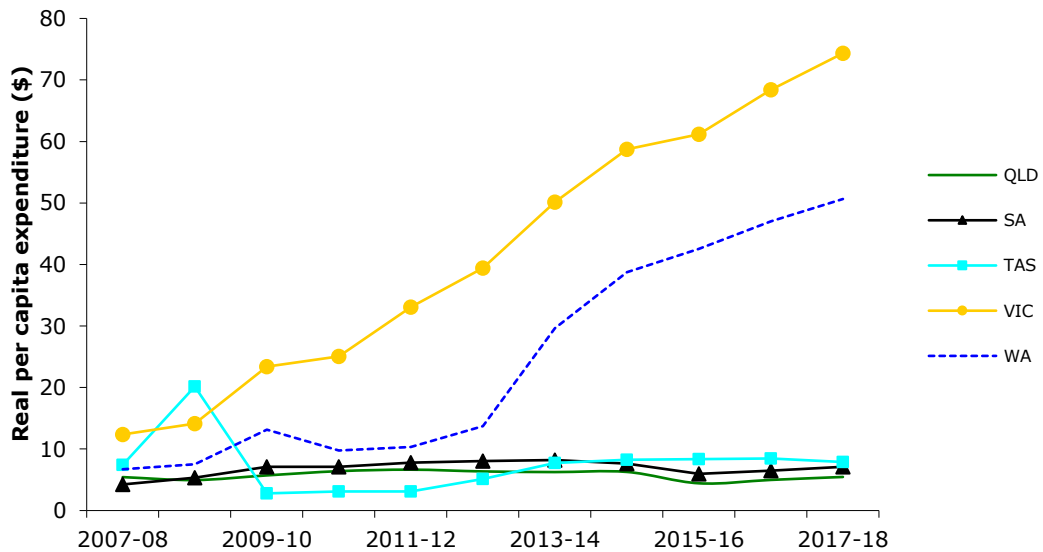


Source: Government Statistician, Queensland Treasury and Trade (2019) *Australian Gambling Statistics 1992-93 to 2017-18 (35<sup>th</sup> edition)*. Refer to *Australian Gambling Statistics Explanatory Notes* for further information.

The Northern Territory has demonstrated a rapid upward trend in per capita racing expenditure; a reflection of the movement of corporate bookmakers into this jurisdiction.

### Sports betting

Figure 3-7 Real per capita sports betting expenditure - Australia (excluding Northern Territory) (2007-08 to 2017-18)

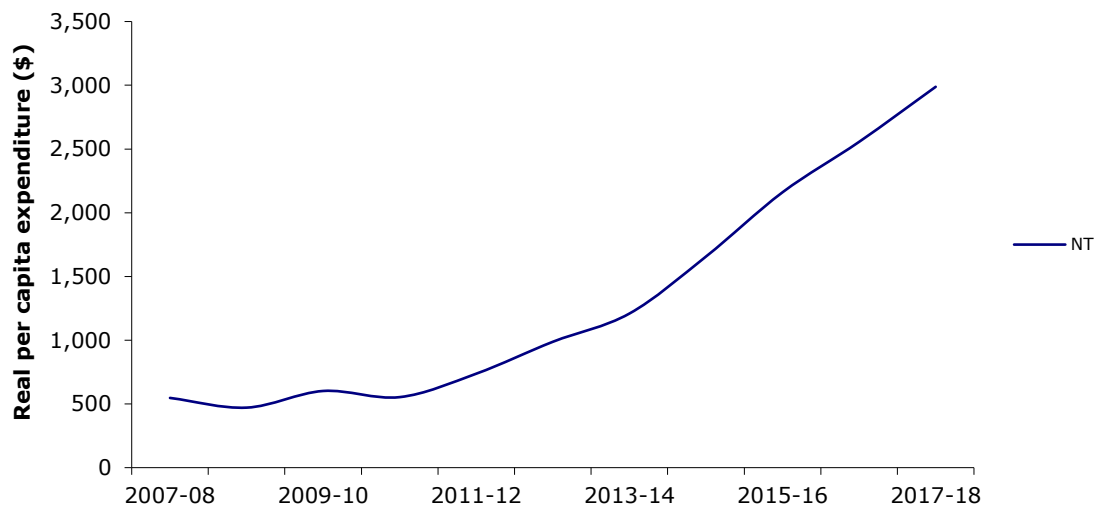


Source: Government Statistician, Queensland Treasury and Trade (2019) *Australian Gambling Statistics 1992-93 to 2017-18 (35<sup>th</sup> edition)*. Refer to *Australian Gambling Statistics Explanatory Notes* for further information.

The increase in TAB fixed odds sports betting turnover in Tasmania from 2008-09 has been attributed to TOTE Tasmania not being part of the Tabcorp fixed odds betting business TAB Sportsbet.<sup>5</sup>

<sup>5</sup> Government Statistician, Queensland Treasury and Trade (2014) *Australian Gambling Statistics 1987-88 to 2012-13 (30<sup>th</sup> edition)*.

**Figure 3-8 Real per capita sports betting expenditure - Northern Territory (2007-08 to 2017-18)**

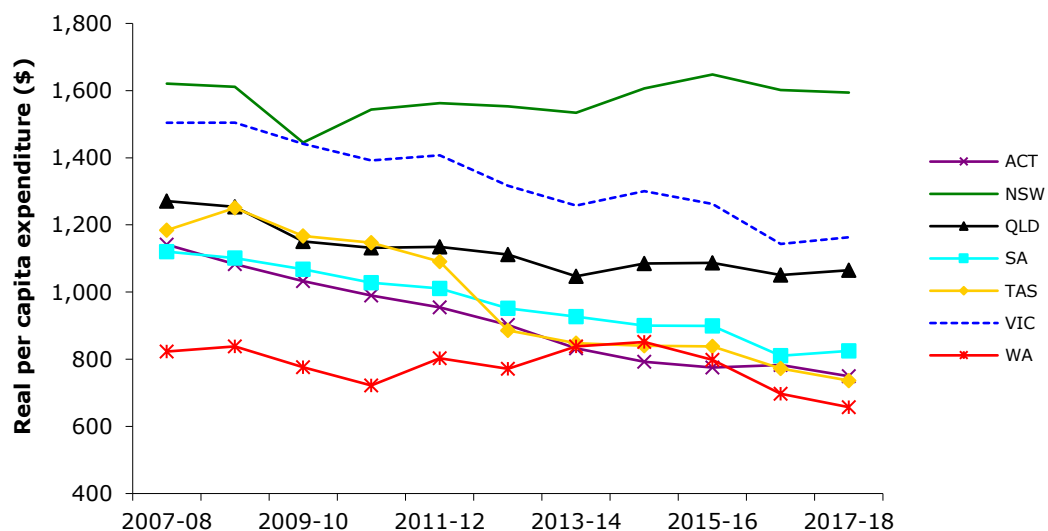


Source: Government Statistician, Queensland Treasury and Trade (2019) Australian Gambling Statistics 1992-93 to 2017-18 (35<sup>th</sup> edition). Refer to Australian Gambling Statistics *Explanatory Notes* for further information.

The Northern Territory has demonstrated a rapid upward trend in per capita Sports Betting expenditure; a reflection of the movement of corporate bookmakers into this jurisdiction.

### All Gambling

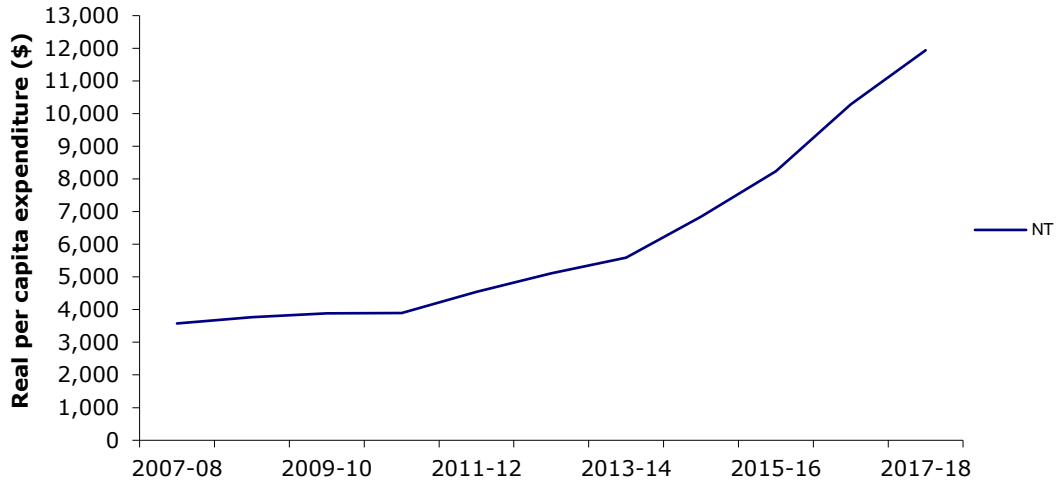
**Figure 3-9 Real per capita expenditure - all gambling forms (excluding Northern Territory) (2007-08 to 2017-18)**



Source: Government Statistician, Queensland Treasury and Trade (2019) Australian Gambling Statistics 1992-93 to 2017-18 (35<sup>th</sup> edition). Refer to Australian Gambling Statistics *Explanatory Notes* for further information.

Please note that a number of total per capita expenditure figures in the above graph are incomplete due to unavailable data.

**Figure 3-10 Real per capita expenditure – all gambling forms (Northern Territory only) (2007-08 to 2017-18)**



Source: Government Statistician, Queensland Treasury and Trade (2019) Australian Gambling Statistics 1992-93 to 2017-18 (35<sup>th</sup> edition). Refer to Australian Gambling Statistics [Explanatory Notes](#) for further information.

**Table 3-4 Real per capita expenditure – all gambling forms in Australia by state/territory (2012-13 to 2017-18)**

	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
ACT	901.88	832.09	792.15	775.11	783.22	749.35
NSW	1,553.09	1,533.92	1,606.01	1,647.84	1,601.99	1,593.99
NT	5,114.44	5,592.27	6,848.22	8,237.50	10,287.57	11,940.20
QLD	1,111.50	1,046.92	1,085.43	1,087.22	1,050.21	1,064.51
SA	951.37	926.86	900.35	899.37	810.26	824.61
TAS	885.34	847.36	840.28	838.43	772.73	736.34
VIC	1,316.24	1,257.13	1,300.57	1,261.84	1,143.20	1,162.73
WA	771.09	838.49	851.34	798.14	697.08	657.17
<b>Australia</b>	<b>1,287.63</b>	<b>1,262.09</b>	<b>1,315.11</b>	<b>1,326.84</b>	<b>1,276.05</b>	<b>1,292.25</b>

Source: Government Statistician, Queensland Treasury and Trade (2019) Australian Gambling Statistics 1992-93 to 2017-18 (35<sup>th</sup> edition). Refer to Australian Gambling Statistics [Explanatory Notes](#) for further information.

## PRICE OF GAMBLING: COST OF PLAY, HOUSE EDGE & RETURN TO PLAYER (RTP)

According to the Productivity Commission,<sup>6</sup> there are two measures of the price of gambling - the initial outlay in placing a bet, and the net outlay or cost to a consumer when winnings are taken into account.

Net outlay takes into account not only the initial cost to the consumer, but also any money returned in the form of winnings. This "price" is calculated as the ratio of expenditure<sup>7</sup> to turnover<sup>8</sup> - this indicates the percentage of each dollar that, on average for gamblers as a group, over time, is lost.

Another way to understand the price of gambling to the consumer is to calculate the Cost of Play. This can be described as the House Advantage (or House Edge) x Bets per Hour<sup>9</sup> x Amount Bet.

The House Edge is a term used to describe the mathematical advantage of the gambling game or provider. This advantage results in an assured percentage return to the venue over time.

The House Edge assists the gambling provider as a commercial business to cover its costs of providing the game, paying for the staff and maintaining the gambling venue. It also helps to turn the business a profit.

Any profit the business makes from gambling comes from the money gamblers pay into the game, whether it's a poker machine, Keno, Blackjack or other game.<sup>10</sup>

The flip side of House Edge is known as Return to Player (RTP). RTP is a term used to describe the average percentage of wagered monies that will be paid back to players over time.

**It's important to understand that RTP percentages are expected long term averages. Individual players are unlikely to achieve these percentages.**

**Table 3-5 Player return percentages (RTP) on different forms of gambling<sup>11</sup>**

Product	Player Return Percentage
Bingo/Minor Gaming	90.00%
Casino	87.00% <sup>12</sup>
Instant/Scratchies	60.00%
Interactive Games	85.00% <sup>13</sup>
Keno	75.00% <sup>13</sup>
On-course Tote	84.00%
Pools	50.00% <sup>13</sup>
TAB	84.00%
Tattslotto/Lotto	60.00% <sup>13</sup>
EGMs	87.00% <sup>13</sup>

Source: Casino Control Act 1991(Victoria), Gambling Regulation Act 2003 (Victoria). Gaming Technologies Association, Australian Gaming Machines Player Information Booklet (Victorian figures 1997, Tasmanian Gaming Commission).

<sup>6</sup> Productivity Commission (1999) *Australia's Gambling Industries, Report No. 10*, Canberra.

<sup>7</sup> Also referred to as gross profit, expenditure is the net amount lost, or, in other words, the amount wagered less the amount won. Conversely, by definition, it is the gross profit (or gross winnings) due to the operators of each particular form of gambling.

<sup>8</sup> 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 - Tasmanian Gaming Commission (2004) *Australian Gambling Statistics 1977-78 to 2002-03*.

<sup>9</sup> Please note that for various forms of gambling the amount bet per hour may vary. Calculations of this kind generally involve averages. With larger bets and faster play costs may go up accordingly.

<sup>10</sup> Excerpted from "Know Your Odds" Tasmanian Government, Department of Health and Human Services. For more information go to <http://knowyourodds.net.au/house-edge/>

<sup>11</sup> Please note that House Edge and RTP may vary by provider— figures specified are either legislated minimum return to player percentages (as footnoted) or average and generalised figures only.

<sup>12</sup> Casino Control Act 1991 (VIC).

<sup>13</sup> Gambling Regulation Act 2003 (VIC).

For some gambling forms – particularly Electronic Gaming Machines (EGMs) - legislation dictates minimum payout ratios to players.

EGMs must adhere to the returns listed at Table 3-6 (although in practice payout ratios may be set higher than that required by law).

**RTP percentages on an EGM are also long-term averages. Individual players are unlikely to achieve these percentages.**

To say that a machine is ‘set’ to return a certain percentile to players simply means that the game mathematics are structured in such a way that there is an expectation (over time) that the machine is likely to average a return to players of that percentile of the total bets made on the machine.

As gaming machines function on the basis of chance the player return setting must be understood as an expectation that comes from the rules of chance – it is not a guaranteed outcome.

In fact, gaming machine manufacturers in Australia have pointed out that EGMs are not designed to provide players with money on any regular or long-term basis. Winning sessions may occur, but the more sessions played the greater the likelihood of losses.

For more information see: [http://www.gamingta.com/pdf/responsible\\_gaming\\_machine\\_play.pdf](http://www.gamingta.com/pdf/responsible_gaming_machine_play.pdf), read the Gaming Technologies Association *Player Information Booklet* available at: <http://www.gamingta.com/pdf/playerinfo.pdf> or view responsible gaming machine play videos at <http://gamingta.com/responsible-gaming/>

**Table 3-6 Average player return percentages (RTP) for gaming machines in Australia by state/territory (2016)**

<b>Location</b>	<b>Casino</b>	<b>Hotels and clubs</b>
Australian Capital Territory	N/A	87%
New South Wales	85%	85%
Northern Territory	88%	85%
Queensland	85%	85%
South Australia	87.5%	87.5%
Tasmania	85%	85%
Victoria	87%	85%
Western Australia	90%	N/A

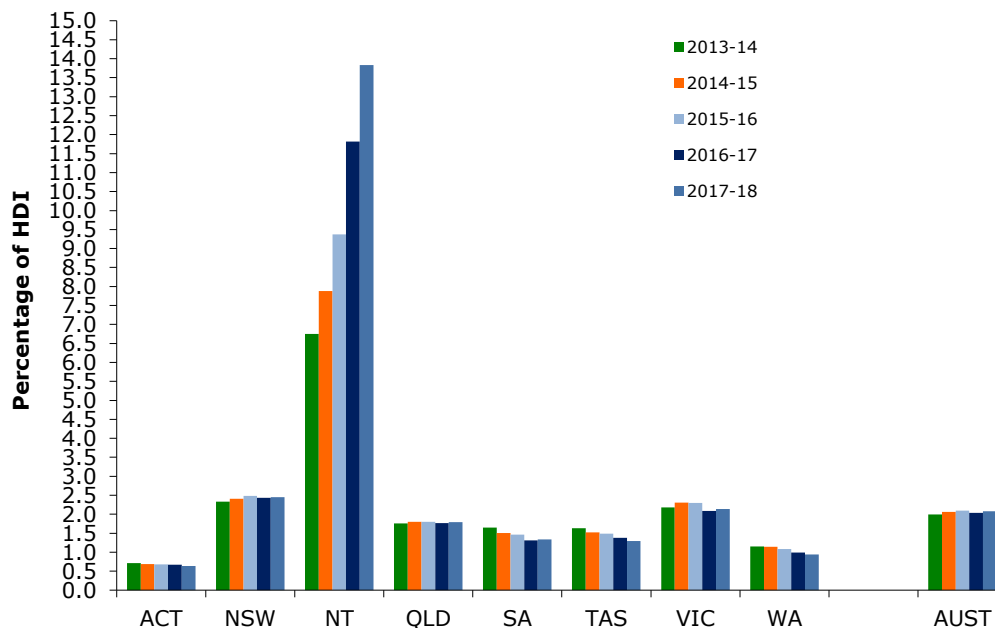
Source: Australian/New Zealand Gaming Machine National Standard 2016

## HOUSEHOLD DISPOSABLE INCOME

### Household Disposable Income and Gambling

Household Disposable Income (HDI) is the amount of income households have left over after they have paid their income taxes and is considered a key determinant of how much households can spend on consumer goods and services.

**Figure 3-11** Proportion of HDI spent on all gambling forms in Australia by state/territory (2013-14 to 2017-18)



Source: Government Statistician, Queensland Treasury and Trade (2019) Australian Gambling Statistics 1992-93 to 2017-18 (35<sup>th</sup> edition). Refer to Australian Gambling Statistics *Explanatory Notes* for further information.

**Table 3-7** Proportion of HDI spent on all gambling forms in Australia by state/territory (2013-14 to 2017-18)

	2013-14	2014-15	2015-16	2016-17	2017-18
	%				
ACT	0.71	0.69	0.68	0.67	0.64
NSW	2.33	2.41	2.48	2.43	2.45
NT	6.75	7.88	9.37	11.82	13.83
QLD	1.76	1.80	1.80	1.77	1.79
SA	1.65	1.50	1.46	1.31	1.34
TAS	1.63	1.52	1.48	1.38	1.30
VIC	2.18	2.31	2.30	2.09	2.14
WA	1.15	1.14	1.09	0.99	0.94
<b>AUST</b>	<b>2.00</b>	<b>2.06</b>	<b>2.09</b>	<b>2.03</b>	<b>2.08</b>

Source: Government Statistician, Queensland Treasury and Trade (2019) Australian Gambling Statistics 1992-93 to 2017-18 (35<sup>th</sup> edition). Refer to Australian Gambling Statistics *Explanatory Notes* for further information.

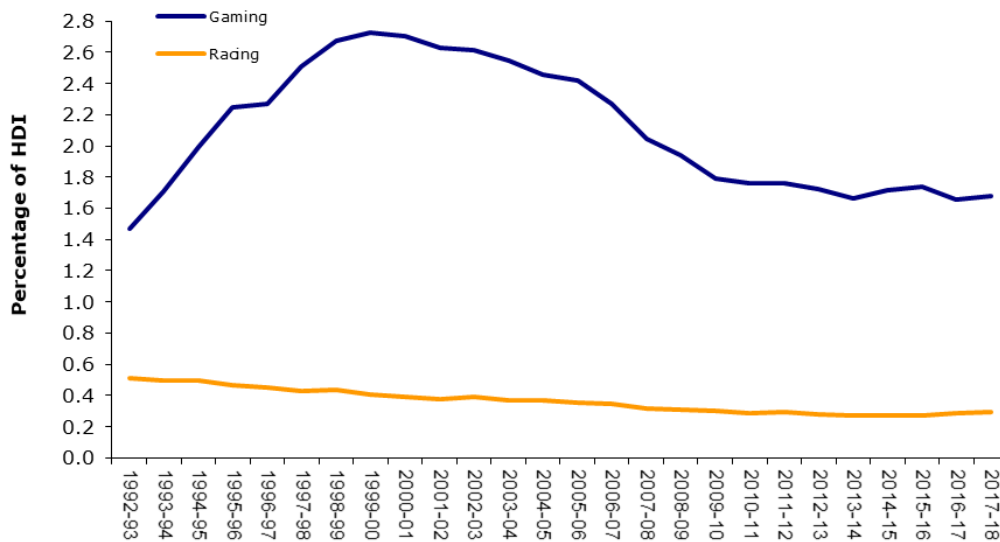
Over the course of the five years covered in Table 3-7, the average proportion of gambling expenditure as a proportion of HDI in Australia has decreased from 2.00% in 2013-14 to 2.08% in 2017-18. The Northern Territory had the highest proportion of expenditure to HDI (13.83% 2017-18) but it must be noted that a significant proportion of its gambling business comes from interstate and international markets.

Other states and territories with a relatively high proportion of gambling expenditure as a proportion of HDI include New South Wales (2.45%) and Victoria (2.14%), while this proportion was relatively low in the ACT (0.64%) and Western Australia (0.94%).

### Racing versus gaming

Figure 3-12 shows the change in the spending pattern for gambling in Australia over the past 25 years.

**Figure 3-12 Racing and gaming expenditure in Australia as a proportion of household disposable income (1992-93 to 2017-18)**



Source: Government Statistician, Queensland Treasury and Trade (2019) *Australian Gambling Statistics 1992-93 to 2017-18* (35<sup>th</sup> edition). Refer to *Australian Gambling Statistics Explanatory Notes* for further information.



**Table 3-8 Expenditure on various forms of gambling as a proportion of HDI in Australia 2017-18 (%)**

	Casino <sup>14</sup>	Gaming machines <sup>15</sup>	Keno	Lotteries <sup>16</sup>	Minor Gaming	Racing	Sports betting	All gambling
	%							
ACT	0.07	0.44	0.03	0.05		0.04		0.64
NSW	0.39	1.59	0.04	0.14		0.25	0.04	2.45
NT	0.61	0.65	0.07	0.30		8.75	3.46	13.83
QLD	0.36	1.05	0.04	0.19		0.14	0.01	1.79
SA	0.21	0.81	0.03	0.15		0.13	0.01	1.34
TAS	0.35	0.45	0.13	0.17		0.18	0.01	1.30
VIC	0.65	0.99	0.01	0.19		0.16	0.14	2.14
WA	0.41			0.27	0.02	0.17	0.07	0.94
<b>AUST</b>	<b>0.43</b>	<b>1.04</b>	<b>0.03</b>	0.17	<b>0.00</b>	<b>0.30</b>	<b>0.10</b>	<b>2.08</b>

Please note that due to rounding totals may not equal the sum of individual values.

Source: Government Statistician, Queensland Treasury and Trade (2019) Australian Gambling Statistics 1992-93 to 2017-18 (35<sup>th</sup> edition). Refer to Australian Gambling Statistics [Explanatory Notes](#) for further information.

Table 3-8 shows racing expenditure as a proportion of Household Disposable Income (HDI) was 0.30% across Australia.

This percentage was highest in the Northern Territory (8.75%), although it should be noted that a significant proportion of racing business comes from interstate and international markets.

In relation to gaming machines across Australia, the average proportion of expenditure to HDI was 1.04% - exceeded by New South Wales (1.59%) and Queensland (1.05%). In contrast, spending on gaming machines in the ACT represented only 0.44% of HDI, closely followed by Tasmania at 0.45% of HDI.

Spending on casino gambling in Australia during 2017-18 represented an average of 0.43% of HDI.

Again, due to the significant business sourced externally, the Northern Territory far exceeds the national average in terms of spending on Sports Betting with a proportion of 3.46% of HDI, compared to only 0.10% across Australia.

<sup>14</sup> Includes wagers at casinos on table games, gaming machines and keno systems.

<sup>15</sup> Does not include gaming machines at casinos.

<sup>16</sup> Includes lottery, lotto / tattsлото, instant lottery and pools.

## HOUSEHOLD SPENDING COMPARISON

The Australia Bureau of Statistics regularly produces a Household Expenditure Survey recording the expenditure of Australian households. Data is collected every six years, with the most recent collection taking place in 2015-16.

In 2015-16 the Australian Bureau of Statistics’ Household Expenditure Survey recorded the expenditure of 10,046 households.

Most expenditure data was collected over a two-week period during which the respondents were asked to keep a diary of all expenses.<sup>17</sup>

**Table 3-9** Estimated average household weekly expenditure (\$) on gambling by household gross income quintile in Australia (2015-16, 2009-10, 2003-04 & 1998-99)

Year	Household gross income quintile					All households
	Lowest	Second	Third	Fourth	Highest	
2015-16	\$2.26 <sup>25</sup>	\$3.46	\$5.17	\$5.36 <sup>25</sup>	\$6.06	\$4.44
2009-10	\$4.22 <sup>18</sup>	\$3.97 <sup>19</sup>	\$7.06	\$5.58	\$8.47	\$5.86
2003-04	\$3.67	\$5.59	\$3.89 <sup>20</sup>	\$6.30	\$7.98	\$5.48
1998-99	\$3.15	\$5.03	\$5.53	\$7.85	\$7.46	\$5.80

Source: ABS 6530.0 (2017, 2011, 2005, 2000), Household Expenditure Survey, Australia: Summary of Results, 2015-16 (Gross Household Income Quintiles – Estimates, Table 4.3A), and ABS 6535 series 2003-04 & 1998-99 Household Expenditure Survey, Australia

**Table 3-10** Estimated average household weekly expenditure on gambling as a percentage of total goods and services expenditure by household gross income quintile in Australia (2015-16, 2009-10, 2003-04 & 1998-99)

Year	Household gross income quintile					All households
	Lowest	Second	Third	Fourth	Highest	
2015-16	0.4%	0.4%	0.4%	0.3%	0.2%	0.3%
2009-10	0.8%	0.5%	0.6%	0.4%	0.4%	0.5%
2003-04	0.9%	0.9%	0.5%	0.6%	0.5%	0.6%
1998-99	0.9%	1.0%	0.9%	0.9%	0.6%	0.8%

Source: ABS 6530.0 (2017, 2011, 2005, 2000), Household Expenditure Survey, Australia: Summary of Results, 2015-16 (Gross Household Income Quintiles – Estimates, Table 4.3A), and ABS 6535 series 2003-04 & 1998-99 Household Expenditure Survey, Australia

Weekly expenditure on gambling products as a proportion of expenditure on total goods and services is trending down across all household income quintiles since the previous survey period.

The lowest quintile group spent \$2.26 per week on gambling, a decrease of 46.4% compared to 2009-10 (\$4.22 per week). Overall, average household weekly expenditure on gambling products as a proportion of expenditure on total goods and services decreased by 24.2% since the previous survey (from \$5.86 to \$4.44 per week).

<sup>17</sup> Please note: the survey was based on self-report. Gambling expenditure documented in this manner may be under-reported.

<sup>18</sup> Relative Standard Error of over 25%.

<sup>19</sup> Relative Standard Error of over 50% and is considered too unreliable for general use.

<sup>20</sup> Estimate has a relative standard error of 25% to 50% and should be used with caution.

**Table 3-11 Estimated average household weekly expenditure on selected goods and services by household gross income quintile in Australia by expenditure (\$) and proportion of total expenditure (%) (2015-16)**

	Lowest		Second		Third		Fourth		Highest		All	
	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%
Audio-visual equipment (TV, home entertainment)	3.13	0.5	4.02	0.4	7.21	0.6	11.08	0.7	13.89	0.5	7.93	0.6
Beer	4.65	0.7	8.89	1.0	13	1.0	12.44	0.7	18.26	0.7	11.5	0.8
Books, newspapers, magazines	4.21	0.7	5.46	0.6	5.8	0.4	6.76	0.4	9.72	0.4	6.43	0.5
Clothing and footwear	14.06	2.2	24.1	2.6	39.32	3.0	53.33	3.2	87.77	3.4	43.75	3.1
Confectionery	6.75	1.1	9.81	1.0	13.35	1.0	15.99	1.0	19.13	0.7	13.01	0.9
Cultural (cinema, theatre, concerts)	2.4	0.4	4.17	0.4	5.75	0.4	9.36	0.6	15.55	0.6	7.45	0.5
Dairy products	9.15	1.4	12.55	1.3	15.14	1.2	17.74	1.1	21.01	0.8	15.11	1.1
<b>Gambling</b>	<b>2.26</b>	<b>0.4</b>	<b>3.46</b>	<b>0.4</b>	<b>5.17</b>	<b>0.4</b>	<b>5.36</b>	<b>0.3</b>	<b>6.06</b>	<b>0.2</b>	<b>4.44</b>	<b>0.3</b>
Holidays-Australia (selected expenses)	13.09	2.1	19.6	2.1	23.51	1.8	33.4	2.0	66.24	2.6	31.26	2.2
Internet charges	3.47	0.5	5.23	0.6	6.85	0.5	7.91	0.5	8.81	0.3	6.47	0.5
Meals out and fast foods	25.68	4.1	43.66	4.7	71.13	5.5	103.04	6.2	158.63	6.1	80.27	5.6
Mobile telephone account	6.98	1.1	11.55	1.2	18.1	1.4	22.81	1.4	26.8	1.0	17.24	1.2
Mortgage repayments (interest)	17.59	2.8	32.88	3.5	72.52	5.6	115.7	6.9	163.39	6.3	80.19	5.6
Pay TV fees	2.07	0.3	3.11	0.3	4.68	0.4	5.03	0.3	8	0.3	4.56	0.3
Petrol	17.87	2.8	28.77	3.1	43.28	3.3	45.5	2.7	51.9	2.0	37.52	2.6
Public transport fares	1.86	0.3	3.15	0.3	5.87	0.5	7.54	0.5	10.82	0.4	5.83	0.4
Rent payments	77.41	12.2	102.64	11.0	124.16	9.5	114.97	6.9	107.09	4.1	105.4	7.4
Soft drinks and packaged waters	2.8	0.4	4.35	0.5	6.64	0.5	6.7	0.4	8.97	0.3	5.91	0.4
Sports fees and charges	4.41	0.7	4.86	0.5	11.66	0.9	15.4	0.9	27.74	1.1	12.89	0.9
Tobacco products	9.01	1.4	12.94	1.4	14.9	1.1	14.2	0.8	12.77	0.5	12.88	0.9
Toiletries and cosmetics	6.55	1.0	10.21	1.1	13.43	1.0	18.83	1.1	26.35	1.0	15.2	1.1
Vegetables (fresh, frozen)	9.19	1.5	12.32	1.3	15.35	1.2	18	1.1	21.84	0.8	15.32	1.1
Wine	3.27	0.5	5.67	0.6	7.6	0.6	7.72	0.5	22.37	0.9	9.41	0.7
<b>Total expenditure on all goods and services<sup>21</sup></b>	<b>632.03</b>	<b>100.0</b>	<b>934.32</b>	<b>100.0</b>	<b>1,301.9</b>	<b>100.0</b>	<b>1,674.73</b>	<b>100.0</b>	<b>2,589.06</b>	<b>100.0</b>	<b>1,425.03</b>	<b>100.0</b>

Source: ABS 6530.0 (2017) Household Expenditure Survey Australia: Summary of Results, 2015-16 (Gross Household Income Quintiles – Estimates, Table 4.3A)

<sup>21</sup> Inclusive of the selected items above and other items not tabulated. Please note that total expenditure figures do not reflect the sum of the columns in either dollar or percentile amounts as the goods and services tabulated represent selected items only. See Australian Bureau of Statistics 6530.0 (2017) Household Expenditure Survey Australia: Summary of Results, 2015-16 (Gross Household Income Quintiles – Estimates, Table 4.3A).

Table 3-12 Estimated average household weekly expenditure on selected goods and services in Australia by state/territory by expenditure (\$) and proportion of total expenditure (%) (2015-16)

	ACT		NSW		NT <sup>22</sup>		QLD		SA		TAS		VIC		WA		AUST	
	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%
Audio-visual equipment (home entertainment)	11.4	0.7	7.7	0.5	10.4	0.6	7.6	0.6	6.7	0.6	5.0	0.4	8.4	0.6	7.7	0.5	7.9	0.6
Beer	10.4	0.6	12.2	0.8	19.9	1.2	10.6	0.8	8.4	0.7	12.5	1.1	11.8	0.8	11.8	0.8	11.5	0.8
Books, newspapers, magazines	8.4	0.5	6.0	0.4	5.6	0.3	6.0	0.4	6.1	0.5	10.3	0.9	6.8	0.5	6.8	0.5	6.4	0.5
Clothing and footwear	54.8	3.3	46.1	3.0	32.0	1.9	40.1	3.0	37.3	3.1	40.5	3.5	46.5	3.3	41.7	2.9	43.8	3.1
Confectionery	13.4	0.8	13.2	0.9	11.2	0.7	12.0	0.9	11.7	1.0	13.9	1.2	13.7	1.0	13.6	0.9	13.0	0.9
Cultural (cinema, theatre, concerts)	13.5	0.8	7.7	0.5	5.3	0.3	8.5	0.6	5.8	0.5	5.0	0.4	7.5	0.5	6.4	0.4	7.5	0.5
Dairy products	15.6	0.9	14.3	0.9	16.1	0.9	15.2	1.1	15.2	1.3	14.9	1.3	15.5	1.1	16.2	1.1	15.1	1.1
<b>Gambling</b>	<b>2.0</b>	<b>0.1</b>	<b>5.4</b>	<b>0.4</b>	<b>5.2</b>	<b>0.3</b>	<b>3.6</b>	<b>0.3</b>	<b>1.9</b>	<b>0.2</b>	<b>5.0</b>	<b>0.4</b>	<b>4.6</b>	<b>0.3</b>	<b>6.3</b>	<b>0.4</b>	<b>4.4</b>	<b>0.3</b>
Holidays-Australia (selected expenses)	46.1	2.8	29.7	1.9	90.7	5.3	28.8	2.1	28.5	2.4	31.1	2.7	31.2	2.2	35.2	2.5	31.3	2.2
Internet charges	9.4	0.6	5.9	0.4	11.0	0.6	6.6	0.5	7.4	0.6	6.2	0.5	6.2	0.4	7.5	0.5	6.5	0.5
Meals out and fast foods	99.6	6.0	90.6	5.9	83.8	4.9	68.5	5.0	66.1	5.5	60.2	5.3	84.7	5.9	71.6	5.0	80.3	5.6
Mobile telephone account	20.0	1.2	16.8	1.1	19.9	1.2	17.3	1.3	15.5	1.3	14.4	1.3	18.5	1.3	16.9	1.2	17.2	1.2
Mortgage repayments (interest)	100.3	6.0	82.6	5.4	106.3	6.3	73.7	5.4	65.1	5.5	56.2	4.9	78.9	5.5	100.0	7.0	80.2	5.6
Pay TV fees	5.0	0.3	4.9	0.3	4.2	0.2	4.6	0.3	3.8	0.3	4.1	0.4	4.4	0.3	4.6	0.3	4.6	0.3
Petrol	40.7	2.4	40.0	2.6	32.6	1.9	36.9	2.7	30.1	2.5	35.6	3.1	37.3	2.6	37.2	2.6	37.5	2.6
Public transport fares	3.7	0.2	8.3	0.5	2.5	0.1	4.2	0.3	3.3	0.3	2.4	0.2	6.5	0.5	3.6	0.2	5.8	0.4
Rent payments	105.6	6.3	122.9	8.1	190.9	11.2	108.9	8.0	80.6	6.8	58.8	5.1	91.6	6.4	101.0	7.1	105.4	7.4
Soft drinks and packaged waters	6.1	0.4	6.2	0.4	7.4	0.4	5.9	0.4	5.7	0.5	6.4	0.6	5.7	0.4	5.9	0.4	5.9	0.4
Sports fees and charges	13.0	0.8	14.0	0.9	9.9	0.6	11.5	0.8	10.9	0.9	7.5	0.7	13.0	0.9	14.1	1.0	12.9	0.9
Tobacco products	8.0	0.5	12.1	0.8	22.4	1.3	11.3	0.8	14.1	1.2	17.5	1.5	14.7	1.0	11.4	0.8	12.9	0.9
Toiletries and cosmetics	15.1	0.9	14.9	1.0	13.8	0.8	15.3	1.1	13.5	1.1	12.3	1.1	16.3	1.1	16.2	1.1	15.2	1.1
Vegetables (fresh, frozen)	19.0	1.1	15.1	1.0	18.8	1.1	13.9	1.0	14.0	1.2	14.5	1.3	16.4	1.1	16.7	1.2	15.3	1.1
Wine	9.5	0.6	10.4	0.7	10.2	0.6	7.6	0.6	8.3	0.7	6.4	0.6	10.1	0.7	8.6	0.6	9.4	0.7
<b>Total expenditure on all goods &amp; services<sup>23</sup></b>	<b>1,670.2</b>	<b>100</b>	<b>1,524.7</b>	<b>100</b>	<b>1,700.0</b>	<b>100</b>	<b>1,358.9</b>	<b>100</b>	<b>1,191.7</b>	<b>100</b>	<b>1,141.1</b>	<b>100</b>	<b>1,429.9</b>	<b>100</b>	<b>1,428.8</b>	<b>100</b>	<b>1,425.0</b>	<b>100</b>

Source: ABS 6530.0 (2017) Household Expenditure Survey Australia: Summary of Results, 2015-16 (States and Territories, Table 13.9A)

<sup>22</sup> Households defined as Very Remote were excluded, accounting for about 22% of the population of NT.

<sup>23</sup> Inclusive of the selected items above and other items not tabulated. Please note that total expenditure figures do not reflect the sum of the columns in either dollar or percentile amounts as the goods and services tabulated represent selected items only. See Australian Bureau of Statistics 6530.0 (2017) Household Expenditure Survey Australia: Summary of Results, 2015-16 (States and Territories, Table 13.9A).

**Table 3-13** Estimated average weekly allocation of household recreational expenditure by household gross income quintile in Australia (2015-16)

	Lowest	Second	Third	Fourth	Highest	All households
<b>Weekly Recreational Expenditure</b>	\$61.80	\$102.50	\$149.91	\$197.75	\$342.18	\$171.85
<b>Recreational Spend</b>						
Audio-visual equipment	5.1%	3.9%	4.8%	5.6%	4.1%	4.6%
Books, newspapers, magazines	6.8%	5.3%	3.9%	3.4%	2.8%	3.7%
Culture (cinema, theatre, concerts)	3.9%	4.1%	3.8%	4.7%	4.5%	4.3%
<b>Gambling</b>	<b>3.7%</b>	<b>3.4%</b>	<b>3.4%</b>	<b>2.7%</b>	<b>1.8%</b>	<b>2.6%</b>
Holidays - Australia	21.2%	19.1%	15.7%	16.9%	19.4%	18.2%
Sports	7.1%	4.7%	7.8%	7.8%	8.1%	7.5%

Source: Calculated from ABS 6530.0 (2017) Household Expenditure Survey Australia: Summary of Results, 2015-16 (Gross Household Income Quintiles – Estimates, Table 4.3A)