

Poker machine revenues hurt by smoking bans, financial crisis

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Smoking bans in pubs and clubs and the global financial crisis have impacted on how much South Australians have spent on poker machines in recent years.

Photo: Denni Schnapp, via Flickr

(PhysOrg.com) -- Total smoking bans in pubs and clubs and the global financial crisis are among the factors that have impacted on how much South Australians have spent on poker machines in recent years.

That's according to the South Australian Center for Economic Studies - a joint research unit of the University of Adelaide and Flinders University - based on the latest figures in the centre's gambling database.

The database provides regional-level data on electronic gaming machine activity in South Australian licensed venues, based on data published and supplied by the Office of the Liquor and Gambling Commissioner.

The centre's database has now been updated to include gaming machine expenditure, taxation revenue, and gaming machine and venue population data for the 2008/09 and 2009/10 financial years.

Total gaming machine net gambling revenue/expenditure for South Australia in 2009/10 was \$729 million. This was down 2.8% from the previous year, and down 8% from the peak of \$793 million in 2006/07.

"A number of factors have contributed to the decline in gaming machine expenditure over recent years," says Anthony Kosturjak, Senior Research Economist with the SA Center for Economic Studies (SACES) at the University of Adelaide.

"The introduction of total smoking bans in November 2007 has continued to have an impact on pubs and clubs; there was deterioration in the general economic environment following the [Global Financial Crisis](#) in 2008; and maturation of the gaming machine industry has slowed the natural growth of the industry," he says.

In 2008/09, the City of Norwood, Payneham and St Peters had the highest relative level of gambling expenditure of any region (\$1,084 per adult) outside the City of Adelaide (\$2,005 per adult). Other regions with relatively high levels of gambling expenditure in 2008/09 included Port Augusta (\$1,026 per adult), Whyalla (\$954 per adult), Port Adelaide Enfield (\$904 per adult) and Gawler (\$884 per adult).

"Equivalent figures for 2009/10 will be made available later in the year once we receive ABS (Australian Bureau of Statistics) data on regional populations," Mr. Kosturjak says.

The database was created in response to demand from rural and regional councils for more user-friendly information on electronic gaming machine gambling activity at the regional level.

The update of the database follows a recent speech by Mr Gary Banks AO, Chairman of the Productivity Commission, on the topic of evidence and public policy in respect of problem [gambling](#), which was presented to SACES corporate members on 30 March. A copy of the Chairman's speech is available from the SACES and Productivity Commission websites.

More information: The gambling database is available for download at: www.adelaide.edu.au/saces/gambling/database

Provided by University of Adelaide

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