

Casinos create 17,000 jobs in Michigan

Written by Administrator

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The parking structure and hotel for the Greektown Casino in downtown Detroit. (Photo: Detroit Free Press)

Story Highlights

- Study: Casinos generated \$2.8 billion in economic impact in 2013
- Some 17,000 jobs can be tied to gaming industry, study says

Michigan's casino gaming industry generated almost \$3 billion in economic impact and created more than 17,000 direct and spin-off jobs in a recent year, a new industry-financed study has found.

Done by Oxford Economics and paid for by the American Gaming Association, the study titled "Impacts of the Commercial Gaming Industry in Michigan" looked at Michigan's gaming industry for the year 2013. Among its findings: Overall, the total economic impact of the commercial gaming industry in Michigan was \$2.8 billion that year.

That included nearly \$897 million in total labor income, supporting more than 17,000 total jobs. Without those jobs, Michigan's unemployment rate would rise by about 1 percentage point, the study said. Michigan's jobless rate stood at 6.7% in November.

"The commercial casino industry in Michigan supports approximately one out of every 239 jobs statewide," the report said.

The commercial gaming industry generated approximately \$730 million in total tax revenues in 2013, the study found. Of that, the industry generated approximately \$306 million in gaming taxes in 2013 that supported municipal services. The balance of the \$730 million was in the

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form of various sales taxes, income taxes, and so forth.

Michigan is now home to 26 casinos. That includes three state-regulated casinos in Detroit -- MGM Grand, MotorCity Casino, and Greektown Casino -- and 23 tribal casinos owned by Indian tribes.

The Native American tribal casinos have resulted from state gaming compacts signed with individual tribes. Some of the compacts date to 1993, while others are more recent.

The three casinos in Detroit stem from a November 1996 vote in which Michigan voters approved Proposal E, authorizing three licensed casinos to be built in Detroit. Proposal E was later revised and signed into law as the Michigan Gaming Control & Revenue Act.

Through November, the three Detroit casinos reported total revenue of more than \$1.2 billion for the first 11 months of 2014, generating state wagering taxes of \$98.3 million. Casino tax revenues have become an essential part of the City of Detroit's fiscal planning in recent years.

Contact John Gallagher: 313-222-5173 or gallagher@freepress.com. Follow him on Twitter @jgallagherfreep.

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