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Australia's odds-on favourite pastime

By David Koch

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After cup week in Melbourne, you don't need to be reminded about Australia's passion for a flutter. It's also a reminder of how tough it is to beat the odds when it comes to gambling and that more conventional ways of investing are a better strategy to building wealth.

It was Lachlan Macquarie who first actively promoted horseracing in an effort to exhaust the collective gambling energies rampant throughout the colony.

Instead, he created a national pastime which culminates in the annual betting frenzy known around the world as the Melbourne Cup. More than \$122 million was bet on the race through the TAB with NSW being the biggest punters with \$51.3 million. Today, racing in general accounts for less than a third of all money spent on gambling.

Professional punters say that the biggest returns come from hard work and plenty of luck. They reckon the best bet for professional punters is the trifecta or even multiple trifectas on the same race.

For the small punter they still recommend a study of the form guide and backing your choice for a win.

Roulette has one "0" on the board of 35 numbers, which makes the house advantage about 3 per cent, whereas if you bet on the tote the government takes more than 14 per cent from a win and up to 18 per cent on a quinella.

Australia has always been portrayed as being a gambling country. One theory for this is our convict history, coupled with the mix of Irish Catholicism and Chinese cultures (both pro-gambling), which has entrenched gambling into our culture.

Certainly Australian governments have legalised a large number of ways to gamble in a short period of time.

While only a handful of states in America (such as Nevada and New Jersey) allow casinos, Australia has such "gambling houses" in every state. While we have chosen the path of "control through legalisation", America has followed the path of prohibition. (I have heard cynics suggest that our state governments have been such poor financial managers, they have needed gambling revenue to keep them out of bankruptcy.)

As a point of interest, the first state lottery was run in Queensland in 1916. It was called the Golden Casket and was set up to provide funds for the war effort. The US did not take them up until the 1970s.

Later the Golden Casket system helped build the Queensland hospital system, lending a further edge of respectability to the gambling industry.

When times get tough, people look to Lady Luck for a boost.

Unfortunately, it does not improve the odds in your favour.

And the winner is . . .

Whatever your views on gambling, there is no denying the odds are stacked against you.

The odds of winning a first division prize in Lotto are one in eight million; the first division Pools is slightly better, one in 2.76 million; the Jackpot Lottery runs out at one in 7.3 million; any prize in a Jackpot Lottery and you are still looking at one in 16, while any prize in a million-dollar lottery is one in 20.

With Instant Lotteries, the odds are a little more favourable with a one in five chance of winning a prize but to crack the Instant Jackpot, the odds are one in 480,000.

The gaming market Lotto, casinos, poker machines is making huge inroads. Poker machines are being called the new golden boy of the gambling industry.

Casinos account for almost 50 per cent of all gaming revenue where they have been introduced.

Here are some more interesting sidelights from our world of gambling:

In casinos, the players' odds on baccarat and blackjack are around even money.

The highest odds on roulette are 35-1 for a straight tip. The best odds in the casino are in the dice game called sic bo, played with three die, which pays 180-1 for a specific triple. For a specific double, the odds are 62-1.

Chances of winning on poker machines vary between machines but each machine is programmed to retain 13 per cent of input. This is standard and a legal requirement.

With racing odds, normally the good bookmakers on course will give you a better price than the TAB.

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