

Japan takes step towards lifting ban on casinos

Japan has taken a step towards become a global gambling powerhouse with the controversial passing of a long-awaited bill to legalise casinos.

[The legalisation of casinos has been debated for years in Japan](#), with outspoken critics citing concerns about gambling addictions, the potential involvement of organised crime groups and lack of public support.

The proposed legislation was passed in less than 15 minutes by Japan's lower parliamentary house, with a number of members reportedly walking out before the vote in protest.

The bill is expected to be voted quickly through the upper house, which is controlled by the ruling Liberal Democratic Party (LDP), before the current parliamentary session ends next week.

Shinzo Abe, the prime minister, has been an outspoken supporter of casinos since coming to power four years ago, convinced that casinos can bolster the nation's faltering economy, attract billions in investment and [support tourism after Tokyo's 2020 Olympics](#).

The passing of the bill through the lower house is likely to fire the starting gun on a highly competitive race to tap into what is one of Asia's last untapped markets in terms of casino development.

Once passed by the upper house, the bill would not enable the immediate opening of casinos, but instead pave the way for regulators to develop industry plans in relation to issues such as licensing operators before seeking final parliamentary approval.

[Japan's wealthy population, close proximity to China are among a string of factors which analysts believe will make it a strong global gambling market](#) to rival Macau or Las Vegas, worth an estimated £23.7 billion a year.

Japan has already proven its appetite for other forms of legal gambling, such as horse racing, while pachinko - a slot machine-style game played across Japan with winnings exchanged off-site to skirt gaming laws - is also massively popular.

“The world's leading operators regard Japan as a holy grail given the potential market size,” Jay Defibaugh, a senior research analyst at CLSA, a leading brokerage firm, said in a report.

“Gambling industries in Japan, including pachinko and public gambling, such as horse racing, car racing, bicycle racing and boat racing, already generate in excess of US\$30 billion (£23.7 billion) in gross gaming revenue.”

A number of international gambling powerhouses, including MGM, Wynn and Las Vegas Sands, have been watching Japan closely for years, carrying out research in preparation for the industry to be legalised.

Areas that have reportedly been earmarked as key potential locations for major resorts housing casinos, hotels and entertainment centres, include Tokyo, nearby Yokohama and Osaka.