GAMBLING SECTOR PERFORMANCE IN SOUTH AFRICA FY2018/19

SUMMARY

National Gambling Board
South Africa
a member of the dti group

CONTENTS

Foreword by the Accounting Authority

Ms Caroline Kongwa

One of the key responsibilities of the National Gambling Board (NGB), as mandated by the National Gambling Act (NGA), 2004 (Act 7 of 2004), Section 65(2)(e), is to monitor market conduct and market share in the South African gambling industry. In doing so, the NGB gathers national gambling statistics and information related to market conduct and market share from all Provincial Licensing Authorities (PLAs).

This enables the NGB to publish audited statistics annually on its website to keep its stakeholders and the public informed about turnover, the generation of Gross Gambling Revenue (GGR) and the collection of taxes/levies.

Further to this, the collection of detailed information per gambling operator, province and mode enables the NGB to map the size and nature of the South African gambling industry, as well as to monitor trends and growth in the various gambling sectors. The NGB has successfully managed to compile comprehensive reports since FY2012 on the status and growth of the gambling industry, as well as share the latest trends with its external stakeholders and the public.

The NGB has pleasure in sharing the latest trends related to gambling sector performance and especially national gambling statistics and market conduct information as at the end of Financial Year (FY) 2018/19 (1 April 2018 to 31 March 2019). We trust that our stakeholders and the public will find the content informative, useful and beneficial. The NGB would also like to extend its gratitude to all PLAs for submitting information and statistics as required, without which this report would not have been possible.

Kongwa

Ms Caroline Kongwa
Accounting Authority

ACKNOWLEDGEMENTS

All Provincial Licensing Authorities (PLAs) are acknowledged for submitting audited information related to market conduct, market share and provincial gambling statistics per gambling mode, operator and province.

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CONTRIBUTORS

The following PLAs contributed to the compilation of this report by submitting audited provincial gambling statistics and information about market conduct:

- Eastern Cape Gambling Board
- Free State Gambling and Liquor Authority
- Gauteng Gambling Board
- KwaZulu-Natal Gaming and Betting Board
- Limpopo Gambling Board
- Mpumalanga Economic Regulator
- Northern Cape Gambling Board
- North West Gambling Board
- Western Cape Gambling and Racing Board

ACRONYMS

B-BBEE	Broad-Based Black Economic Empowerment
EBT	Electronic Bingo Terminal
EC	Eastern Cape
FS	Free State
FY	Financial Year
GGR	Gross Gambling Revenue
GT	Gauteng
KZN	KwaZulu-Natal
L	Limpopo
LPM	Limited Payout Machines
MP	Mpumalanga
N/A	Not Applicable
NC	Northern Cape
NCEMS	National Central Electronic Monitoring System
NGA	National Gambling Act, 2004 (Act 7 of 2004)
NGB	National Gambling Board
NW	North West
PLAs	Provincial Licensing Authorities
Qrt	Quarter
the dti	The Department of Trade and Industry
TO	Turnover
WC	Western Cape

REFERENCES

National Gambling Act, 2004 (Act 7 of 2004).

Limpopo Gambling Board Annual Report 2017/18

Gauteng Gambling Board Annual Report 2017/18

Northern Cape Annual Report 2015/16

Mpumalanga Economic Regulator Annual Report 2017/18

Free State Gambling and Liquor Authority Annual Report 2016/17

Eastern Cape Gambling Board Annual Report 2017/18

KwaZulu-Natal Gaming and Betting Board Annual Report 2017/18

North West Gambling Board Annual Report 2016/17

Western Cape Gambling and Racing Board Annual Report 2017/18

EXPLANATORY NOTES

TERM	Explanation
Broad-Based Black Economic Empowerment (B-BBEE)	Broad-Based Black Economic Empowerment is the sustainable economic empowerment of all Black people, in particular women, workers, youth, people with disabilities and people living in rural areas, through diverse but integrated strategies, but not limited to a) increasing the number of Black people who manage, own and control enterprises and productive assets, b) facilitating ownership and management of enterprises and productive assets by communities, workers, co-operatives and other collective enterprises, c) human resource and skills development, d) achieving equitable representation in all occupational categories and levels in the workforce, e) preferential procurement including the promotion of local content procurement, and f) investment in enterprises that are owned or managed by Black people.

TERM	Explanation
Bingo	Bingo means a game played in whole or in part by electronic means that is played using cards or other devices; that are divided into spaces each of which bears a different number, picture or symbol; and which are arranged randomly such that each card or similar device contains a unique set of numbers, pictures or symbols; in which an operator calls or displays a series of numbers, pictures or symbols in random order and the players match each such number, picture or symbol on the card or device as it is called or displayed; and the player who is first to match all the spaces on the card or device, or who matches a specified set of numbers, pictures or symbols on the card or device, wins a prize.
Bookmaker	A bookmaker, bookie or turf accountant is a person or organisation that takes bets on various events or contingencies such as horse racing, football, rugby union or marriages, births, names, divorces and even in extreme cases deaths etc. at agreed upon odds (fixed odds). A bookmaker may be licensed to operate on or off-course, that is at licensed premises, other than a race course.
Casino	A casino is a facility which is licensed to house and accommodate certain types of licensed casino style slots and Table gambling games.
Employment (direct)	Key (licensed) and other gaming (licensed) employees.
Gambling machine/slot machine used interchangeably	A slot machine, informally known as a fruit machine, is a casino gambling machine with three or more reels which spin when a button is pushed or a handle is pulled (older mechanical types). These slot machines are also known as one-armed bandits because of the one lever on the side of the machine (the arm) and because of their ability to leave the gamer penniless (bandit). The machine pays off based on patterns of symbols visible on the front of the machine when it stops. Slot machines are the most popular gambling method in casinos and constitute about 80 per cent of the average casino's income.
Gross Gambling Revenue (GGR)	Gross gambling revenue is defined as the Rand value of the gross revenue of an operator in terms of turnover less winnings paid to players.
Horse racing	Horse racing is the sport in which horses and their riders take part in races, typically with substantial betting on the outcome.
Licenced (all modes and outlets)	Licensed is when a person or company is in possession of a valid licence, registration card or certificate allowing him/them to offer approved gambling activities within licensed premises to over 18 year old persons.
Limited Payout Machine (LPM)	Limited payout machine means a gambling machine outside of a casino in respect of the playing of which the stakes and prizes are limited.
Route Operator (RO)	Route operator is a juristic person which is licensed to own and operate limited payout machines, maintain and effect the collection of money and paying of taxes and levies in respect of all machines under its licence.

TERM	Explanation
Site Operator (SO)	Site operator is a natural or juristic person licensed to manage limited payout machines owned by a route operator on his licensed premises (also known as a site) and to make them available to be played by members of the public.
Table game	In casinos, the term Table game is used to distinguish games such as blackjack, craps, roulette and baccarat that are played on a Table and operated by one or more live dealers like a croupier or poker dealer.
Taxes/levies	Gambling tax levied by and collected by provincial licensing authorities.
Totalisator/ Pari-Mutuel betting used interchangeably	Totalisator is the name for the automated pool betting system which runs par-mutuel betting, calculating payoff odds, displaying them, and producing tickets based on incoming bets. Parimutuel betting is a betting system in which all bets of a particular type are placed together in a pool; taxes and the "house-take" are removed, and payoff odds are calculated by sharing the net pool among all winning bets.
Turnover (TO)	Turnover is the rand value of money wagered. This includes "recycling" which refers to amounts that are staked on more than one occasion). "TO" in the fixed odds/bookmaking environment is, however, different from other forms of gambling in that the amount of money crossing the Table is NOT seen as turnover, because the amount of money staked / wagered / bet on an event is returned to the player should the player win the wager / bet, so a true description of turnover in fixed odds/bookmaking parlance is money wagered minus the stakes wagered on winnings bets = fixed odds/bookmaking turnover.

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EXECUTIVE SUMMARY

The National Gambling Board (NGB) is mandated by the National Gambling Act (NGA), 2004 (Act 7 of 2004), Section 65(2)(e) to monitor market conduct and market share relative to gambling at casinos, betting on horse racing and sport, Limited Payout Machines (LPMs) and bingo. The following key trends were reflected relevant to Financial Year (FY) 2014/15 to FY2018/19 based on audited information.

A total number of 39 casinos were operational as at 31 March 2019. Operational slots were 24 781 and operational tables 932. Negative growth was recorded from FY2017/18 to FY2018/19 in the number of operational slots and tables in casinos. Operational totalisator outlets were 388, bookmakers 295 and bookmaker outlets 602 as at 31 March 2019 and relevant to the betting industry. Operational site operators in the LPM sector were 2 347 and active LPMs 13 034 as at 31 March 2019. Substantial increases in LPM positions were noted in the LPM sector from FY2017/18 to FY2018/19 representing continuous growth in this sector. The highest increase in gamblling positions was recorded in the LPM sector i.e. an increase by 9.6% in the number of active LPMs from 11 744 in FY2017/18 to 13 034 in FY2018/19. The number of operational bingo positions grew by 1%. An ongoing substantial decrease was noted in the number of traditional bingo positions, whereas growth was noted in the number of EBTs.

In terms of the generation of Gross Gambling Revenue (GGR), positive growth in GGR has been recorded in all gambling modes, whereas the highest increase in GGR was noted in the bingo sector (26.6% from FY2017/18 to FY2018/19) followed by the betting sector (by 17.8% from FY2017/18 to FY2018/19) and specifically as a result of betting on sports as offered by bookmakers. For the LPM sector an increase by 13.2% was reflected during the same period. Casino GGR increased by 1.2% lower than the previous financial year. The highest growth (increase) in GGR generated per province was noted in Limpopo (by 23.4% from FY2017/18 to FY2018/19), largely due to increases in the number of active LPMs and operational bingo positions, followed by KwaZulu-Natal (by 19.7%) and Mpumalanga (by 14.1%) during the same period. A negative growth in GGR was recorded in North West and Northern Cape.

Overall, the generation of GGR increased by 3.8% from R 26,0 billion in FY2015/16 to R 27,0 billion in FY2016/17, by 6.7% from FY2016/17 to R 28,8 billion in FY2017/18, and by 7.0% from FY2017/18 to R 30,8 billion in FY2018/19. A total amount of R 30 790 766 660 referred to as GGR was generated during FY2018/19. During FY2018/19, casinos accounted for the highest GGR generated, being 60.5% as compared to other gambling modes. Compared to all other provinces, Gauteng at a 41.0% share, accounted for the highest amount of GGR generated.

The collection of taxes/levies decreased by 1.0% from R2,8 billion in FY2015/16 to R 2,7 billion in FY2016/17, but increased by 5.7% to R 2,9 billion in FY2017/18, and by 6.8% to R 3,1 billion from FY2017/18 to FY2018/19. A total amount of R 3 094 798 852 taxes/levies was collected during FY2018/19. During FY2018/19, at 62.2%, casinos contributed the highest amount of taxes/levies paid by comparison with other gambling modes.

Based on information gathered for FY2018/19, the casino sector, KwaZulu-Natal, Gauteng and Western Cape provinces accounted for the highest numbers in terms of direct employment in the South African gambling industry out of a total number of 28 583[1]. The average B-BBEE status or level of the South African gambling industry as at 31 March 2019 per gambling mode and operator was casinos at 1.3, totalisators at 4.0, LPMs at 2.7 and bingo at 2.7.

[1] Excludes Eastern Cape employment statistics which are not available.

SNAP SHOT OF THE GAMBLING INDUSTRY FY2017/18 & FY2018/19

Variable	FY2017/18 Market conduct – as at Quarter 4 Statistics – Total all Quarters	FY2018/19 Market conduct – as at Quarter 4 Statistics – Total all Quarters	FY2018/19 Quarter 1	FY2018/19 Quarter 2	FY2018/19 Quarter 3	FY2018/19 Quarter 4
Number of operational casinos	38	39	38	38	39	39
Number of operational slots (casinos)	25 195	24 781	24 911	24 756	25 089	24 781
Number of operational table (casinos)	976	932	956	952	950	932
Number of operational gambling positions (casinos)	35 929	35 768	35 515	35 478	35 340	35 768
Number of operational totalisator outlets	382	388	385	391	385	388
Number of operational bookmakers	284	295	287	294	296	295
Number of operational bookmaker outlets	542	602	555	568	606	602
Number of operational Limited Payout Machine (LPM) site operators	2 211	2 347	2 327	2 311	2 387	2 347
Number of active LPMs	11 744	13 034	12 789	12 778	13 409	13 034
Number of operational bingo outlets	50	52	50	51	52	52
Number of operational bingo positions	8 520	8 610	7 991	8 372	8 693	8 610
• Traditional	1 977	1 219	1 179	1 351	1 351	1 219
• Electronic Bingo Terminals	6 543	7 391	6 812	7 021	7 342	7 391

Variable	FY2017/18 Market conduct – as at Quarter 4 Statistics – Total all Quarters	FY2018/19 Market conduct – as at Quarter 4 Statistics – Total all Quarters	FY2018/19 Quarter 1	FY2018/19 Quarter 2	FY2018/19 Quarter 3	FY2018/19 Quarter 4
National gambling statistics: Turnover	R 389 799 128 064	R 425 598 013 152	R 99 657 625 989	R 106 593 056 577	R 111 464 575 998	R 107 882 754 588
National gambling statistics: GGR generated	R 28 763 259 881	R 30 790 766 660	R 7 245 643 329	R 7 795 528 653	R 7 964 076 550	R7 785 518 128
National gambling statistics: Taxes/ levies collected	R2 898 984 519	R 3 094 798 852	R 770 691 431	R 767 635 368	R 784 968 996	R 771 503 057

MAXIMUM LICENSES PER GAMBLING MODE PER PROVINCE AS AT 31 MARCH 2019

MAXIMUM NUMBER OF LICENCES	Eastern Cape	Free State	Gauteng	KwaZulu-Natal	Limpopo	Mpumalanga	North West*	Northern Cape	Western Cape
Maximum number of casino licenses	5	4	7	5	3	4	4 active 1 pending	3	5
Maximum number of route operator licences	2	2	5	4	No set maximum number	Unlimited	No set maximum number	2	2 Unlimited
Maximum number of bookmaker licenses	Unlimited	No set maximum number	131	51	No set maximum number	Unlimited, subject to sufficient market demand and operational viability	No set maximum number	16	43 Unlimited
Maximum number of totalisator licenses	Unlimited	No set maximum number	1	2	No set maximum number	Unlimited, subject to sufficient market demand and operational viability	No set maximum number	2	1 Unlimited
Maximum number of bingo licenses	15	No Bingo License	11	21	No set maximum number	Unlimited, subject to sufficient market demand and operational viability	9	0	No roll out currently Unlimited

CHAPTER 1:
INTRODUCTION

1.1 The National Gambling Board (NGB) is mandated by the National Gambling Act (NGA), 2004 (Act 7 of 2004), Section 65(2)(e) to monitor market conduct and market share in the South African gambling industry.

1.2 NGB monitors market conduct (e.g. number of operators, gambling positions and outlets in the South African gambling sector), and also gathers and analyses national gambling statistics in terms of turnover (TO), GGR and the collection of taxes/levies. The NGB website is updated with a detailed PowerPoint presentation annually, which is based on audited information representative of that financial year.

1.3 The scope of this report covers information (market conduct and national gambling statistics) related to the following legalised gambling modes in South Africa (as regulated by the NGB) for Quarters 1, 2, 3 & 4 of FY2018/19 and trends over time:

1.3.1 Casinos (tables and slots);

1.3.2 Betting on horse racing and sport (offered by bookmakers and totalisators, on and off course);

1.3.3 Limited payout machines (LPMs); and

1.3.4 Bingo (traditional and EBTs).

1.4 Quarterly statistics were sourced from Provincial Licensing Authorities (PLAs). FY2018/19 (Quarter 1, 2, 3 & 4) information in this report is based on audited data available at the time of compilation.

1.5 The NGB cannot be held responsible for the correctness of information (refer to the disclaimer).

1.6 The information in this report is mainly applicable to the period of 1 April 2018 to 31 March 2019 (referred to as FY2018/19), whereas quarters are representative of the following specific periods:

1.6.1 Quarter 1: 1 April 2018 – 30 June 2018

1.6.2 Quarter 2: 1 July 2018 – 30 September 2018

1.6.3 Quarter 3: 1 October 2018 – 31 December 2018

1.6.4 Quarter 4: 1 January 2019 – 31 March 2019

1.7 The purpose of this report is to provide a summary on the status and performance of the South African gambling sector (excluding the National Lottery) in terms of market conduct and national gambling statistics (1 April 2018 to 31 March 2019), as well as trends over time.

CHAPTER 2:
NATIONAL GAMBLING STATISTICS

2.1 INTRODUCTION

2.1.1 The purpose of this section is to provide an overview of national gambling statistics (per gambling mode and province) based on provincial gambling statistics submitted by all PLAs during the reporting periods as indicated.

2.2 TURNOVER PER GAMBLING MODE AND PROVINCE, FY2018/19

2.2.1 A total amount of R 425 598 013 152 was wagered in FY2018/19. Casinos accounted for the highest TO at 67.6% by comparison with all other gambling modes in FY2018/19. Gauteng accounted for the highest amount of TO in respect of all gambling modes, the total percentage being 44.4% as compared to other provinces. Although Gauteng represented the highest amount of turnover relative to casinos (45.1%), betting on horse racing and sport (60.7%), and bingo (40.2%), the highest amount of money in the LPM sector was wagered in Western Cape (27.9%).

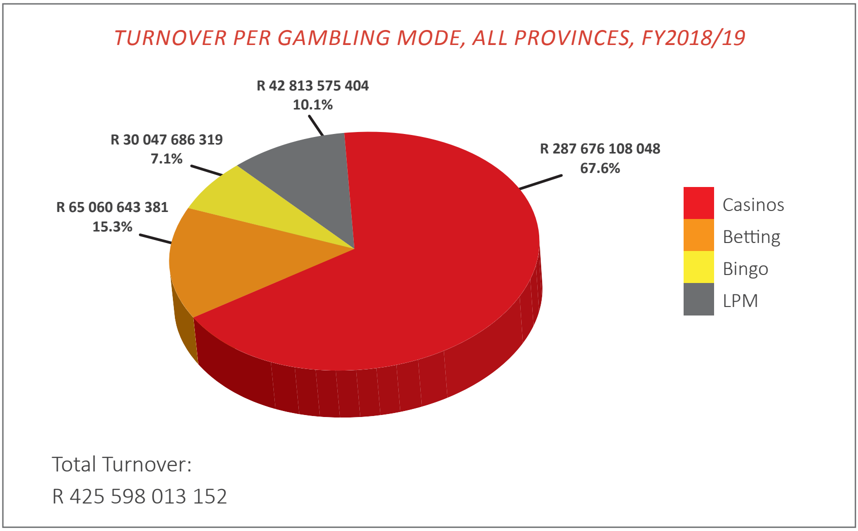


Figure 1: Turnover per gambling mode, all provinces, FY2018/19

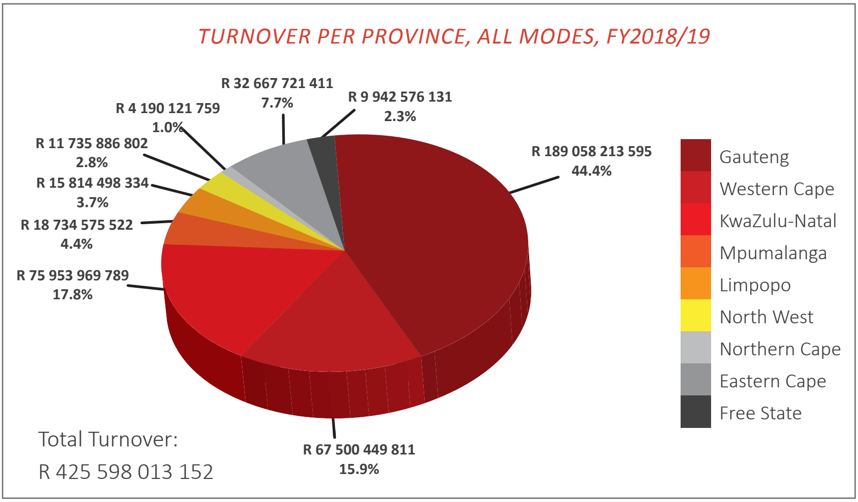


Figure 2: Turnover per province, all modes, FY2018/19

2.3 GROSS GAMBLING REVENUE PER GAMBLING MODE AND PROVINCE, FY2016/17 – FY2018/19

2.3.1 GGR increased by 3.8% from R 26,0 billion in FY2015/16 to R 27,0 billion in FY2016/17, by 6.7% from FY2016/17 to R 28,8 billion in FY2017/18, and by 7.0% from FY2017/18 to R 30,8 billion in FY2018/19. A total of R30 790 766 660 referred to as GGR was generated during FY2018/19. Of this total, casinos accounted for the largest share, at 60.5%, as compared to other gambling modes.

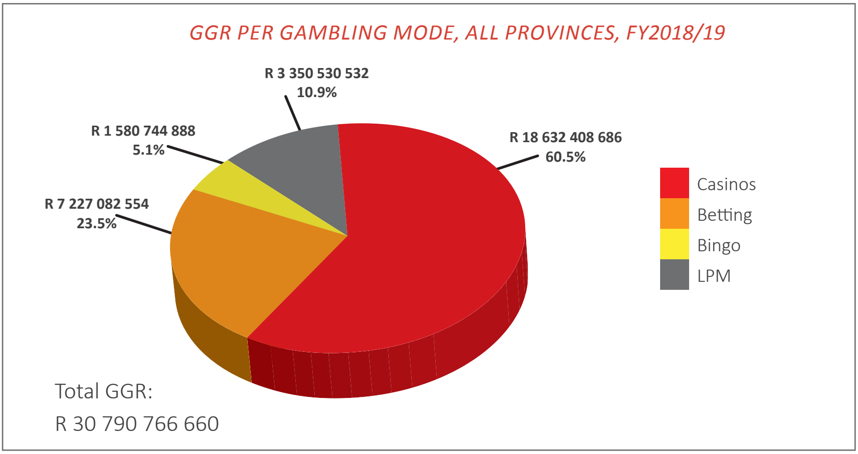


Figure 3: GGR per gambling mode, all provinces, FY2018/19

2.3.2 Figure 4 below illustrates GGR per province for all modes for the 2018/19 financial year. Compared to all other provinces, Gauteng at a 41.0% share, accounted for the highest amount of GGR generated. The trend in GGR for all modes is shown on figure 5 below.

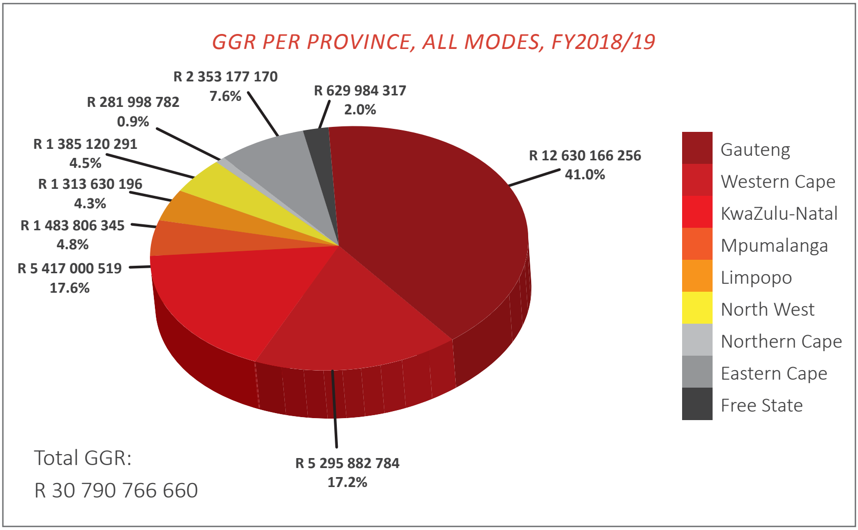


Figure 4: GGR per province, all modes, FY2018/19

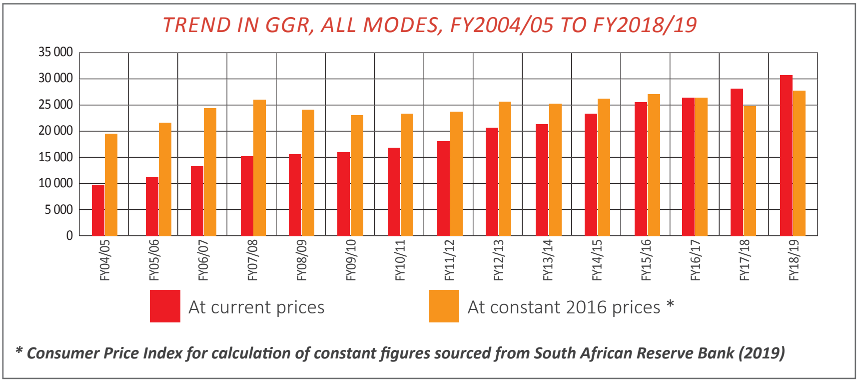


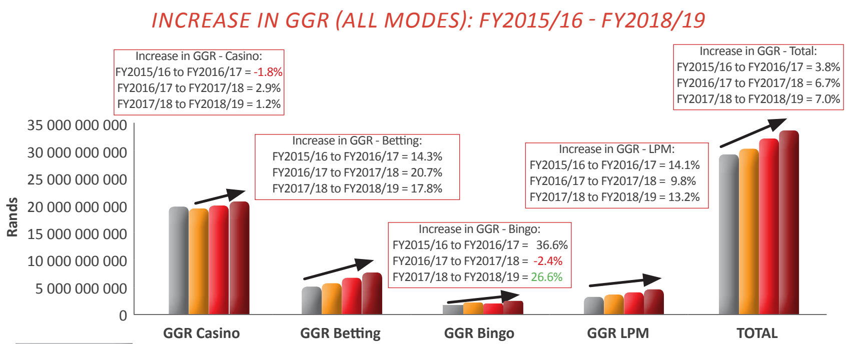
Figure 5: Trend in GGR, all modes, from FY2004/05 to FY2018/19

2.3.3 Analysis of GGR and gambling positions per gambling mode during the period FY2015/16 to FY2018/19 reflected the following growth and trends as shown in figures 6, 7 and 8:

a. In terms of the generation of GGR, positive growth in GGR has been recorded in all gambling modes between 2017/18 and 2018/19, with the highest increase in GGR noted in the Bingo sector (26.6%) followed by the Betting sector (17.8%) specifically as a result of betting on sports as offered by bookmakers. For the LPM sector an increase by 13.2% was recorded during the same period.

b. The highest growth (increase) in GGR generated per province was noted in Limpopo (by 23.4% from FY2017/18 to FY2018/19), followed by KwaZulu-Natal (by 19.7%) and Mpumalanga (by 14.1%) during the same period. Negative growth in GGR was recorded in North West and Northern Cape.

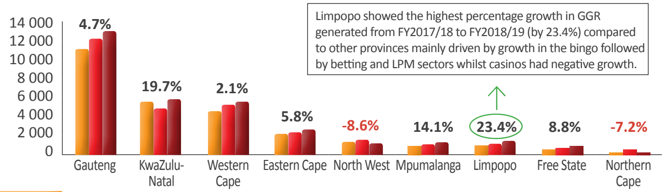
c. The highest increase in gambling positions was recorded in the LPM sector, recording an increase of 9.6% between FY2017/18 and FY2018/19. While casinos on the other hand experienced slight negative growth of 0.4% in the number of operational gambling positions in the same period. No substantial growth in the number of operational bingo positions was recorded.



	GGR Casino	GGR Betting	GGR Bingo	GGR LPM	TOTAL
GGR, FY2015/16	18 236 685 695	4 448 765 756	936 166 348	2 363 501 788	25 985 119 588
GGR, FY2016/17	17 900 747 071	5 085 630 664	1 278 664 383	2 696 846 443	26 961 888 560
GGR, FY2017/18	18 417 094 967	6 136 832 908	1 248 509 057	2 960 822 948	28 763 259 881
GGR, FY2018/19	18 632 408 686	7 227 082 554	1 580 744 888	3 350 530 532	30 790 766 660

Figure 6: Growth in GGR, all modes (FY2015/16 – FY2018/19)

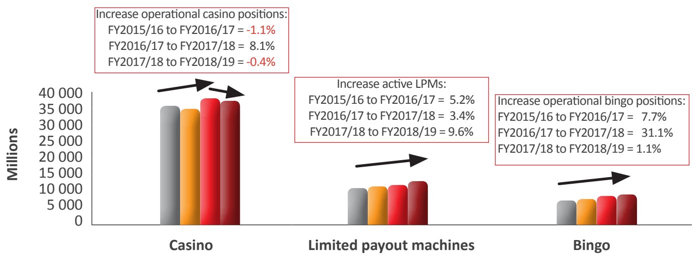
GROWTH RATE OF GGR PER PROVINCE ALL MODES (FY2016/17 - FY2018/19)



	Gauteng	KwaZulu-Natal	Western Cape	Eastern Cape	North West	Mpumalanga	Limpopo	Free State	Northern Cape
Operational positions, FY2016/17	11 074	4 978	4 312	2 092	1 486	1 203	955	571	287
Operational positions, FY2017/18	12 064	4 526	5 184	2 224	1 515	1 301	1 065	579	304
Operational positions, FY2018/19	12 630	5 417	5 295	2 353	1 385	1 484	1 314	630	282

Figure 7: Growth rate of GGR per province (FY2016/17 – FY2018/19)

INCREASE IN THE NUMBER OF OPERATIONAL GAMBLING POSITIONS IN THE CASINO, LPM & BINGO SECTORS: FY2015/16 - FY2018/19



	Casino	Limited payout machines	Bingo
Operational positions, FY2015/16	33 618	10 934	6 032
Operational positions, FY2016/17	33 249	11 502	6 497
Operational positions, FY2017/18	35 929	11 896	8 520
Operational positions, FY2018/19	35 768	13 034	8 610

Figure 8: Increase in the number of gambling positions in the casino, LPM & bingo sectors: FY2015/16 – FY2018/19

2.3.4 Figure 9 illustrates that there is a decline in the share in total GGR of casinos from FY2009/10 to FY2018/19 compared to a steady increase relative to Betting, LPM and Bingo sectors which have more than doubled in this period.

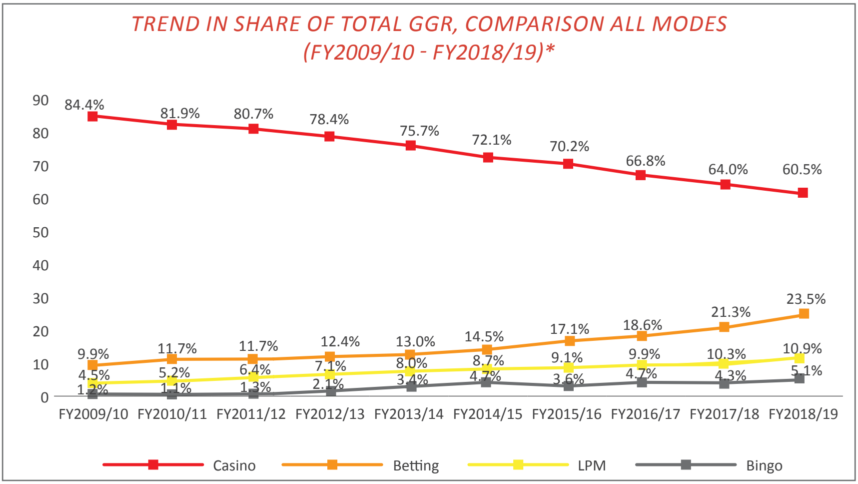


Figure 9: Trend in share of total GGR, comparison all modes (FY2009/10 – FY2018/19)

2.4 TAXES/LEVIES CONTRIBUTION PER GAMBLING MODE AND PROVINCE, FY2016/17 – FY2018/19

2.4.1 The collection of taxes/levies decreased by 1.0% from R2,8 billion in FY2015/16 to R 2,7 billion in FY2016/17, but increased by 5.7% to R 2,9 billion in FY2017/18, and by 6.8% to R 3,1 billion from FY2017/18 to FY2018/19. A total amount of R 3 094 798 852 taxes/levies was collected during FY2018/19. During FY2018/19, at 62.3%, casinos contributed the highest amount of taxes/levies paid by comparison with other gambling modes. At 36.7% Gauteng accounted for the highest amount of taxes/levies paid compared to all other provinces. Taxes/levies collected per gambling mode and province are reflected on figures 10 & 11, and the trend overtime is illustrated on figure 12.

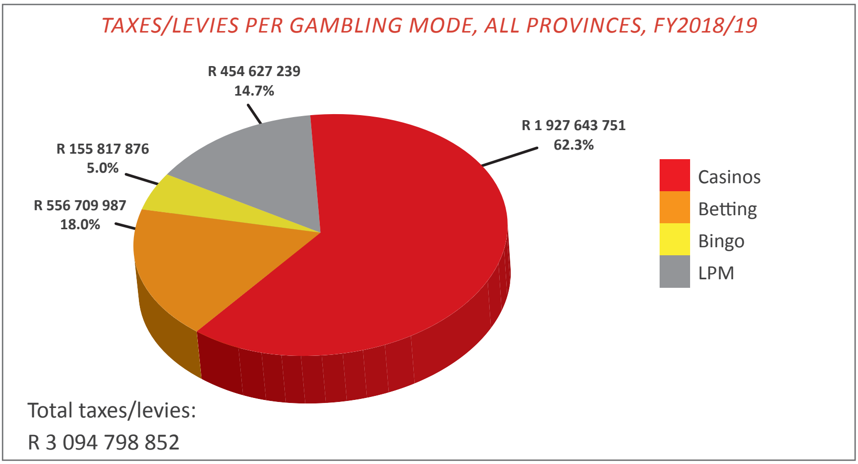


Figure 10: Taxes/levies per gambling mode, all provinces, FY2018/19

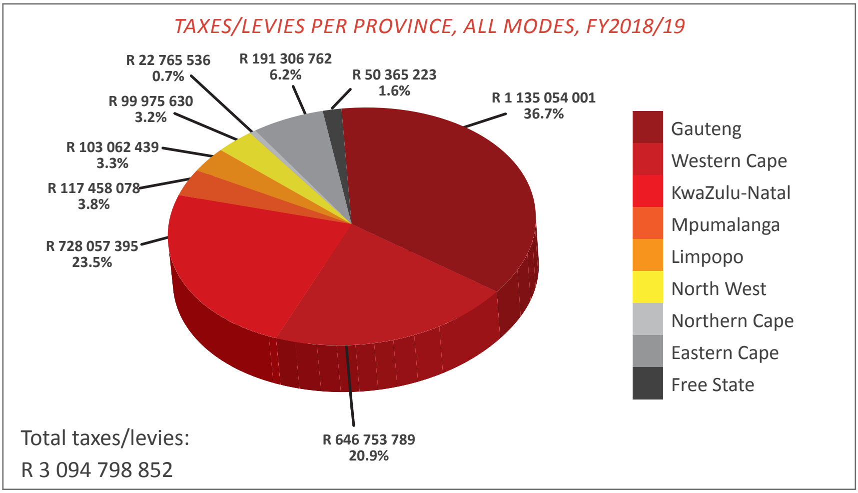


Figure 11: Taxes/levies per province, all modes, FY2018/19

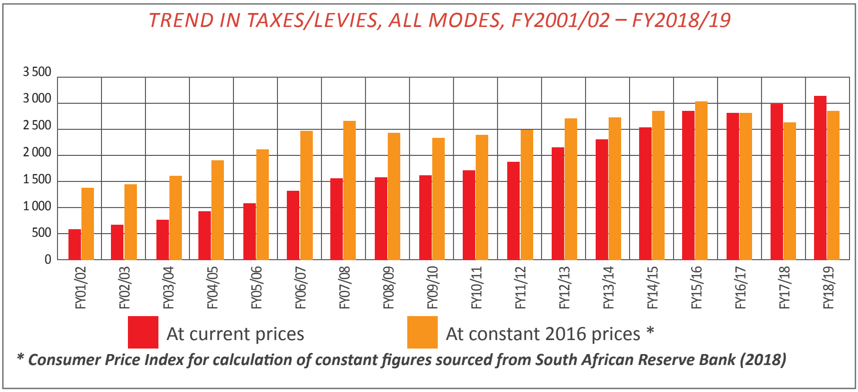


Figure 12: Trend in taxes/levies, all modes, FY2001/02 – FY2018/19

CHAPTER 3:
CASINO SECTOR

3.1 Market conduct

3.1.1 As at 31 March 2019 a total number of 39 casinos (out of a maximum of 41 licenses) were operational in South Africa. The controlling shareholders for operational casinos are Sun International (13 casinos), Tsogo Sun Holdings/Hosken Consolidated Investments (15 casinos), Peermont Resorts (8 casinos), London Clubs International (1 casino), Northern Cape Casino Consultants (1 casino) and Billion Group (1 casino).

3.1.2 Of the total casino market, the majority of the casinos are situated in Gauteng (7, 17.9%), compared to Western Cape, KwaZulu-Natal and Eastern Cape each hosting 5 casinos (12.8% respectively) as reflected in figure 13.

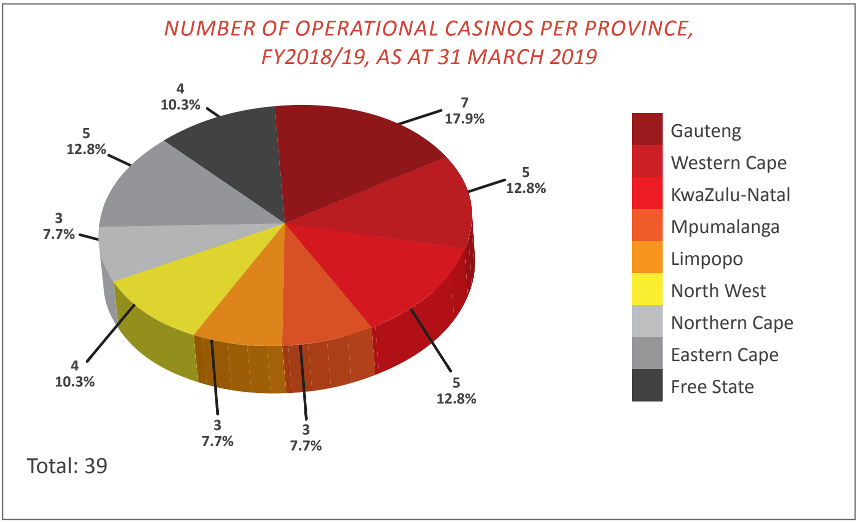


Figure 13: Number of operational casinos per province, FY2018/19, as at 31 March 2019

3.1.3 As at 31 March 2019, Gauteng accounted for the highest number of licensed operational slots in casinos (9 550, 38.5%), compared to KwaZulu-Natal (4 090, 16.5%) and Western Cape (3 770, 15.2%) out of the total number of 24 781. Overall an increase of 6.3% was recorded in the number of operational slots from FY2016/17 (23 697) to FY2017/18 (25 195), but a decrease of 1.6% was recorded from FY2017/18 to FY2018/19 (24 781) as at 31 March 2019. This was mainly as a result of a decrease in the number of operational slots in Gauteng, Mpumalanga and North West.

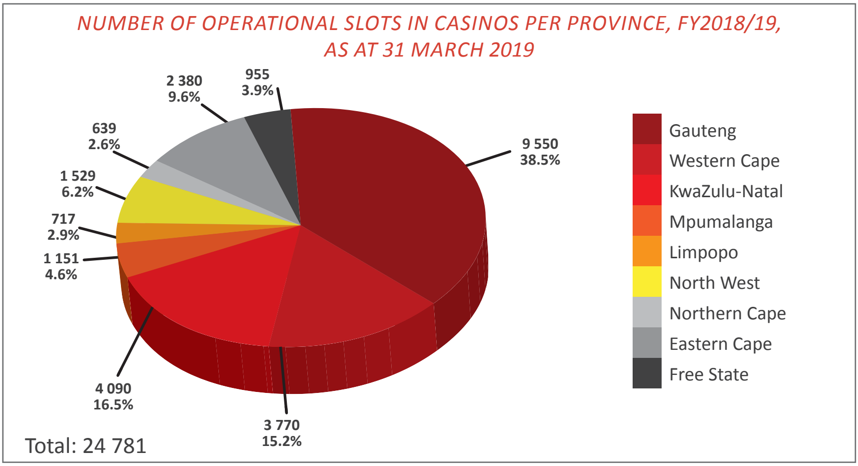


Figure 14: Number of operational slots in casinos per province, FY2018/19, as at 31 March 2019

3.1.4 Gauteng accounted for the highest number of operational tables (353, 37.9%) out of a total of 932, compared to KwaZulu-Natal (166, 17.8%) and Western Cape (118, 12.7%) as at 31 March 2019, as reflected in figure 15. Overall, the number of operational tables increased by 7.6% from FY2016/17 (907) to 976 (FY2017/18), but decreased by 4.5% from FY2017/18 to 932 in FY2018/19 as at 31 March 2019, mainly as a result of a decrease in the number of operational tables in Gauteng, North West and Eastern Cape.

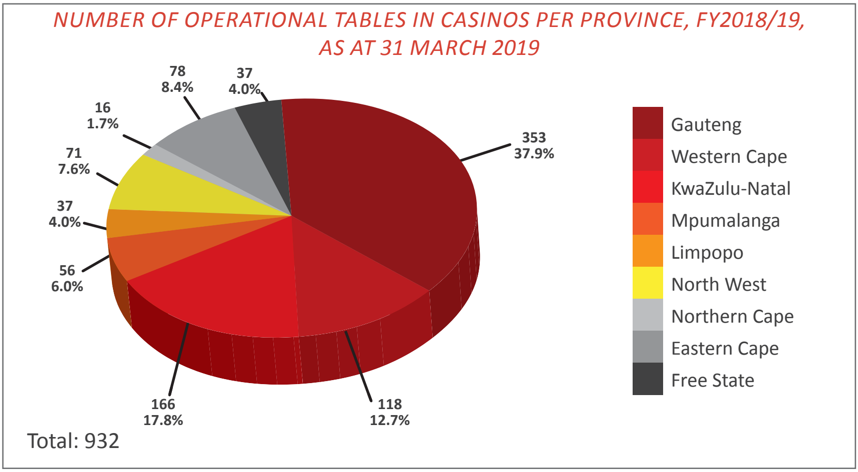


Figure 15: Number of operational tables in casinos per province, FY2018/19, as at 31 March 2019

3.1.5 The number of operational gambling positions is calculated as the number of slots, plus the average number of positions that each table represents at a casino. The number of positions per table differs depending on the nature of the table game, as well as the licensing conditions in a province. Gauteng has the highest number of casinos in South Africa (7 out of 39 operational casinos) as at 31 March 2019 and also accounted for the highest number of operational gambling positions in casinos (14 492, 40.5%) out of a total of 35 768, followed by KwaZulu-Natal (6 414, 17.9%) and Western Cape (4 478, 12.5%) as illustrated in figure 16.

3.1.6 The number of operational gambling positions in casinos (slots and tables) increased by 8.1% from FY2016/17 (33 249) to FY2017/18 (35 929), but decreased by 0.4% (35 768) in FY2018/19, as at 31 March 2019, mainly as a result of a decrease in Gauteng and Mpumalanga as shown on figure 17.

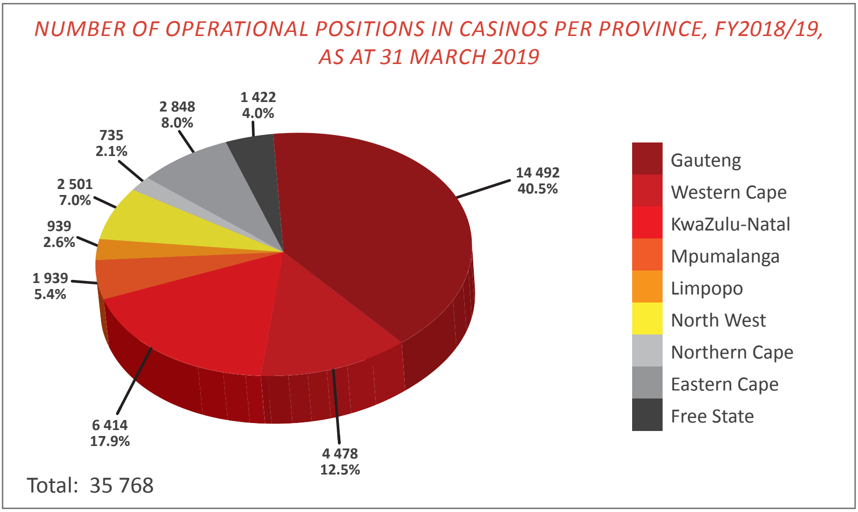
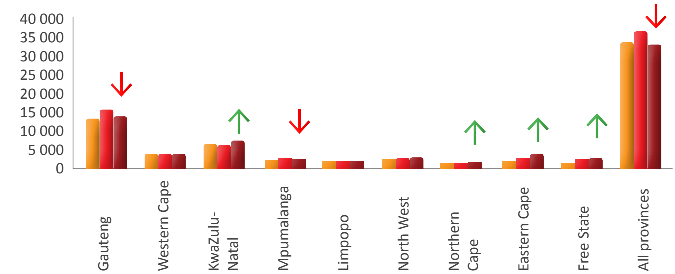


Figure 16: Number of operational positions in casinos per province, FY2018/19, as at 31 March 2019

NUMBER OF OPERATIONAL POSITIONS IN CASINOS
PER PROVINCE, FY2016/17 - FY2018/19 (AS AT 31 MARCH 2019)



	Gauteng	Western Cape	KwaZulu-Natal	Mpumalanga	Limpopo	North West	Northern Cape	Eastern Cape	Free State	All provinces
Operational positions, FY2016/17	13 305	4 400	6 102	1 941	927	2 311	732	2 169	1 362	33 249
Operational positions, FY2017/18	15 248	4 478	5 988	1 955	939	2 501	732	2 683	1 405	35 929
Operational positions, FY2018/19	14 492	4 478	6 414	1 939	939	2 501	735	2 848	1 422	35 768

Increased Decreased No change since FY2017/18

Figure 17: Number of operational positions in casinos per province, FY2016/17 – FY2018/19 (as at 31 March 2019)

3.2 Casino sector gambling statistics

3.2.1 Turnover (money wagered), GGR generated and taxes / levies collected per province in casinos in FY2018/19:

I. The total Rand value of money wagered in casinos in FY2018/19 was R 287 676 108 048. This amount represents 67.6% of the total turnover (money wagered) in all gambling modes, compared to money wagered on betting on horse racing and sport, LPM and bingo.

II. As at 31 March 2019, Gauteng has the highest number of casinos compared to other provinces resulting in the highest amount of money wagered during FY2018/19 at these gambling venues (45.1%). This is followed by money wagered in casinos in KwaZulu-Natal (20.5%) and Western Cape (15.6) as reflected in figure 18.

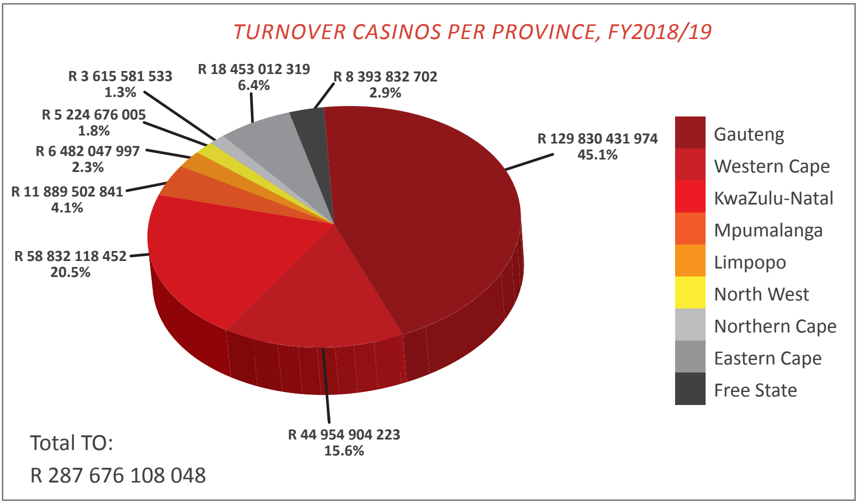


Figure 18: Turnover casinos per province, FY2018/19

3.2.2 Gross Gambling Revenue (GGR) generated in the casino sector per province, FY2018/19:

i The total Rand value of GGR generated in casinos during FY2018/19 was R18 632 408 686. This amount represents 60.5% of the total amount of GGR generated by all gambling modes during FY2018/19. GGR generated by the casino sector decreased by 1.8% from FY2015/16 (R 18 236 685 695) to FY2016/17 (R 17 900 747 071), increased by 2.9% from FY2016/17 to R 18 417 094 967 in FY2017/18, and increased by only 1.2% from FY2017/18 to R18 632 408 686 in FY2018/19. The increase in the generation of GGR from FY2017/18 to FY2018/19 can, amongst others, be attributed to the increase of operational positions in KwaZulu-Natal, Northern Cape, Eastern Cape and Free State, however, this increase remained low due to a substantial decrease experienced in Gauteng.

ii Gauteng has the highest number of casinos compared to other provinces resulting in the highest amount of GGR generated during FY2018/19 in these gambling venues (44.3%), followed by KwaZulu-Natal (19.4%) and Western Cape (15.8%) as reflected in figure 19.

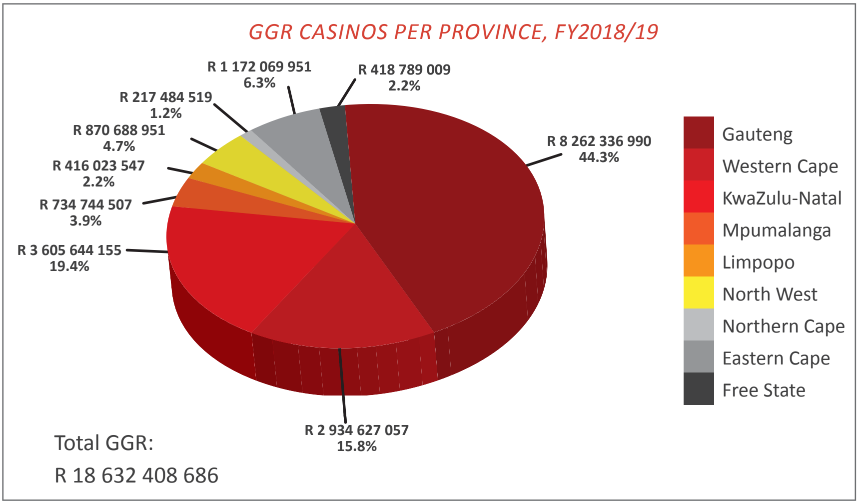


Figure 19: GGR casinos per province, FY2018/19

3.2.3 Taxes/levies collected by PLAs from the casino sector per province in FY2018/19:

i The total Rand value of taxes/levies collected by PLAs from the casino sector in FY2018/19 was R 1 927 643 751. This amount represents 62.3% of the total amount of taxes/levies collected from all gambling modes (inclusive of betting on horse racing and sport, LPMs and bingo). A decrease by 7.3% was recorded in taxes/levies collected from FY2015/16 (R 1 969 759 247) to FY2016/17 (R 1 826 714 702), an increase by 2.8% was reflected from FY2016/17 to FY2017/18 (R 1 877 683 303), and an increase by 2.7% from FY2017/18 to R1 927 643 751 noted in FY2018/19.

ii As at 31 March 2019, Gauteng accounted for the highest number of casinos by comparison with other provinces resulting in the highest amount of taxes/levies collected from these gambling venues (38.6%), followed by KwaZulu-Natal (23.6%) and Western Cape (22.2%) as reflected in figure 20.

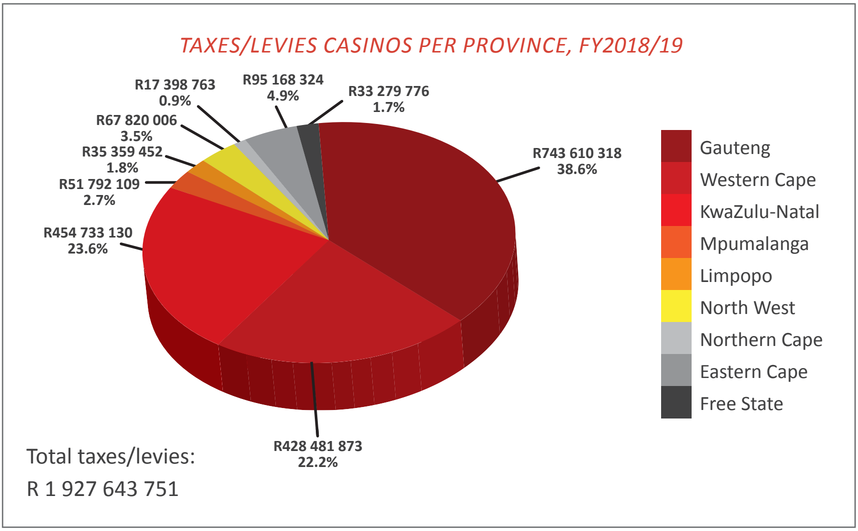


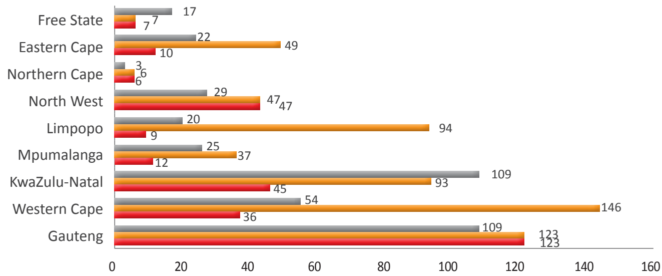
Figure 20: Taxes / levies casinos per province, FY2018/19

CHAPTER 4:
BETTING ON HORSE RACING AND SPORT SECTOR

4.1 Market conduct

4.1.1 As at 31 March 2019, Gauteng accounted for the highest number of licensed operational bookmakers (123, 41.7%), followed by KwaZulu-Natal (45, 15.3%) and Western Cape (36, 12.2%). The highest number of licensed operational bookmaker outlets were situated in the Western Cape (146, 24.3%), followed by Gauteng (123, 20.4%) and Limpopo (94, 15.6%). Gauteng and KwaZulu-Natal accounted for the highest number of licensed operational totalisator outlets (109 each, 28.1%), followed by Western Cape (54, 13.9%).

NUMBER OF OPERATIONAL BOOKMAKERS, TOTALISATOR AND BOOKMAKER OUTLETS PER PROVINCE, FY2018/19, AS AT 31 MARCH 2019



	Gauteng	Western Cape	KwaZulu-Natal	Mpumalanga	Limpopo	North West	Northern Cape	Eastern Cape	Free State
Operational totalisator outlets	109	54	109	25	20	29	3	22	17
Operational bookmaker outlets	123	146	93	37	94	47	6	49	7
Operational bookmakers	123	36	45	12	9	47	6	10	7

Figure 21: Number of licensed operational bookmakers, totalisator and bookmaker outlets, FY2018/19, as at 31 March 2019

4.2 Betting on horse racing and sport sector gambling statistics

4.2.1. It is important to note that as far as Eastern Cape statistics are concerned, figures for betting on horse racing are inclusive of betting on sport. Unfortunately no splits are available, and therefore, these values and percentages should be read with due caution.

4.2.2 Turnover in the betting sector (totalisators and bookmakers), per province in FY2018/19:

i. The total Rand value of money wagered in the betting on horse racing and sport sector during FY2018/19 was R 65 060 643 381. This amount represents 15.3% of all turnover (money wagered) relevant to all gambling modes, by comparison to money wagered in the licensed casino LPM and bingo sectors.

ii. As at 31 March 2019, Gauteng accounted for the highest amounts of money wagered in the betting on horse racing and sport industry (60.7%) compared to Western Cape (16.3%) and KwaZulu-Natal (9.1%), as reflected in figure 22.

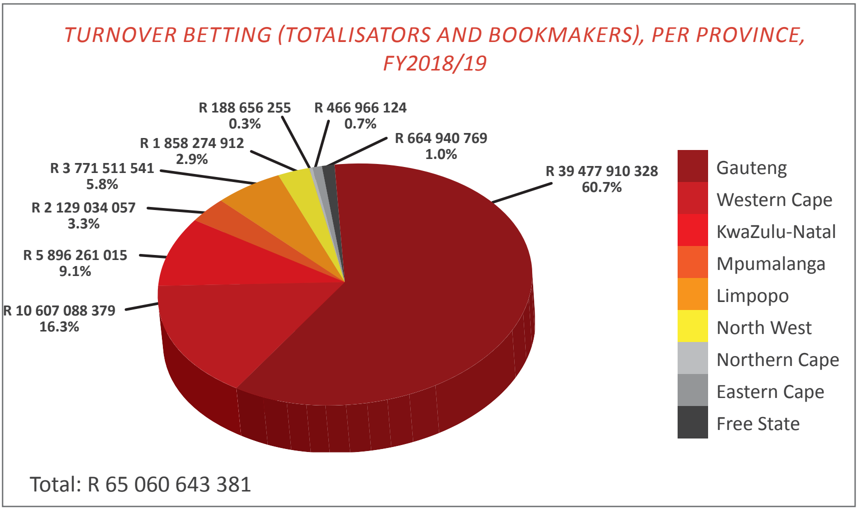


Figure 22: Turnover betting (totalisators and bookmakers), per province, FY2018/19

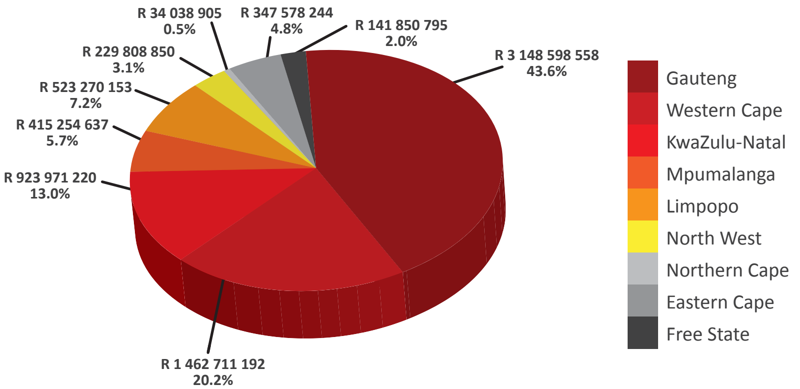
4.2.3 Gross gambling revenue generated in the betting sector (totalisators and bookmakers), per province in FY2018/19:

i. The total Rand value of GGR generated in the betting on horse racing and sport sector during FY2018/19 was R7 227 082 554. This amount represents 23.5% of the total amount of GGR compared to the other legalised gambling sectors (casino, LPMs and bingo sectors).

ii. As at 31 March 2019, Gauteng accounted for the highest number of licensed operational totalisator outlets and bookmakers compared to other provinces therefore resulting in the highest amount of GGR being generated in the betting industry (43.6%). GGR generated in the Western Cape betting on horse racing and sport sector accounted for 20.2% and KwaZulu-Natal 12.8% out of the total, as reflected in figure 23.

iii. GGR generated in the betting industry increased by 14.3% from R4 448 765 756 in FY2015/16 to R5 085 630 664 in FY2016/17, by 20.7% from FY2016/17 to R 6 136 832 908 in FY2017/18, and by 17.8% from FY2017/18 to R7 227 082 554 in FY2018/19.

GGR BETTING (TOTALISATORS AND BOOKMAKERS), PER PROVINCE, FY2018/19

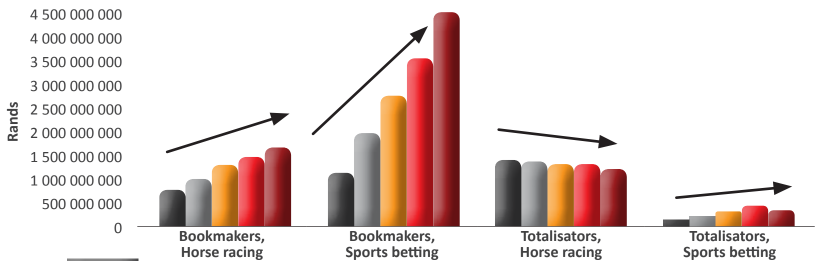


Total: R 7 227 082 554

Figure 23: GGR betting (totalisators and bookmakers), per province, FY2018/19

iv From FY2014/15 to FY2018/19, a consistently progressive increase in GGR was generated by bookmakers offering betting on sports, and during FY2018/19 on horse racing (as a result of bet games). GGR generated by bookmakers offering betting on sport increased by 22.0% from FY2015/16 to FY2016/17, by 35.4% from FY2016/17 to FY2017/18, and by 20.7% from FY2017/18 to FY2018/19. GGR generated by totalisators offering betting on sports betting reflected an increase by 15.1% from FY2015/16 to FY2016/17, an increase by 19.2% from FY2016/17 to FY2017/18, however decreased by 6.5% from FY2017/18 to FY2018/19. GGR relative to betting on horse racing offered by bookmakers increased by 11.9% from FY2015/16 to FY2016/17, increased by 12.6% from FY2016/17 to FY2017/18, and increased by 29.5% from FY2017/18 to FY2018/19 (mainly as a result of bet games). GGR relative to betting on horse racing offered by totalisators increased by 0.3% from FY2015/16 to FY2016/17, but decreased by 7.7% from FY2016/17 to FY2017/18, and decreased by 0.6% from FY2017/18 to FY2018/19. In monetary value, bookmakers offering betting on sport also generated the highest amounts of GGR in the betting industry from FY2014/15 to FY2018/19 as reflected in figure 24.

TREND IN GGR, BETTING (TOTALISATORS AND BOOKMAKERS), ALL PROVINCES, FY2014/15 FY2018/19



	Bookmakers, Horse racing	Bookmakers, Sports betting	Totalisators, Horse racing	Totalisators, Sports betting
FY2014/15	793 930 124	1 430 026 112	1 087 285 775	151 752 708
FY2015/16	1 023 035 305	2 157 995 813	1 023 264 197	244 470 444
FY2016/17	1 145 152 334	2 632 669 149	1 026 450 253	281 358 927
FY2017/18	1 289 865 606	3 563 907 799	947 674 300	335 385 203
FY2018/19	1 670 139 602	4 301 437 444	941 913 021	313 592 486

Figure 24: Trend in GGR, betting (totalisators and bookmakers), all provinces, FY2014/15 - FY2018/19

4.2.4 Taxes / levies collected by PLAs from the betting sector (totalisators and bookmakers), per province, in FY2018/19:

i The total Rand value of taxes/levies collected by PLAs from the betting on horse racing and sport sector during FY2018/19 was R556 709 987. This amount represents 18.0% of the total amount of taxes/levies collected from all gambling modes (inclusive of casinos, LPMs and bingo). The collection of taxes/levies increased by 8.5% from R 396 775 739 in FY2015/16 to R 430 497 110 in FY2016/17, increased by 16.1% from FY2016/17 to R 499 817 351 in FY2017/18, and increased by 11.4% from FY2017/18 to R556 709 987 in FY2018/19.

ii As at 31 March 2019, Gauteng accounted for the highest number of licensed operational totalisator outlets and bookmakers compared to other provinces therefore resulting in the highest amount of betting taxes collected in the betting industry (40.8%), followed by KwaZulu-Natal (22.9%) and Western Cape (17.1%).

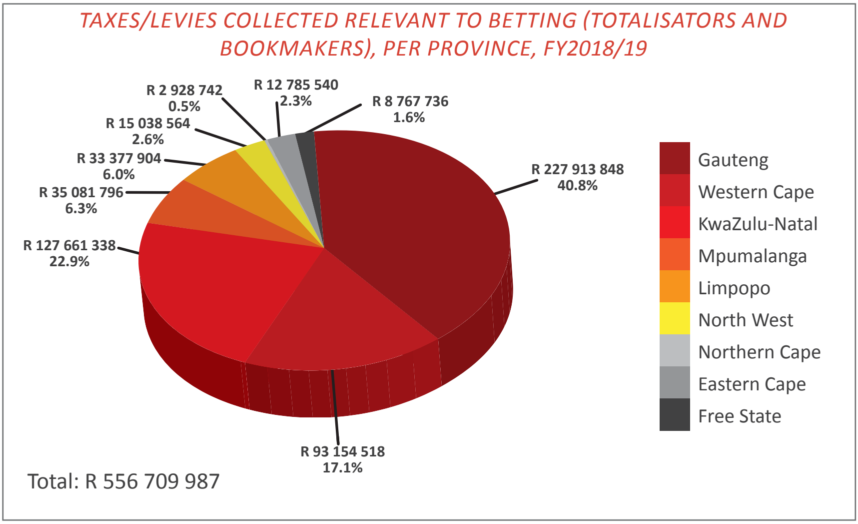
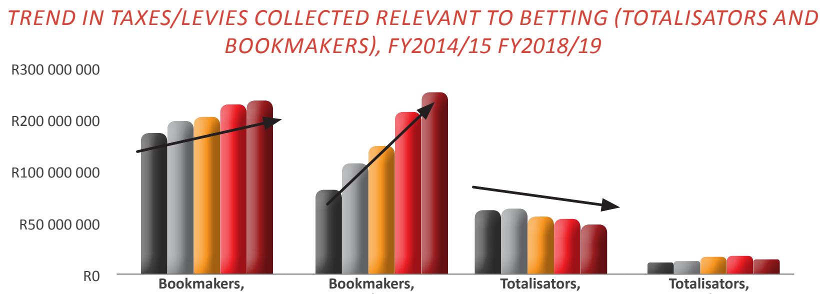


Figure 25:Taxes/levies collected relevant to betting (totalisators and bookmakers), per province, FY2018/19

iii The collection of taxes/levies collected from bookmakers offering sports betting increased by 27.7% from FY2015/16 to FY2016/17, increased 37.7% from FY2016/17 to FY2017/18, and increased by 17.6% from FY2017/18 to FY2018/19. An increase by 36.5% was noted from FY2015/16 to FY2016/17 and by 1.4% to FY2017/18 by totalisators offering sports betting. In comparison, the collection of taxes/levies from betting on horse racing offered by bookmakers increased by 3.0% from FY2015/16 to FY2016/17, increased by 8.1% from FY2016/17 to FY2017/18, and increased by 13.2% from FY2017/18 to FY2018/19. Taxes/levies collected from betting on horse racing offered by totalisators decreased by 12.4% from FY2015/16 to FY2016/17, decreased by 4.3% from FY2016/17 to FY2017/18, and decreased by 4.7% from FY2017/18 to FY2018/19. During FY2014/15 to FY2018/19, bookmakers offering betting on sports and horse racing generated much higher GGR than taxes/levies collected from totalisators as illustrated on figure 26.



	Bookmakers, Horse racing	Bookmakers, Sports betting	Totalisators, Horse racing	Totalisators, Sports betting
FY2014/15	R171 539 696	R80 477 317	R77 654 988	R13 256 731
FY2015/16	R185 853 671	R116 983 455	R78 996 242	R14 942 372
FY2016/17	R191 457 705	R149 433 682	R69 202 264	R20 403 459
FY2017/18	R207 019 752	R205 840 847	R66 260 932	R20 695 820
FY2018/19	R 234 294 564	R 240 137 770	R 63 114 440	R 19 163 213

Figure 26: Trend in taxes/levies collected relevant to betting (totalisators and bookmakers), FY2014/15 – FY2018/19

CHAPTER 5:
LIMITED PAYOUT MACHINE SECTOR

5.1 Market Conduct

5.1.1 The main role players in the LPM sector can be defined in three specific categories, namely route and independent operators, site operators and the National Central Electronic Monitoring System (NCEMS). Route/independent operators are companies that are licensed to own, manage and operate LPMs throughout the country. Site operators are privately-owned hotels, pubs or eating establishments, totalisator or bookmaker outlets which may be situated throughout the country. NCEMS is a centralised LPM monitoring and evaluation system operating on a long-term contract basis by Route Monitoring.

5.1.2 The highest number of operational site operators in FY2018/19 as at 31 March 2019 were situated in KwaZulu-Natal being a total of 572 (24.4%), followed by 471 (20.1%) in Gauteng and 432 (18.4%) in Western Cape.

5.1.3 KwaZulu-Natal has the highest number of licensed active LPMs in FY2018/19 as at 31 March 2019, being 2 896 (22.2%), followed by Gauteng that accounted for 2 325 (17.8%) and Western Cape 1 957 (15.0%), as reflected in figure 27.

5.1.4 The number of licensed active LPMs increased by 2.1% from 11 502 (FY2016/17) to 11 744 in FY2017/18, and increased by 11.0% from FY2017/18 to 13 034 in FY2018/19 as a result of increases in almost all provinces except Northern Cape and Eastern Cape.

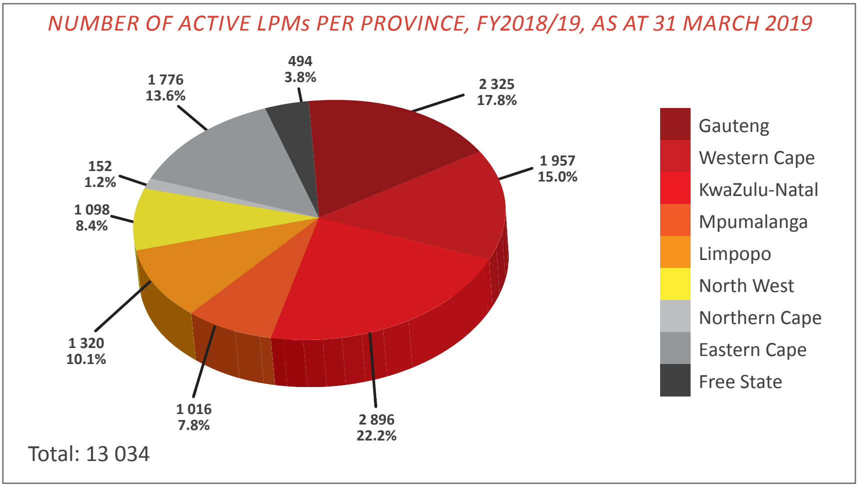


Figure 27: Number of active LPMs per province, FY2018/19, as at 31 March 2019

5.2 LPM sector gambling statistics

5.2.1 Turnover (Rand value of money wagered) in the LPM sector per province in FY2018/19:

i. The total Rand value of money wagered in the LPM sector during FY2018/19 was R 42 813 575 404. This amount represents 10.1% of all turnover (money wagered) represented by all gambling modes, in comparison to money wagered at licensed casinos, racing & betting and bingo outlets.

ii. KwaZulu-Natal accounted for the highest number of licensed active LPMs (2 896, 22.2%) and operational site operators (572, 22.8%) in FY2018/19 (as at 31 March 2019), however, the highest amounts of money in the LPM sector (at 27.9% out of the total) was wagered in Western Cape during FY2018/19. This is followed by money wagered at LPM outlets during FY2018/19 in KwaZulu-Natal being 23.5% and Gauteng being 17.9% out of the total amount of money wagered as reflected in figure 28.

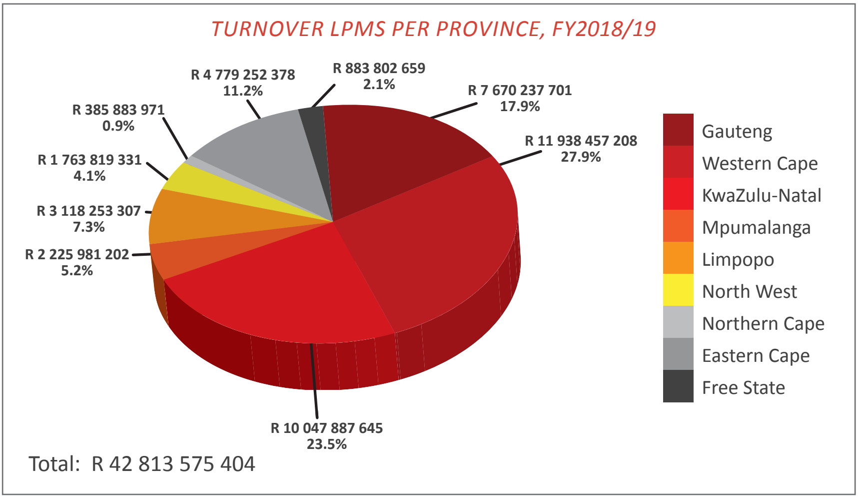


Figure 28: Turnover LPMs per province, FY2018/19

5.2.2 Gross gambling revenue generated in the LPM sector per province in FY2018/19:

i. The total Rand value of GGR generated in the LPM sector during FY2018/19 was R 3 350 530 532. This amount represents 10.9% of the total amount of GGR generated by all gambling modes and in comparison to GGR generated by the casino, racing & betting and bingo sectors. GGR in the LPM sector increased by 14.1% from FY2015/16 (R 2 363 501 788) to R 2 696 846 443 in FY2016/17, increased by 9.8% from FY2016/17 to R 2 960 822 948 in FY2017/18, and increased by 13.2% in FY2017/18 to R3 350 530 532 in FY2018/19. The increase in GGR (from FY2015/16 to FY2017/18) can be attributed to the increase of active LPMs in all provinces except Eastern and Northern Cape.

ii. KwaZulu-Natal has the highest number of licensed active LPMs (2 896, 22.2% out of the total) compared to the other provinces, however, Western Cape accounted for the highest amount of GGR generated in the LPM sector being 26.8% out of the total in FY2018/19 (as at 31 March 2019). This was followed by GGR generated by LPMs in KwaZulu-Natal accounting for 24.8% and 17.1% in Gauteng during FY2018/19 (as at 31 March 2019) as reflected in figure 29.

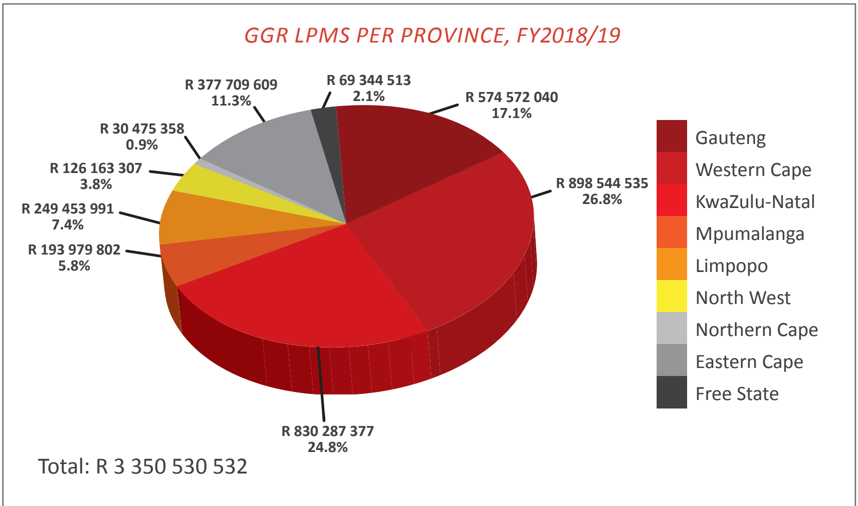


Figure 29: GGR LPMs per province, FY2018/19

5.2.3 Taxes/levies collected by PLAs from the LPM sector per province in FY2018/19:

i. The total Rand value of taxes/levies collected by PLAs from the LPM sector during FY2018/19 was R 454 627 239. This amount represents 14.7% of the total amount of taxes/levies collected by PLAs from all gambling industries inclusive of the casino, racing & betting and bingo sectors. The collection of taxes/levies increased by 14.8% from R 302 620 457 in FY2015/16 to R 347 357 694 in FY2016/17, increased by 12.9% from FY2016/17 to R 392 262 823 in FY2017/18, and increased by 15.9% from FY2017/18 to R 454 627 239 in FY2018/19.

ii. KwaZulu-Natal has the highest number of licensed active LPMs (2 896, 22.2%) by comparison with other provinces, and accounted for the highest amount of taxes/levies collected by all PLAs from the LPM sector at 31.7% during FY2018/19. This was followed by taxes/levies collected from the LPM sector in Western Cape (27.5%) and Gauteng (19.0%) during the same period as reflected in figure 30.

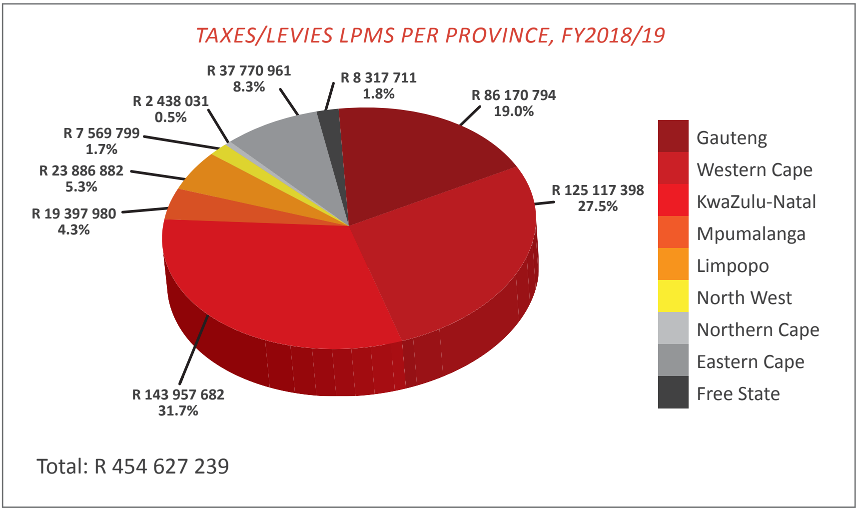


Figure 30: Taxes / levies LPMs per province, FY2018/19

CHAPTER 6:
BINGO SECTOR

6.1 Market conduct

i. Of the nine provinces in South Africa, bingo has been rolled out in six provinces namely Gauteng, Mpumalanga, Limpopo, North West, Eastern Cape and KwaZulu-Natal in FY2018/19 (as at 31 March 2019). A total number of 52 (out of 56 licensed) bingo halls were operational as at 31 March 2019 of which 11 were operational in Gauteng, 15 in Eastern Cape, 9 in KwaZulu-Natal, 6 in North West, 6 in Mpumalanga and 5 in Limpopo, as reflected in figure 31.

ii. Gauteng accounted for the highest number of licensed operational bingo positions or seats totaling 2 981 (34.6%) out of a national figure of 8 610 licensed operational positions in FY2018/19 as at 31 March 2019, compared to Eastern Cape (2 206, 25.6%), KwaZulu-Natal (1 173, 13.6%), Mpumalanga (614, 7.1%), North West (834, 9.7%) and Limpopo (802, 9.3%).

iii. Overall, more EBTs (7 391) were operational than traditional bingo positions or seats (1 219) as at 31 March 2019. The number of operational bingo positions increased by 31.3% from FY2016/17 (6 497) to 8 520 in FY2017/18, however only increased by 1.1% from FY2017/18 to 8 610 in FY2018/19. This slight increase might be a result of a decline in the number of operational bingo positions in Gauteng and Mpumalanga, and only slight increases in KwaZulu-Natal, Limpopo and Eastern Cape.

iv. It is important to note that as at 31 March 2019, more EBTs than traditional bingo seats were operational in all provinces offering bingo for play. No traditional bingo seats were operational in Mpumalanga and Eastern Cape as at 31 March 2019.

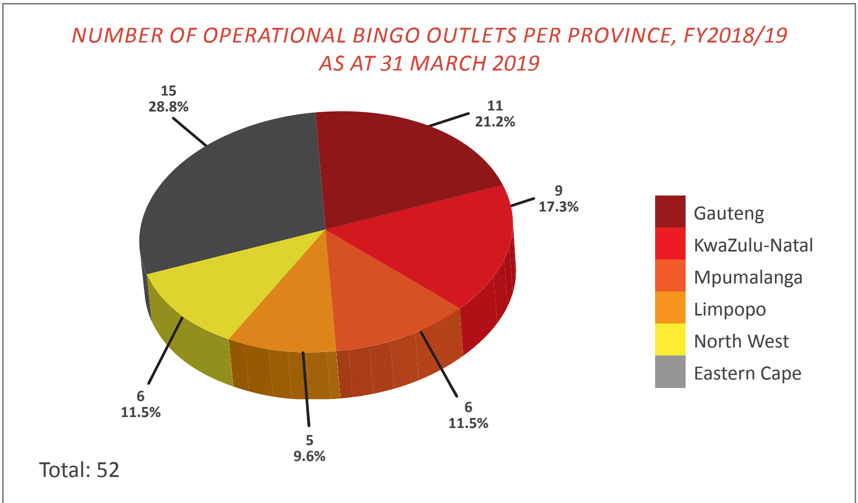


Figure 31: Number of operational bingo outlets per province, FY2018/19 as at 31 March 2019

6.2 Bingo sector gambling statistics

6.2.1 Turnover (Rand value of money wagered) in the bingo sector per province in FY2018/19:

i. The total Rand value of money wagered in the bingo sector during FY2018/19 was R 30 047 686 319. This amount represents 7.1% of all turnover (money wagered) representative of all gambling modes, as compared to money wagered at licensed casinos, racing & betting and LPMs.

ii. Bingo is offered for play in six provinces namely Gauteng, KwaZulu-Natal, Mpumalanga, Limpopo, North West and Eastern Cape. The highest amount of money wagered in FY2018/19 was recorded in Gauteng being 40.2%, compared to Eastern Cape at 29.8%, North West at 9.6%, Mpumalanga at 8.3%, Limpopo at 8.1% and KwaZulu-Natal at 3.9% as reflected in figure 32.

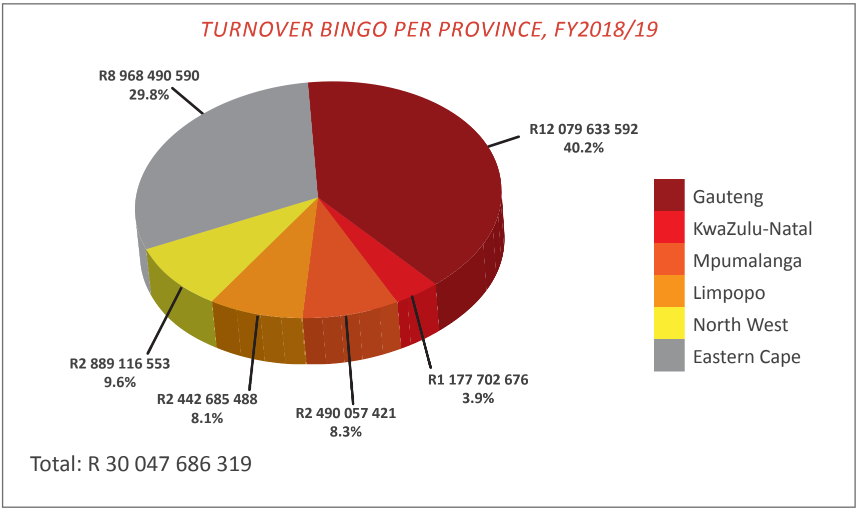


Figure 32: Turnover bingo per province FY2018/19

6.2.2 Gross gambling revenue generated in the bingo sector per province in FY2018/19:

i. The total Rand value of GGR generated by the bingo sector during FY2018/19 was R 1 580 744 888. This amount represents 5.1% of the total amount of GGR generated by all licensed gambling modes. An increase by 36.6% was recorded in the generation of GGR from FY2015/16 (R 936 166 348) to FY2016/17 (R 1 278 664 383). In contrast, a decrease of 2.4% in GGR generated from FY2016/17 to FY2017/18 (R 1 248 509 057) was noted mainly as a result of less GGR generated in Gauteng during FY2017/18 compared to FY2016/17. An increase by 26.6% in GGR generated was recorded from FY2017/18 to R 1 580 744 888 in FY2018/19 and can be attributed to increases in the number of bingo positions in Limpopo, Eastern Cape and KwaZulu-Natal.

ii. Gauteng accounted for the highest number of licensed operational bingo positions (2 981, 34.6%), resulting in the highest amount of GGR generated in FY2018/19 at 40.8%, compared to Mpumalanga at 8.8%, North West at 10.0%, Eastern Cape at 28.8%, Limpopo at 7.9% and KwaZulu-Natal at 3.6%, as reflected in figure 33.

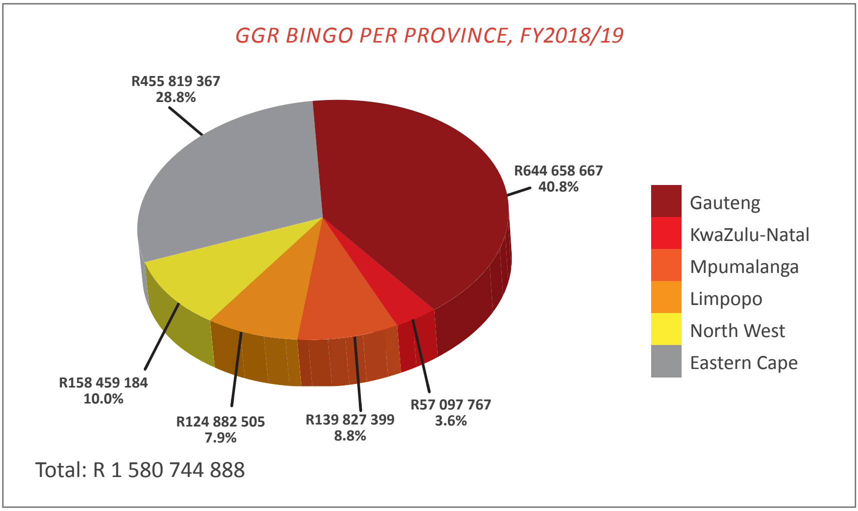


Figure 33: GGR bingo per province, FY2018/19

6.2.3 Taxes / levies collected by PLAs from the bingo sector per province in FY2018/19 (Quarter 1, 2, 3 & 4)

i The total Rand value of taxes/levies collected from the bingo sector by PLAs during FY2018/19 was R 155 817 876. This amount represents 5.0% of all taxes/levies collected from all gambling modes. The collection of taxes/levies increased by 37.6% from FY2015/16 (R 101 588 469) to R 139 826 159 in FY2016/17, however decreased by 7.6% to R 129 221 043 in FY2017/18, but increased by 20.6% to R 155 817 876 from FY2017/18 to FY2018/19.

ii Gauteng accounted for the highest number of licensed operational bingo outlets and positions, resulting in the highest amount of taxes/levies collected in FY2018/19 at 49.6% compared to Mpumalanga at 7.2%, North West at 6.1%, Eastern Cape at 29.3%, Limpopo at 6.7% and KwaZulu-Natal at 1.1% as reflected in figure 34.

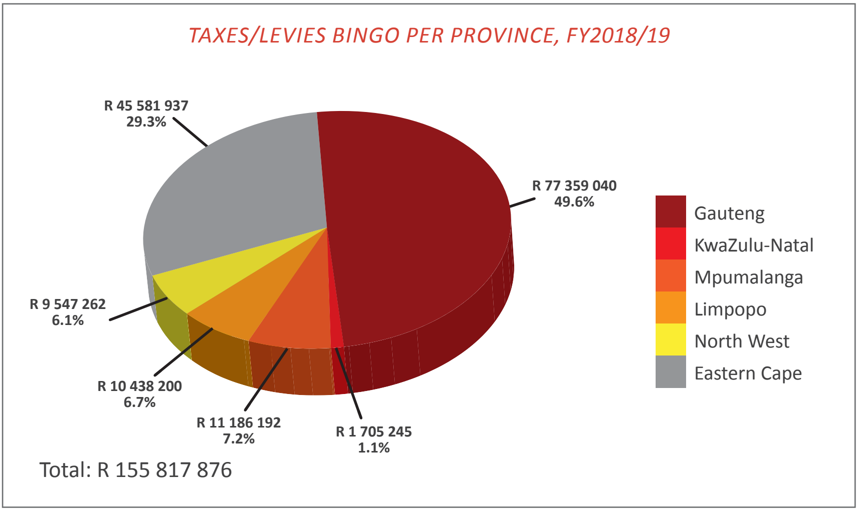


Figure 34: Taxes/ levies bingo per province, FY2018/19

CHAPTER 7:
DIRECT EMPLOYMENT AND BROAD-BASED BLACK ECONOMIC EMPOWERMENT CONTRIBUTION LEVELS

7.1 Employment (Direct)

7.1.1 NGB monitors direct employment numbers in the gambling sector (industry and regulators). A total number of 28 5832[2] people (direct employment) were employed in the gambling industry (including at regulators) as at 31 March 2019. In general, the casino sector, and KwaZulu-Natal province, accounted for the highest numbers in terms of direct employment in the gambling industry as reflected in the table 1 below.

DIRECT EMPLOYMENT PER PROVINCE AND MODE, FY2018/19										
Gambling mode	PROVINCE									
	Gauteng	Western Cape	KwaZulu-Natal	Mpumalanga	Limpopo	North West	Northern Cape	Eastern Cape	Free State	TOTAL
Casinos	5 491	4 363	4 829	722	87	745	248		694	17 179
Betting:										
Totalisators	205	17	1 266	96	13	91	12		80	1 780
Bookmakers	528	159	3 354	1 131	297	881	70		330	6 750
LPMs	138	68	97	203	219	103	23		40	891
Bingo	468	N/A	438	145	91	172	N/A		N/A	1 314
Regulators:										
NGB	33									33
PLAs	112	70	80	79	66	88	19		122	669
TOTAL	**6 975**	**4 677**	**10 064**	**2 376**	**773**	**4 011**	**372**		**1 266**	**28 583***

***Total excludes Eastern Cape statistics for FY2018/19 which are not available.**

Table 1: Direct employment per province and mode, FY2018/19

[2] Total excludes Eastern Cape statistics for FY2018/19 which are not available.

7.2 Transformation [B-BBEE Levels]

7.2.1 Based on the information submitted by PLAs, the average B-BBEE status or contributor level of the South African gambling industry as at 31 March 2019 per gambling mode and operator, was as follows:

- Average B-BBEE level for casino operators: Level 1.3
- Average B-BBEE level for totalisators: Level 4
- Average B-BBEE level for LPM operators: Level 2.7
- Average B-BBEE level for bingo operators: Level 2.7 (currently only operational in Gauteng, Mpumalanga, North West, Eastern Cape, KwaZulu-Natal and Limpopo).

The average B-BBEE levels achieved per gambling mode and operator, from FY2011/12 to FY2018/19, is reflected in table 2 below. The trend over the period shows improved contribution levels in the casino sector, from an average B-BBEE level of 2.5 in FY2011/12 to 1.3 in FY2018/19, signalling improved transformation in the sector. The LPM and bingo sectors have each achieved an average B-BBEE level of 2.7 in FY2018/19, while in the betting sector, totalisators have slightly deteriorated from contribution level of 3.4 in FY2011/12 to 4 in FY2018/19.

	AVERAGE CONTRIBUTOR/B-BBEE LEVELS, FY2011/12 – FY2018/19**							
	FY2011/12	FY2012/13	FY2013/14	FY2014/15	FY2015/16	FY2016/17	FY2017/18	FY2018/19
Average B-BBEE levels for Casinos	2,5	2,3	2,2	2,1	2,2	2,4	1,6	1,3
Average B-BBEE levels for Totalisators	3,4	3,2	2,6	2,4	2,3	4,6	4	4
Average B-BBEE levels for LPM operators	2,7	2,3	2,4	2,3	2,7	3,4	2,8	2,7*
Average B-BBEE levels for Bingo operators	-	2,7	1	2	1,6	3,4	2,9	2,7
Average B-BBEE levels for gambling modes**	2,9	2,6	2,1	2,2	2,2	3,5	2,8	2,7*

****Operators exempted from B-BBEE compliance are excluded in the data; *Excludes Eastern Cape statistics – data not available**

Table 2: Average B-BBEE levels per gambling mode and operator, FY2011/12 - FY2018/19

NOTES:

PROBLEM GAMBLING IS TREATABLE
GAMBLE RESPONSIBLY

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