

National Gambling Statistics FY2022/23





National Gambling Board

South Africa

a member of **the dtic** group

National Gambling Statistics

**Casinos, Bingo, Limited Pay-out Machines and Betting on Horse Racing and Sport
offered by Bookmakers and Totalisators
Audited Statistics**

FY2022/23

1 April 2022 – 31 March 2023

Introduction

- ❑ 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.
- ❑ NGB monitors market conduct (number of gambling positions and outlets in the South African gambling sector) and also gathers and analyses national gambling statistics in terms of turnover (TO), Gross Gambling Revenue (GGR) and the collection of taxes/levies.
- ❑ The scope of this presentation covers audited information (national gambling statistics) related to the following legalised gambling modes in South Africa (as regulated by the NGB) of the Financial Year (FY) 2022/23:
 - Casinos (tables and slots);
 - Betting on horse racing, sport and other contingencies (offered by bookmakers and totalisators, on and off course);
 - Limited Payout Machines (LPMs); and
 - Bingo (traditional and Electronic Bingo Terminals (EBTs)).

Introduction

- ❑ Quarterly statistics were sourced from Provincial Licensing Authorities (PLAs).
- ❑ FY2022/23 information in this report is based on audited data.
- ❑ The information in this report is applicable to the period of 1 April 2022 to 31 March 2023 (FY2022/23), whereas quarters are representative of the following specific periods:
 - Quarter 1: 1 April 2022 – 30 June 2022
 - Quarter 2: 1 July 2022 – 30 September 2022
 - Quarter 3: 1 October 2022 – 31 December 2022
 - Quarter 4: 1 January 2023 – 31 March 2023
- ❑ The purpose of this presentation is to provide an overview regarding the status and performance of the South African gambling sector in terms of casinos, bingo, LPMs and betting on horse racing and sport with specific reference to statistics relative to turnover, GGR, generated, taxes/levies collected and Return To Player (RTP).

Definitions

- ❑ **TO** = Turnover (the rand value of money wagered includes "recycling" which refers to amounts that are staked on more than one occasion)
- ❑ **GGR** = Gross Gambling Revenue (the rand value of the gross revenue of an operator i.e. turnover less winnings paid to players)
- ❑ **Tax** = Gambling tax (gambling tax levied and collected by Provincial Licensing Authorities)
- ❑ **RTP** = Return To Player is an average achieved over a significant number of game plays and not each time the gaming machine is played ($\text{Total amount returned to players} / \text{Total amount wagered by players} \times 100$)

Source of data

Statistics are based on provincial statistics and raw data received from all the Provincial Licensing Authorities quarterly:

- ☐ 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
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EXECUTIVE SUMMARY

At the end of FY2022/23, R815.1 billion was wagered in the South African gambling industry, which is 45.6% higher than the turnover generated during the previous financial year. Gross gambling revenue (GGR) amounted to R47.2 billion, a 36.9% increase from the previous year.

Analysis of GGR by gambling mode revealed betting to have generated half of industry GGR at 50.3% or R23.7 billion. Casinos also generated a sizable proportion of GGR at R17.3 billion (36.8%). The LPM industry is the third largest sector (9.0%), generating R4.2 billion during FY2022/23. The bingo sector generated 3.9% of revenues at R1.8 billion.

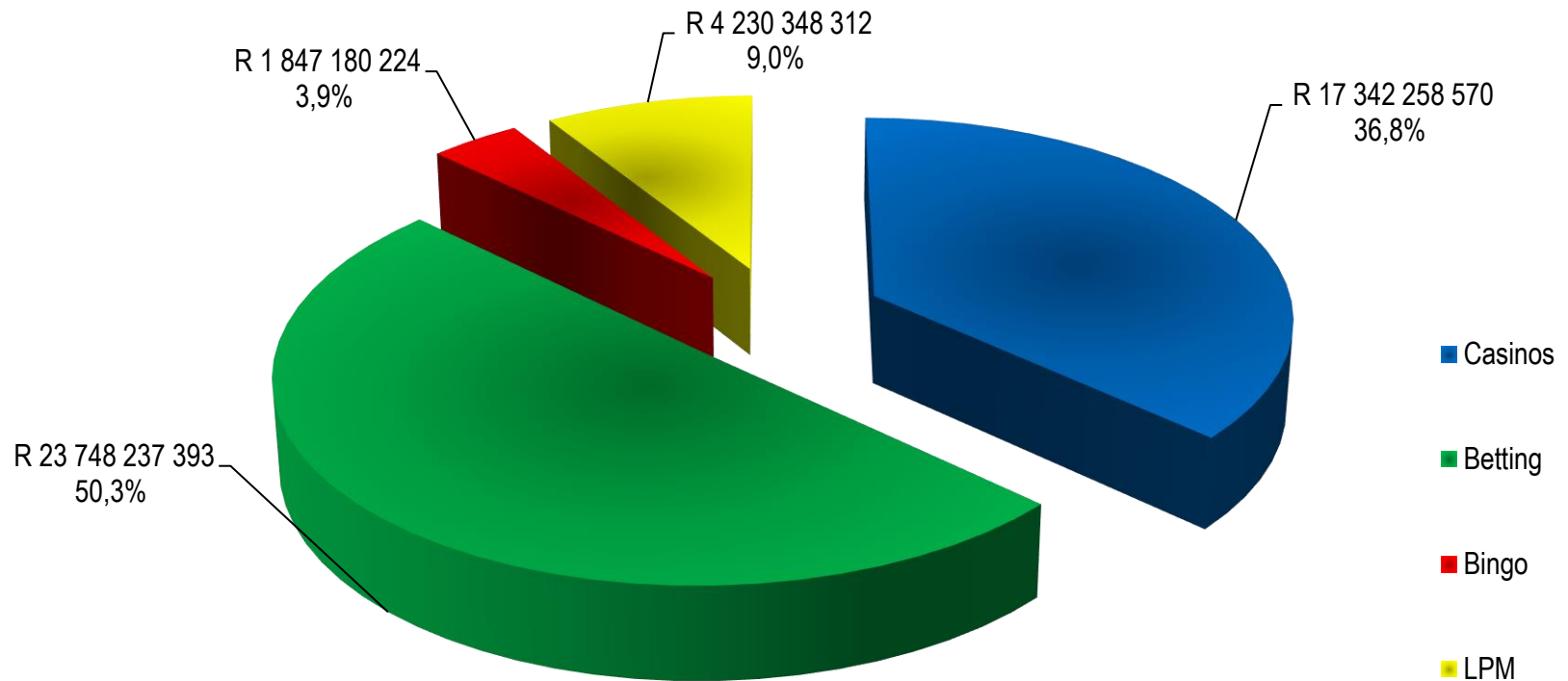
GGR growth between the modes of gambling showed betting to have experienced the highest growth at 53.5%, relative to the previous financial year. Over the same period, growth in the casino, LPM and bingo sectors was 26.1%, 14.4% and 22.3% respectively. While the other gambling modes have grown to surpass pre-Covid GGR, casino GGR has not reached its pre-pandemic level of R18.4 billion.

Taxes/levies amounted to R4.1 billion during FY2022/23, which is 28.8% higher than the value in the previous year. Casinos generated the largest proportion of taxes/levies at 43.1%, followed by betting (40.5%), LPMs (12.5%) and bingo (4.0%).

GROSS GAMBLING REVENUE

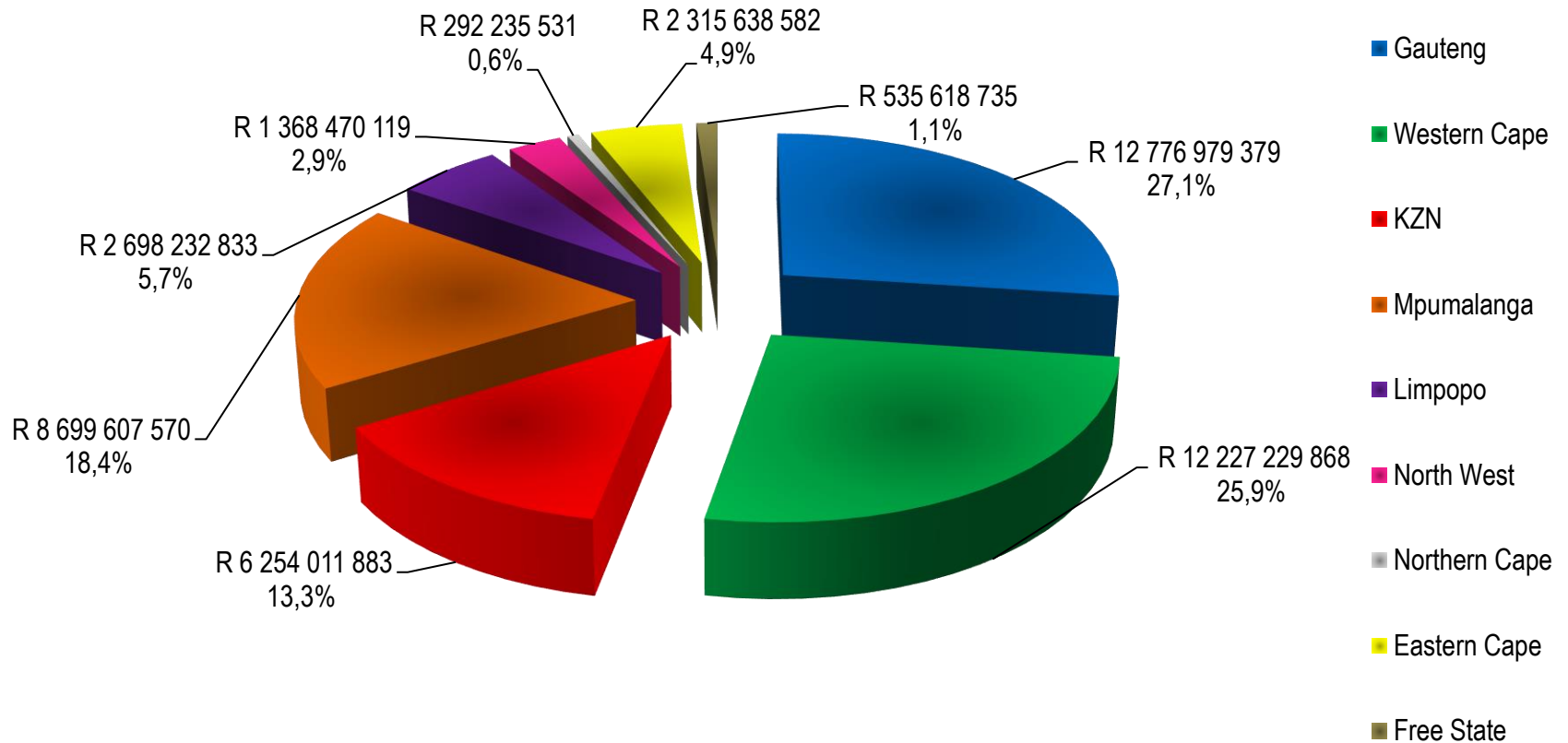


GGR per gambling mode, all provinces, FY2022/23



Total GGR: R47 168 024 499

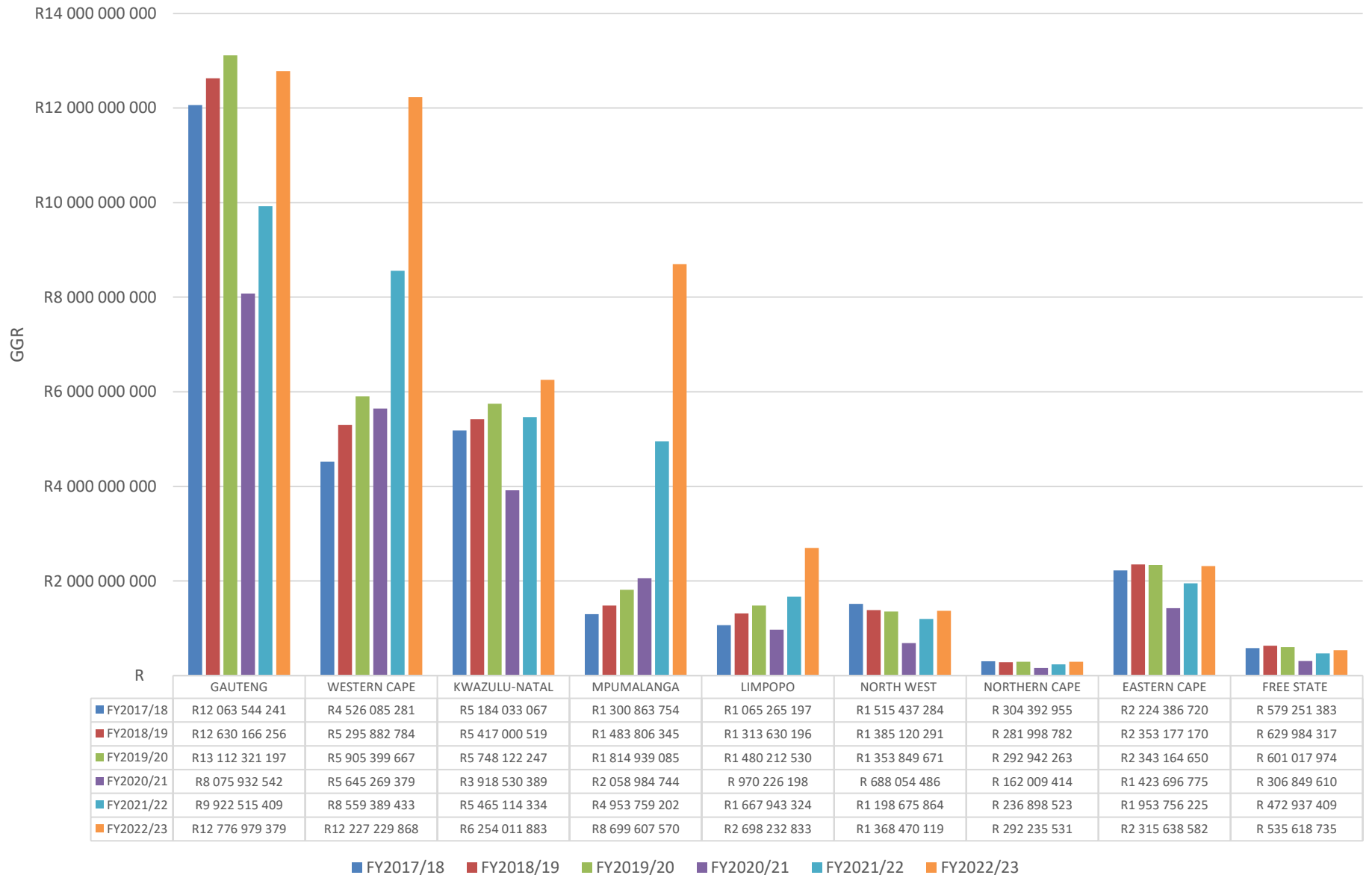
GGR per province, all modes, FY2022/23



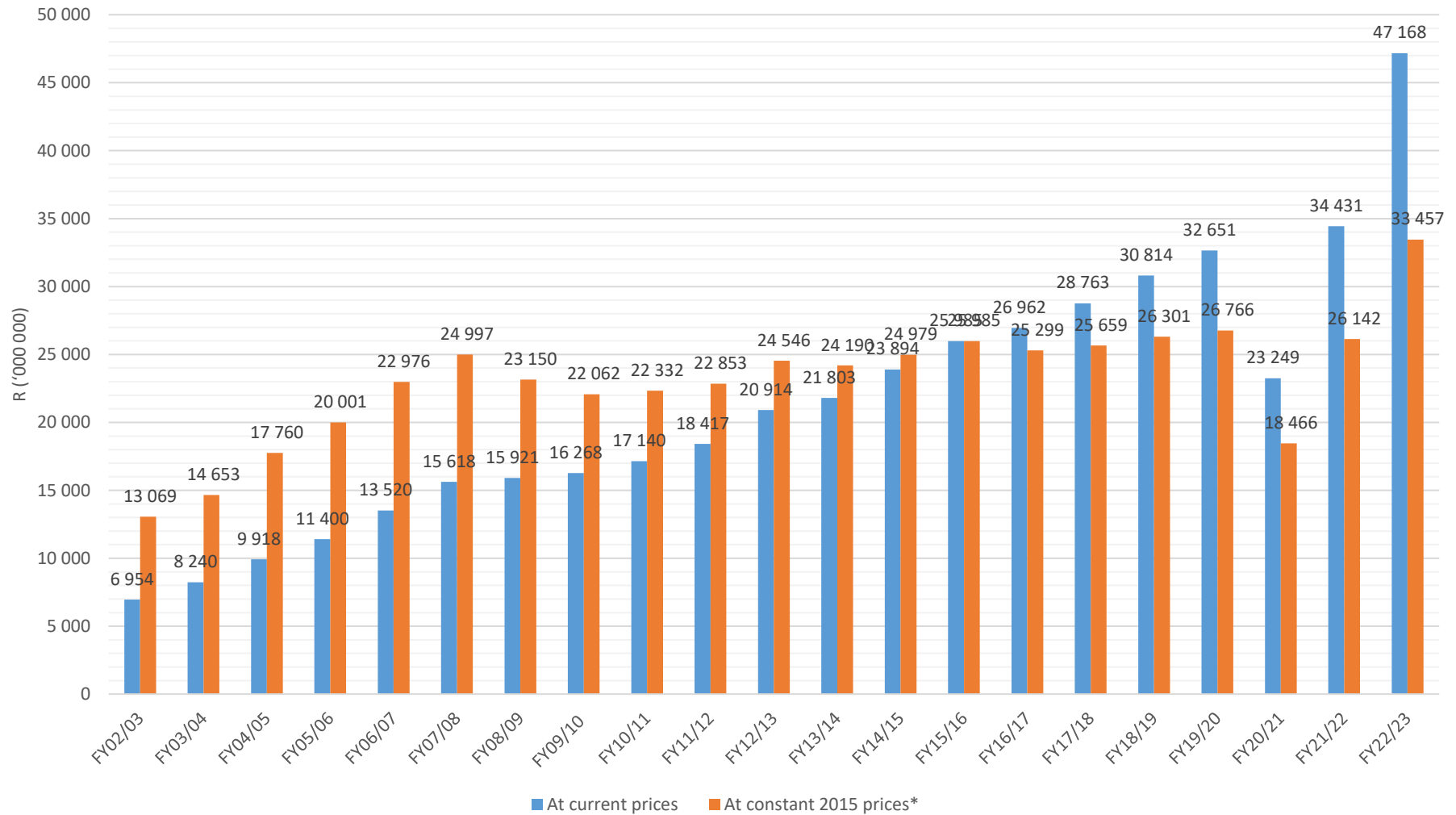
Total GGR: R47 168 024 499

Trend in GGR, per province

FY2017/18 to F2022/23



Trend in GGR, all modes, from FY2002/03 to FY2022/23



Consumer Price Index for calculation of constant figures sourced from South African Reserve Bank (2023)

Growth in GGR (all modes): FY2019/20 - FY2022/23

Increase in GGR - Total:

FY2019/20 to FY2020/21 = -28.7%

FY2020/21 to FY2021/22 = 48.0%

FY2021/22 to FY2022/23 = 37.0%

Increase in GGR - Casino:

FY2019/20 to FY2020/21 = -50.5%

FY2020/21 to FY2021/22 = 50.9%

FY2021/22 to FY2022/23 = 26.1%

Increase in GGR - Betting:

FY2019/20 to FY2020/21 = 21.2%

FY2020/21 to FY2021/22 = 45.8%

FY2021/22 to FY2022/23 = 53.5%

Increase in GGR - LPM:

FY2019/20 to FY2020/21 = -33.9%

FY2020/21 to FY2021/22 = 51.9%

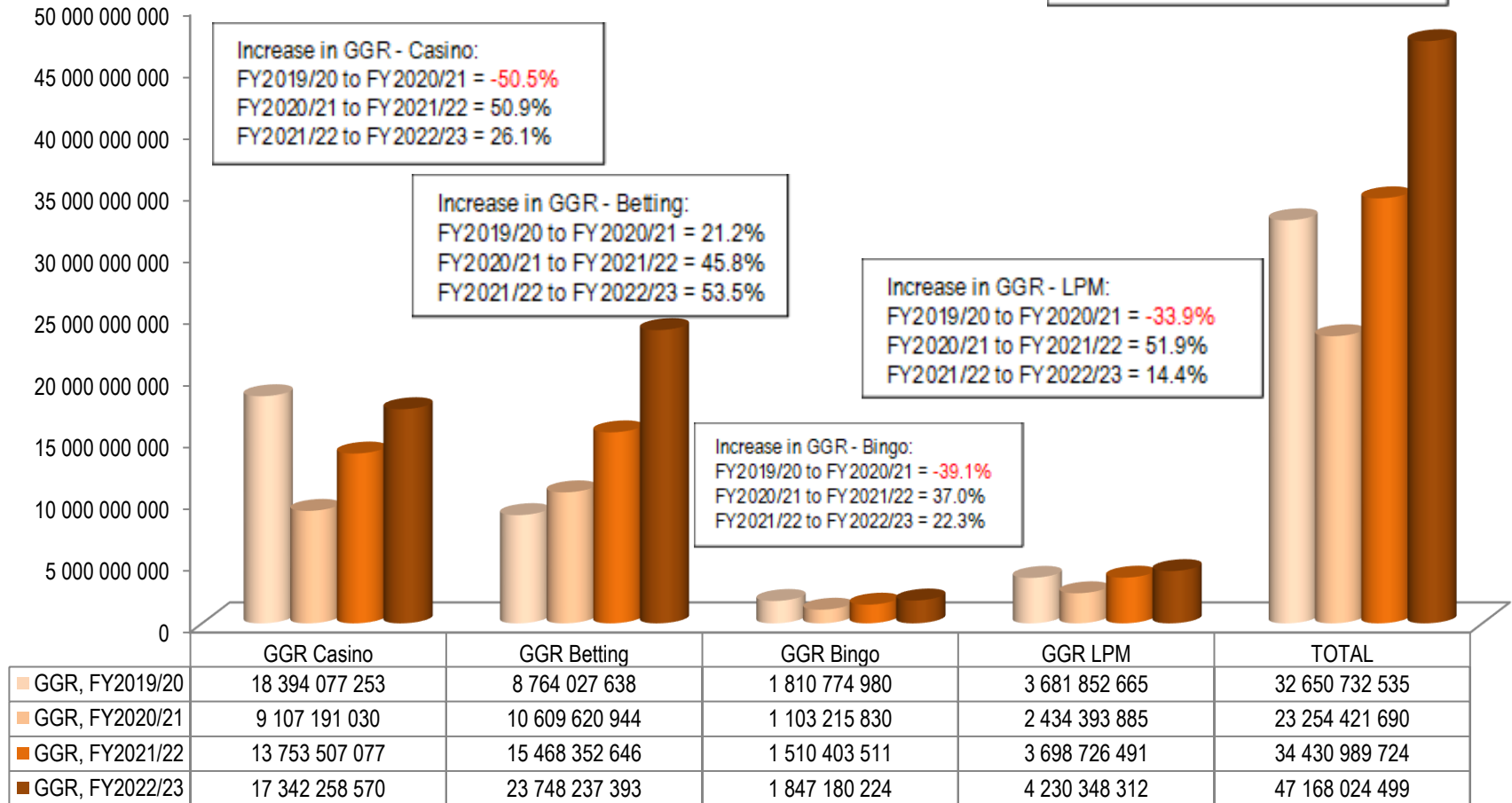
FY2021/22 to FY2022/23 = 14.4%

Increase in GGR - Bingo:

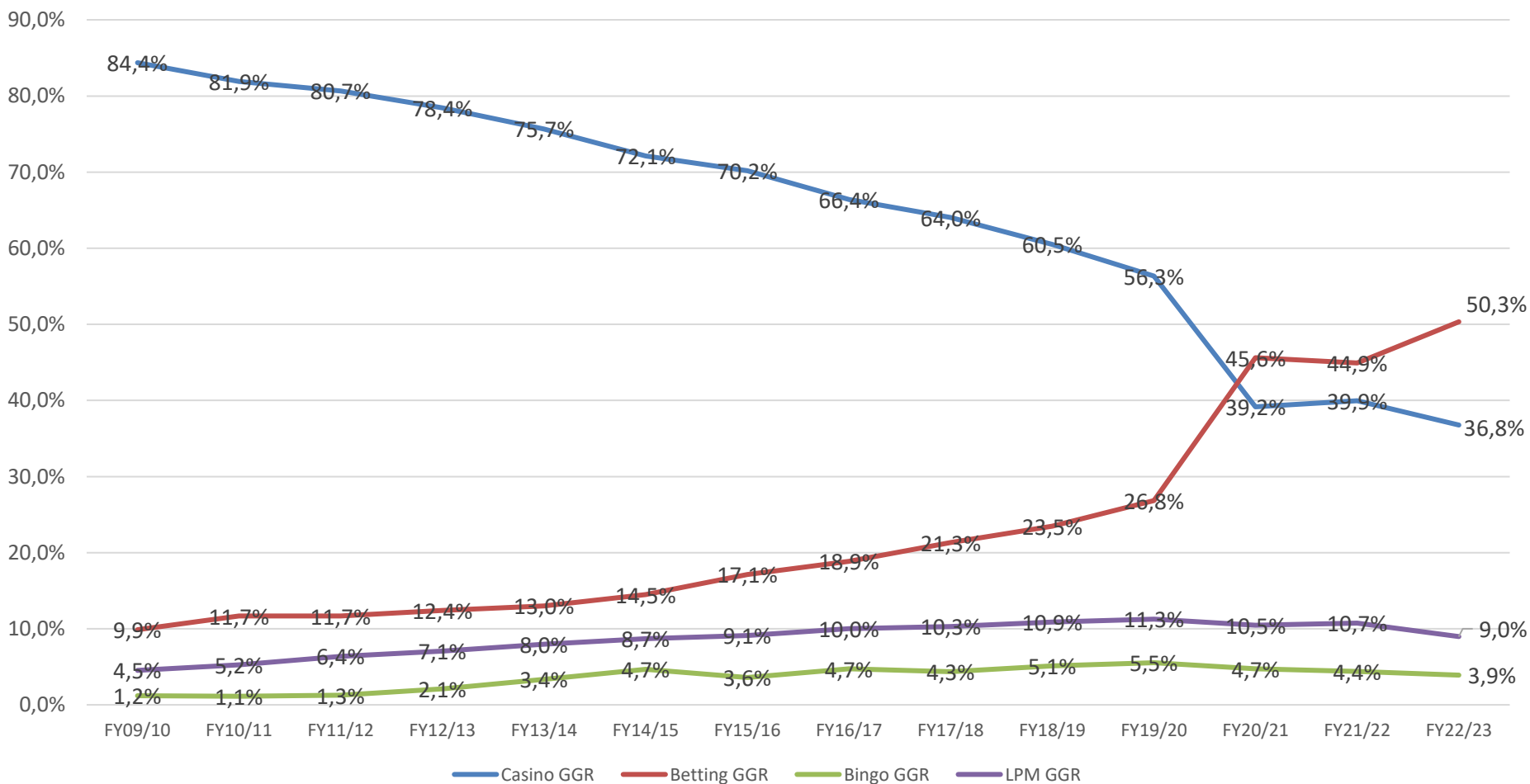
FY2019/20 to FY2020/21 = -39.1%

FY2020/21 to FY2021/22 = 37.0%

FY2021/22 to FY2022/23 = 22.3%

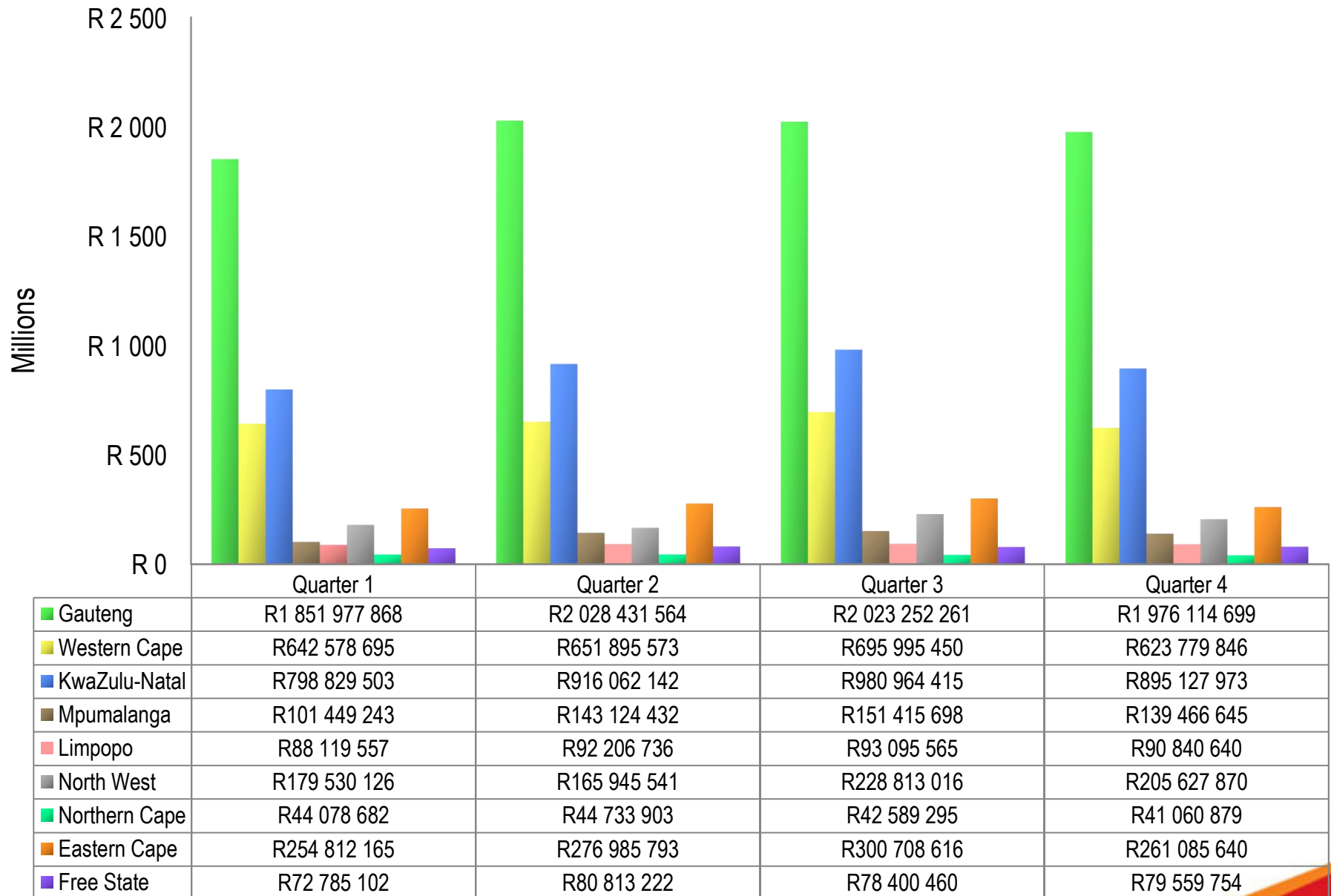


Trend in share of total GGR, comparison all modes (FY2009/10 – FY2022/23)

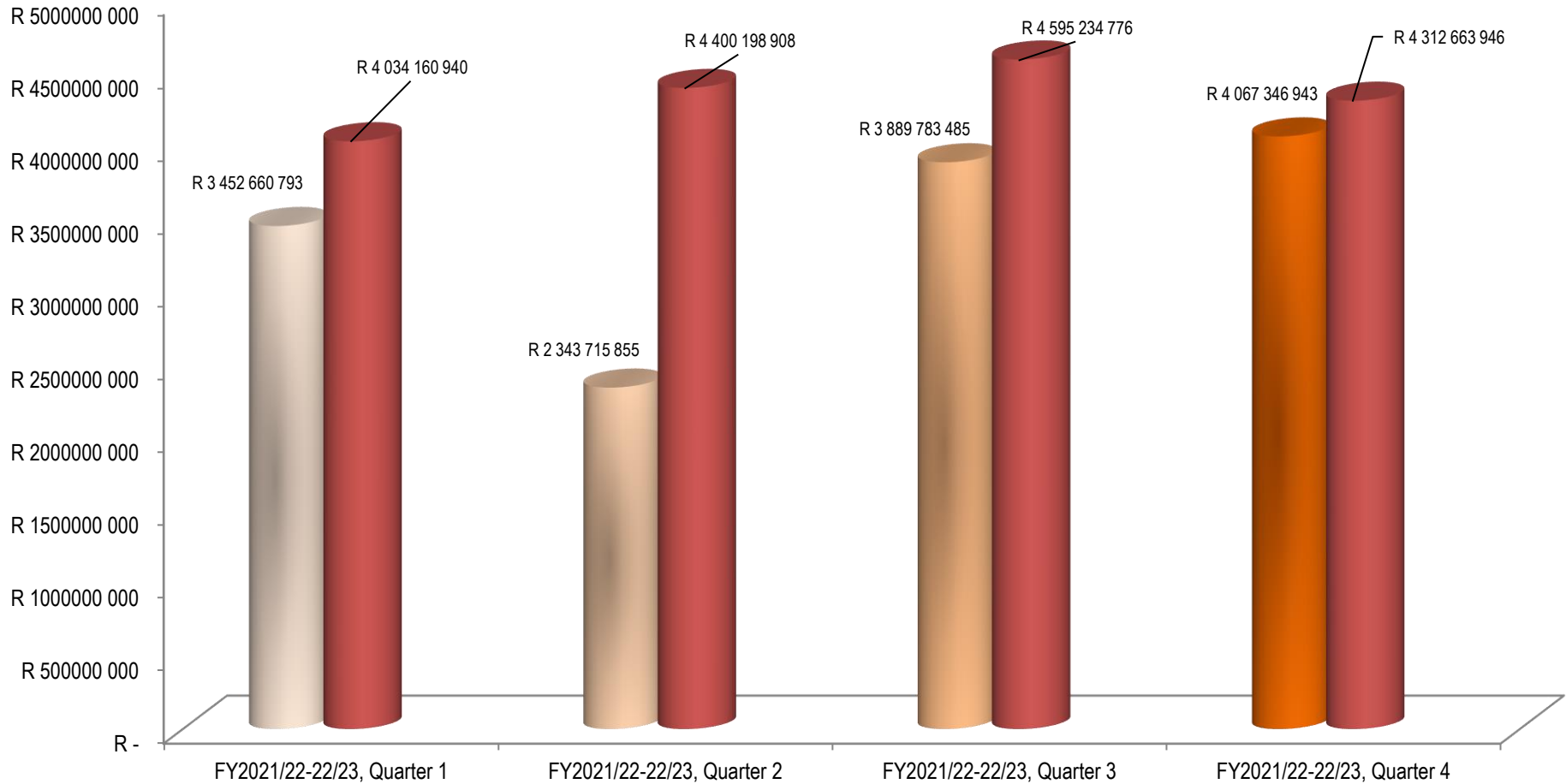


Quarterly casino GGR - FY2022/23

Rand value of the gross revenue of an operator

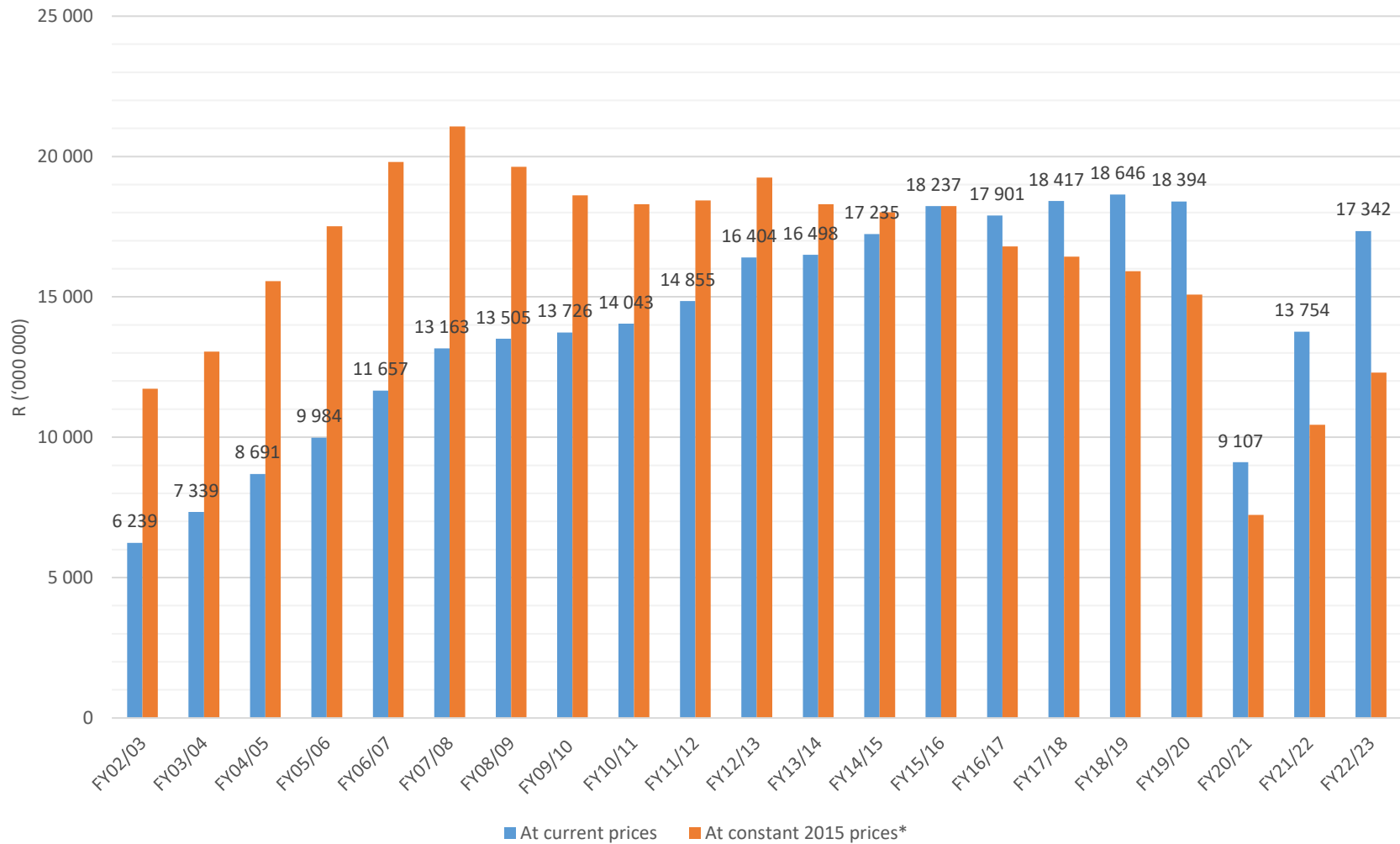


Trend GGR, casinos, FY2021/22-2022/23



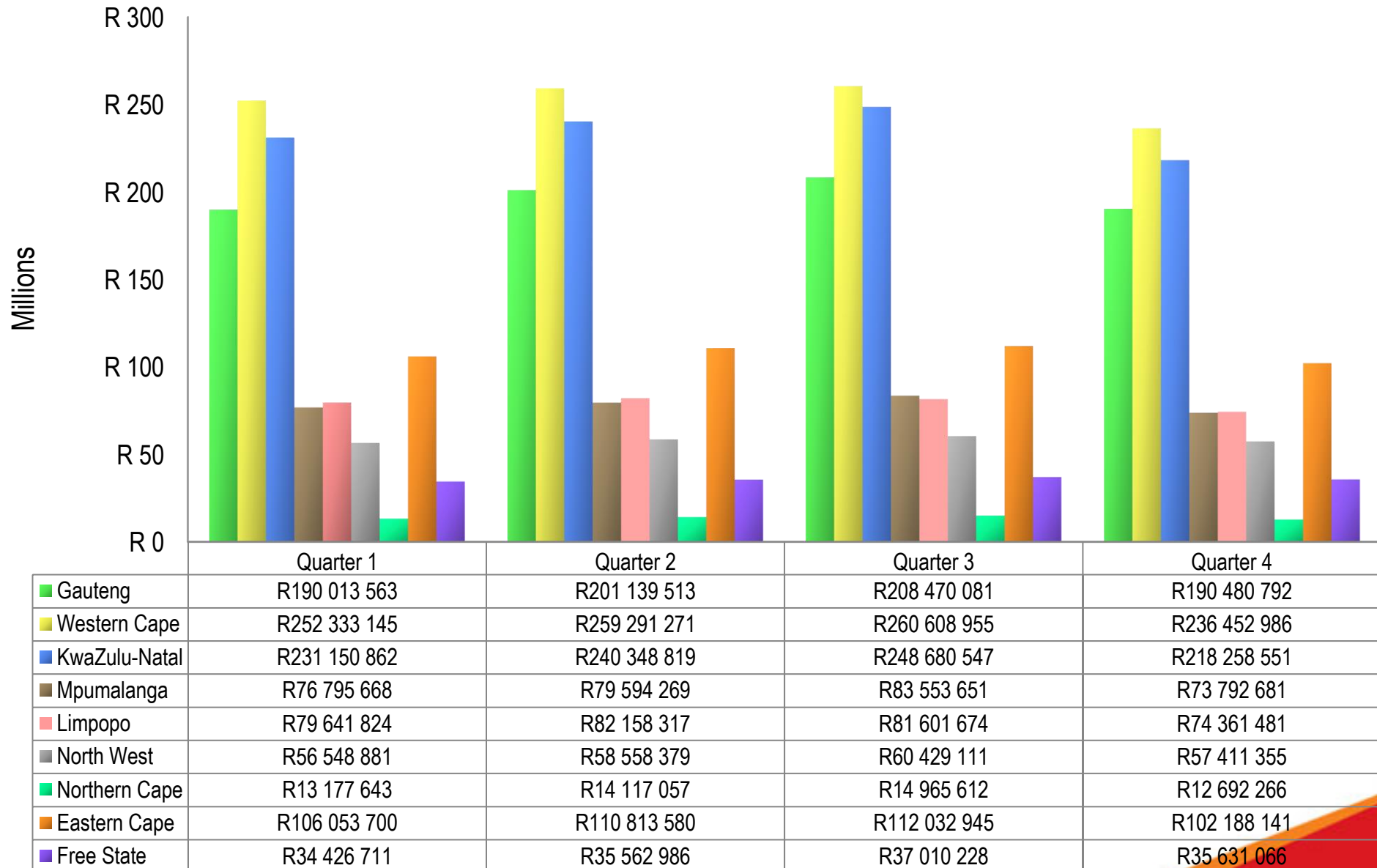
Trend in GGR casinos – FY2002/03 to FY2022/23

Rand value of the gross revenue of an operator

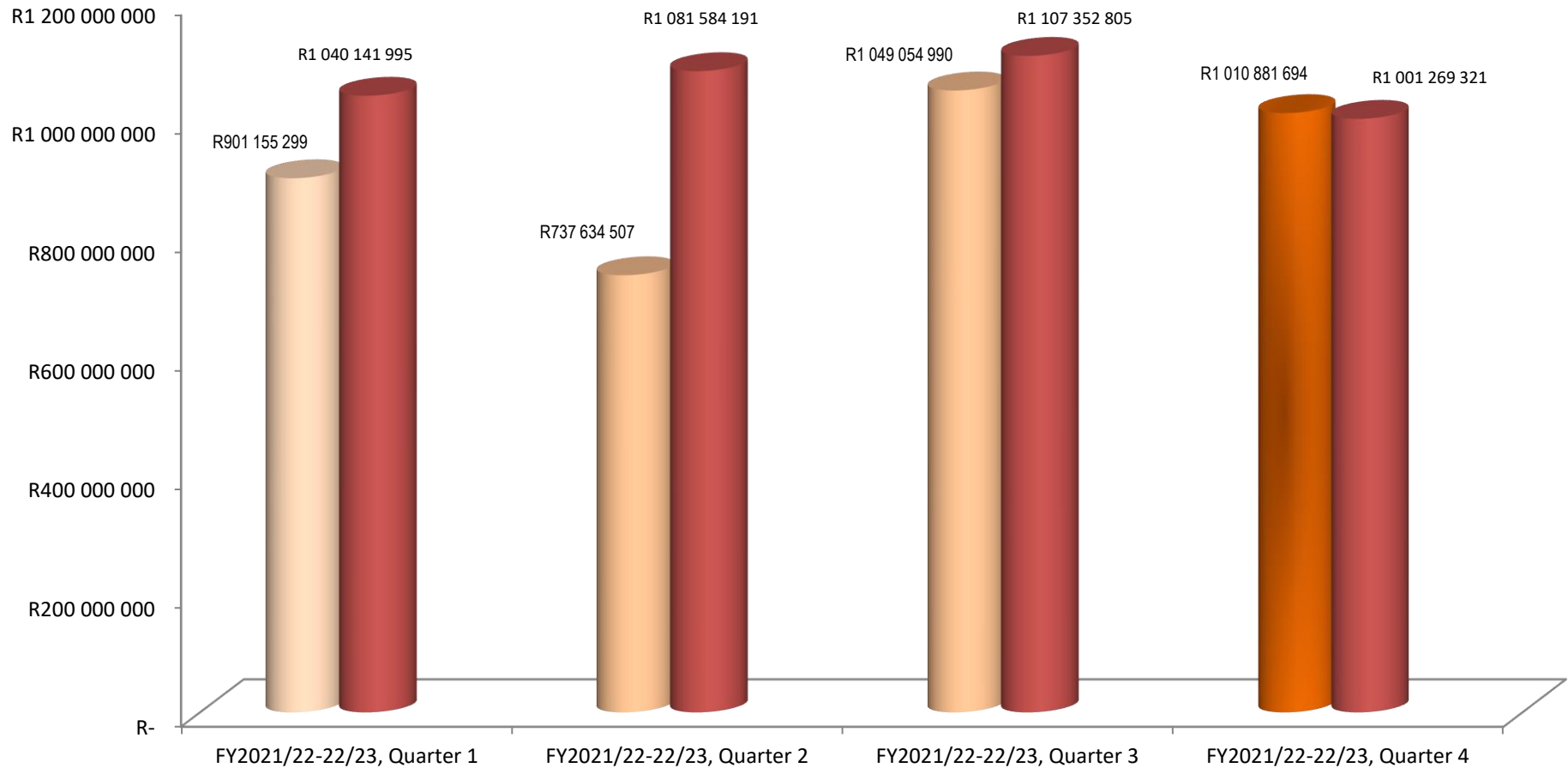


Quarterly LPM GGR - FY2022/23

Rand value of the gross revenue of an operator

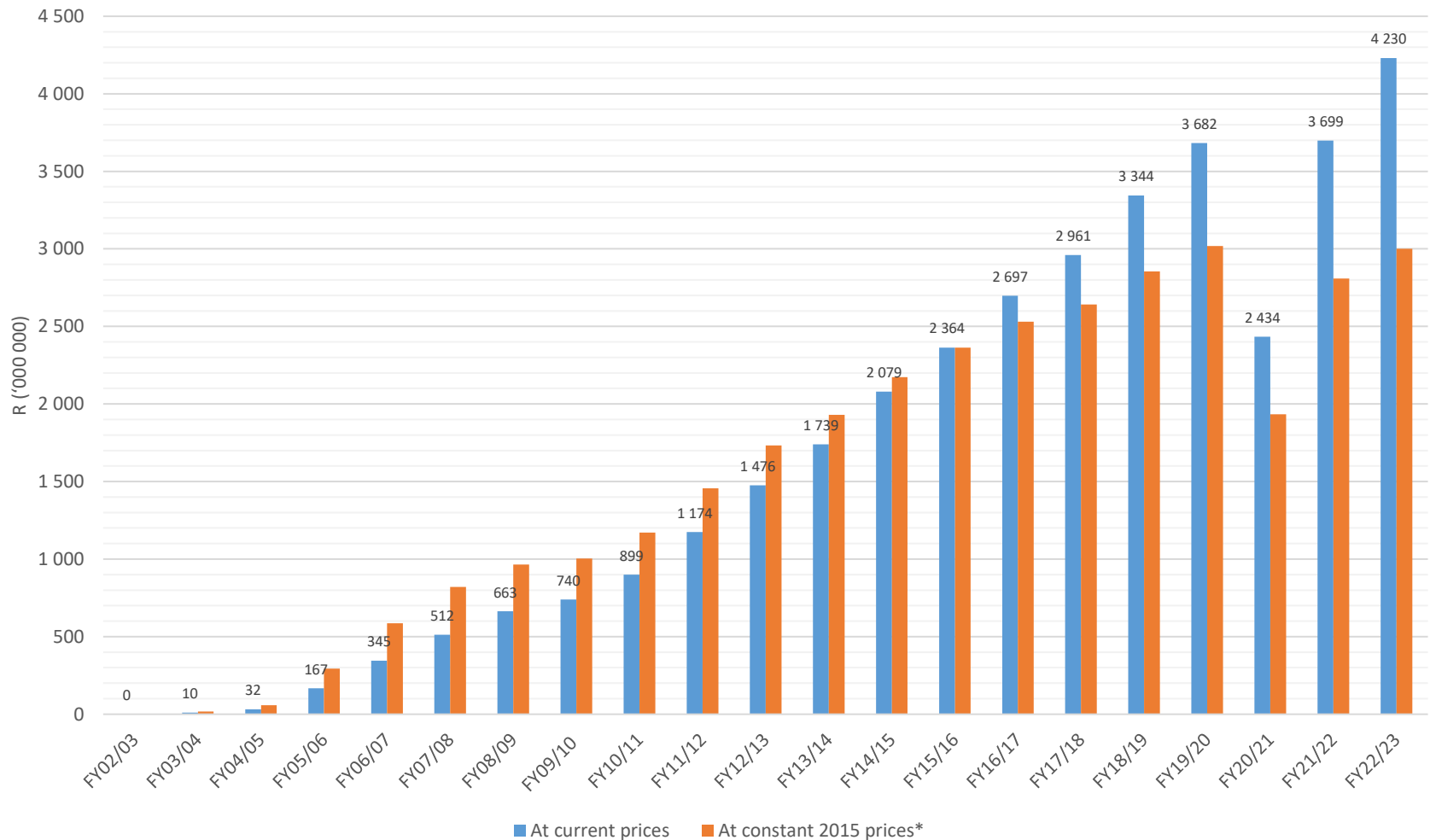


Trend in GGR LPMs – FY2021/22 - FY2022/23



Trend in GGR LPMs – FY2002/03 to FY2022/23

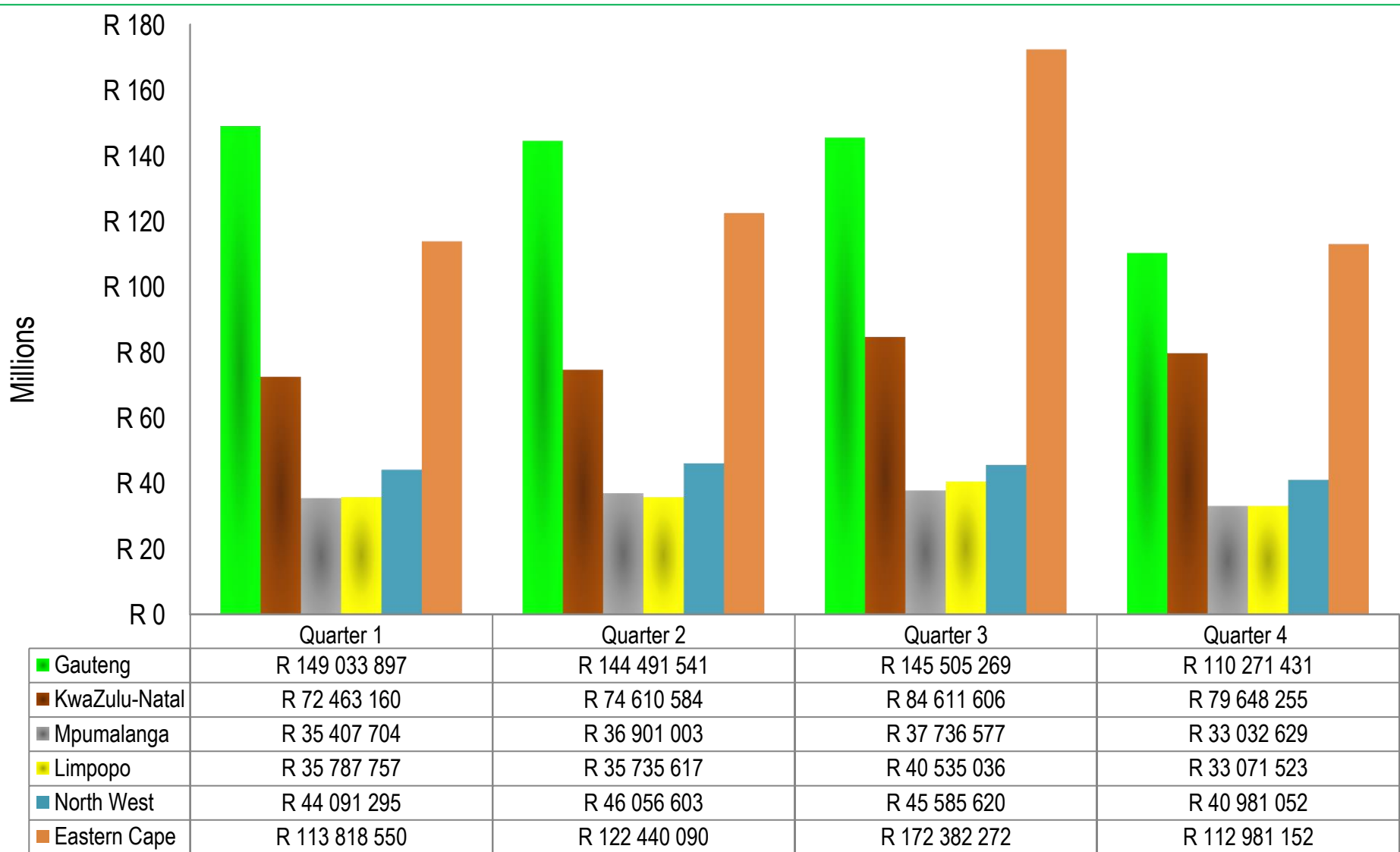
Rand value of the gross revenue of an operator



2015 constant prices, Reserve Bank

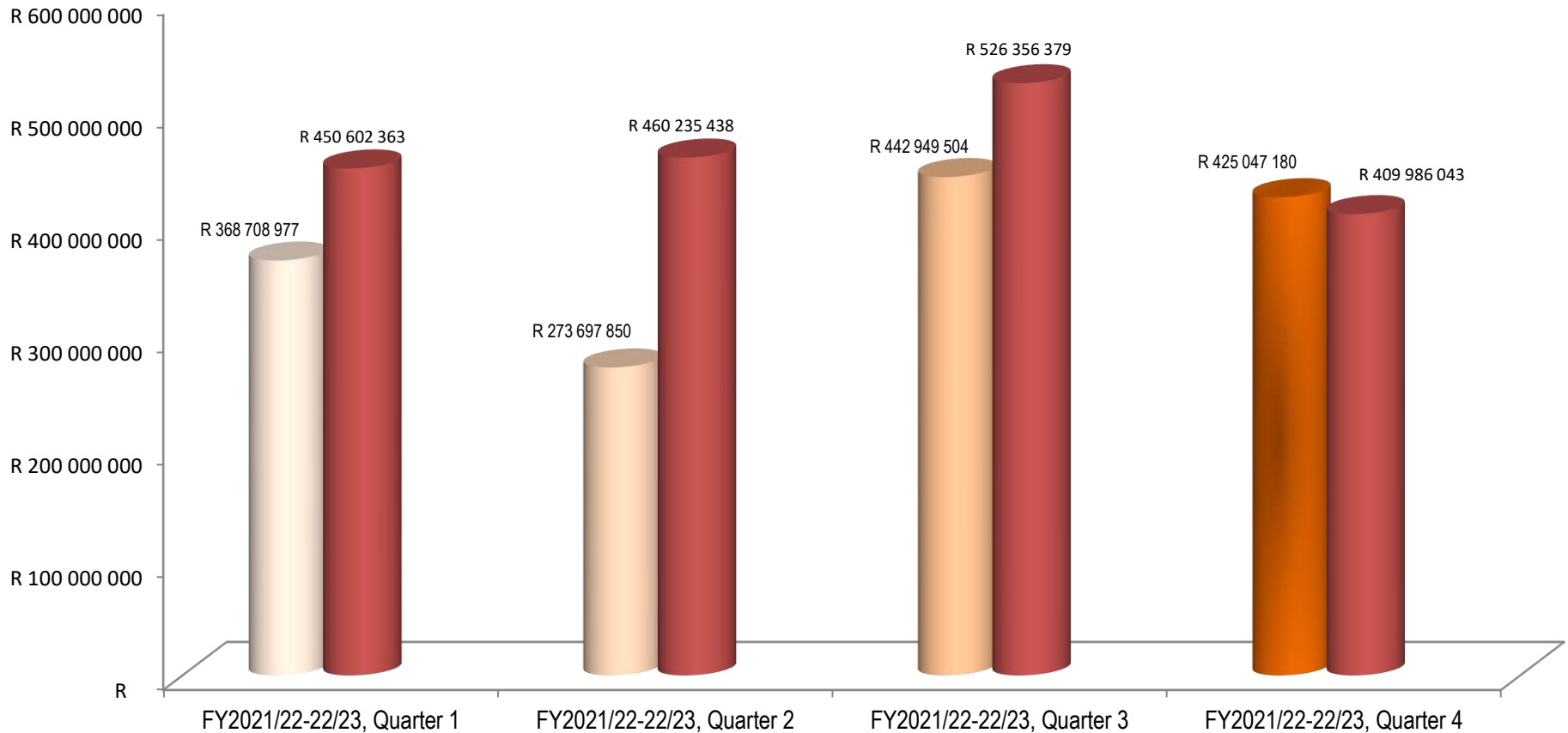
Quarterly bingo GGR - FY2022/23*

Rand value of the gross revenue of an operator



- Bingo offered for play in Gauteng, Mpumalanga, Limpopo, North West, KwaZulu-Natal and Eastern Cape only

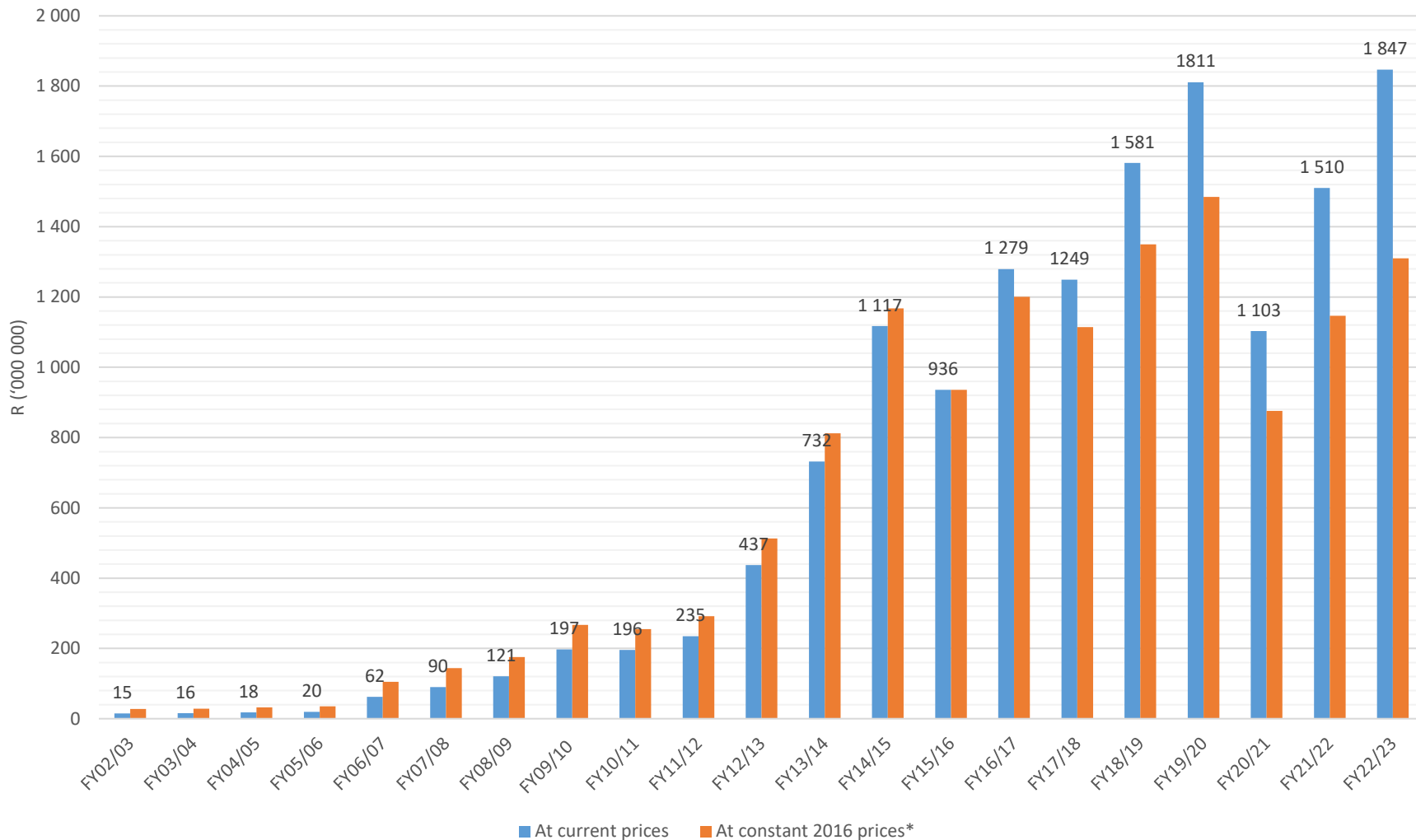
Trend in GGR Bingo – FY2021/22-FY2022/23



* Bingo offered for play in Gauteng, Mpumalanga, Limpopo, North West, Eastern Cape and KwaZulu-Natal only

Trend in GGR bingo – FY2002/03 to FY2022/23

Rand value of the gross revenue of an operator



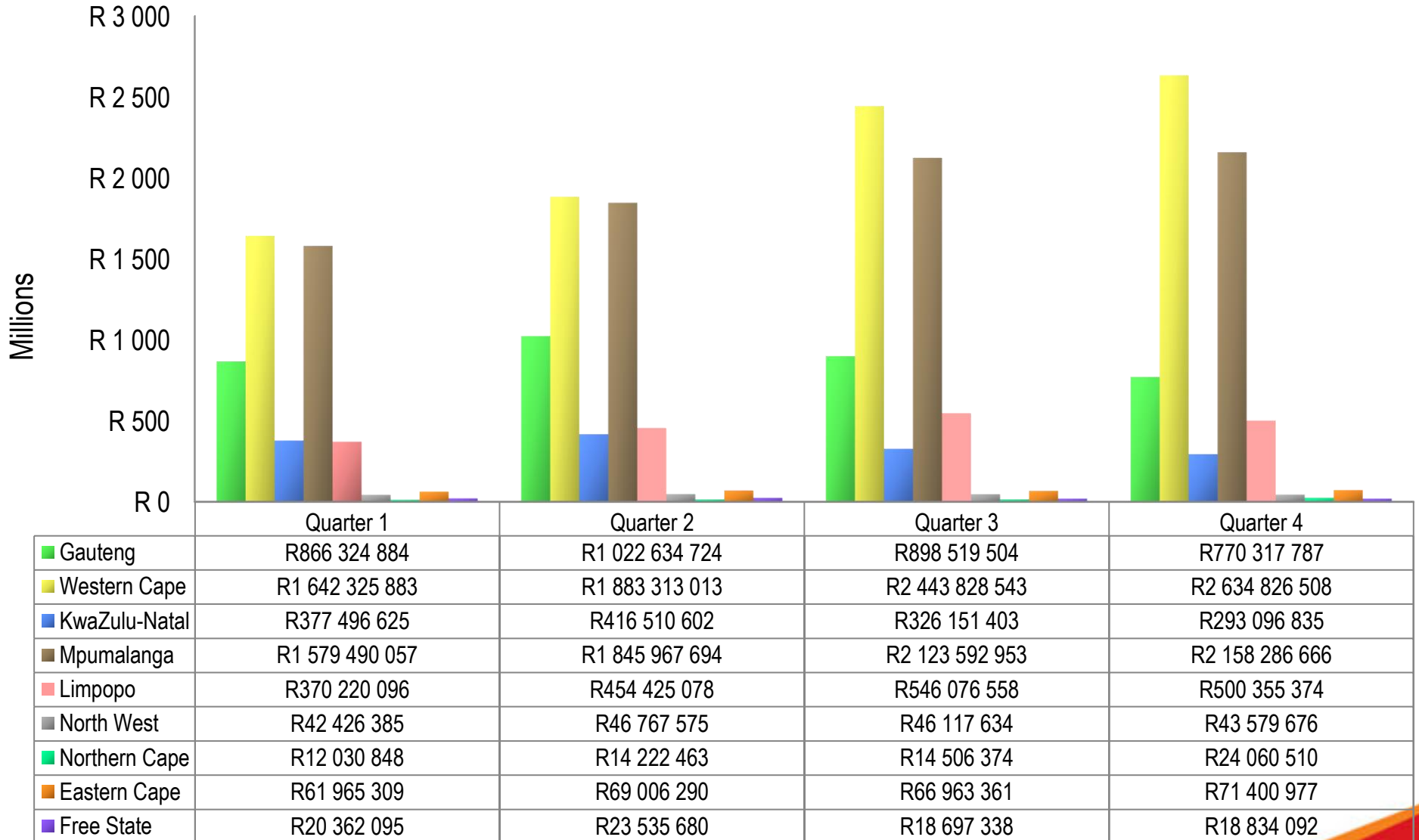
2015 constant prices, Reserve Bank

* Bingo statistics represents bingo offered for play in Gauteng, Mpumalanga, North West, Eastern Cape and KwaZulu-Natal only

Quarterly betting GGR – FY2022/23

Bookmakers & Totalisators

Rand value of the gross revenue of an operator

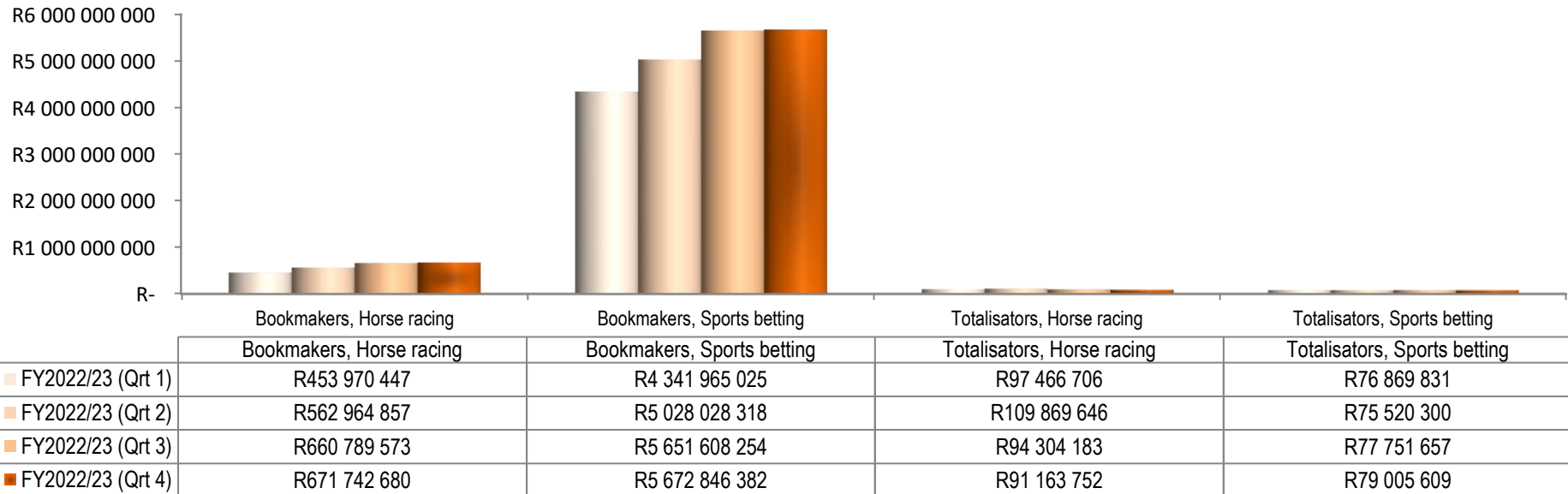


Quarterly betting GGR – FY2022/23

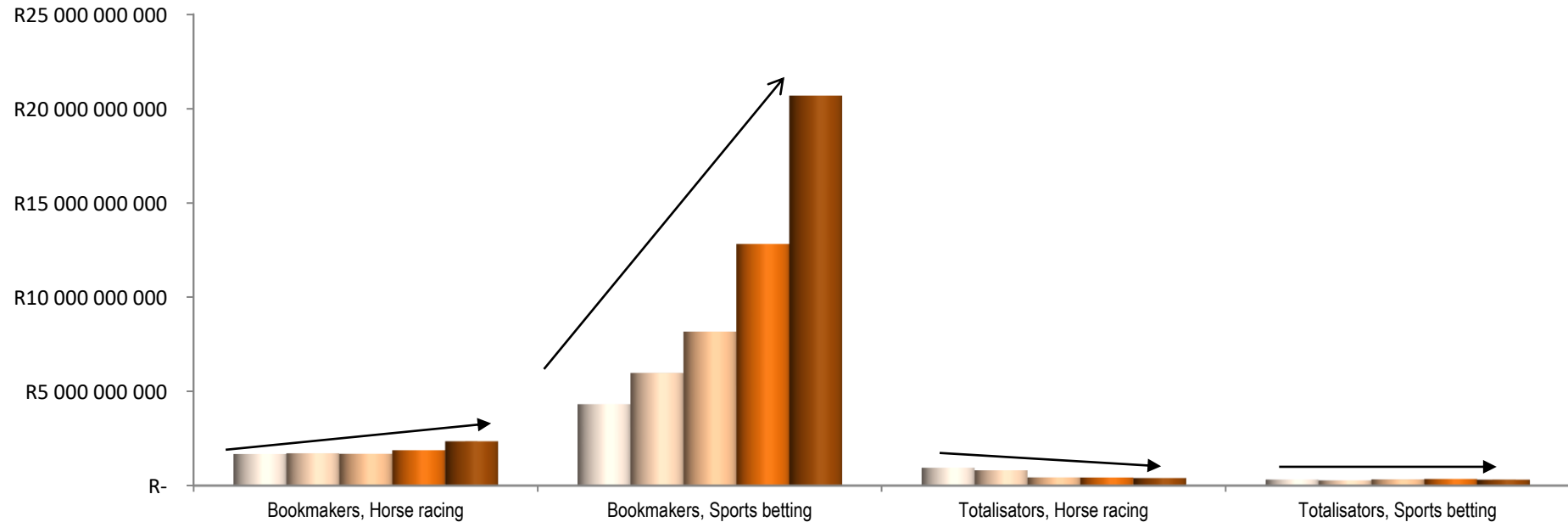
Split between Bookmakers & Totalisators

Betting on horse racing & sport GGR

Rand value of the gross revenue of an operator



Trend in GGR - betting (totalisators and bookmakers), FY2018/19 - FY2022/23

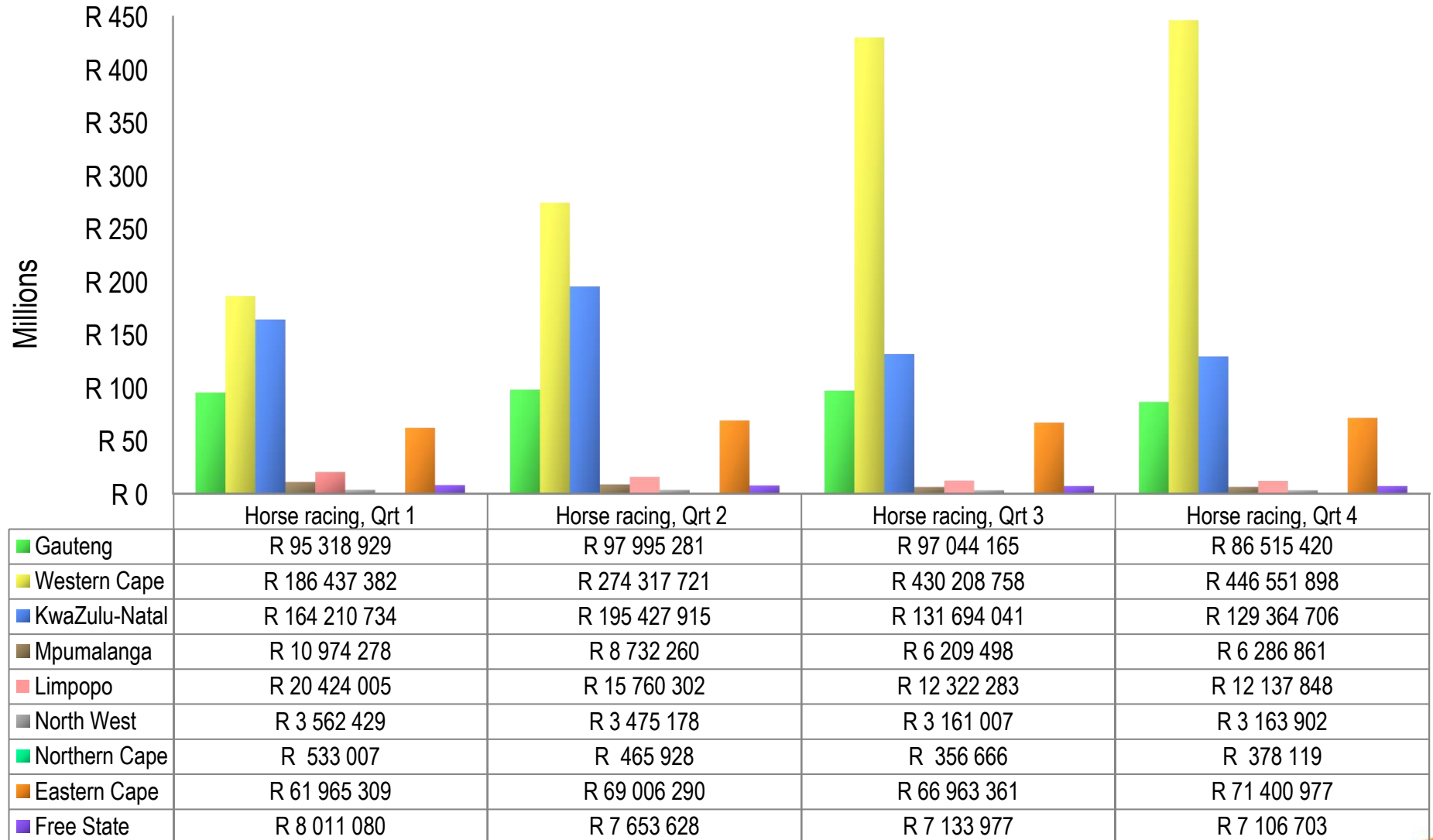


	Bookmakers, Horse racing	Bookmakers, Sports betting	Totalisators, Horse racing	Totalisators, Sports betting
FY2018/19	R1 670 139 075	R4 317 057 494	R941 913 021	R313 592 486
FY2019/20	R1 709 594 514	R5 981 461 167	R803 813 609	R269 158 347
FY2020/21	R1 683 065 295	R8 178 285 690	R426 477 279	R321 792 680
FY2021/22	R1 872 054 678	R12 832 845 899	R419 575 899	R343 876 171
FY2022/23	R2349467 556	R20694447 979	R392804 287	R309147 397

Quarterly betting GGR – FY2022/23

Betting on horse racing*

Rand value of the gross revenue by an operator

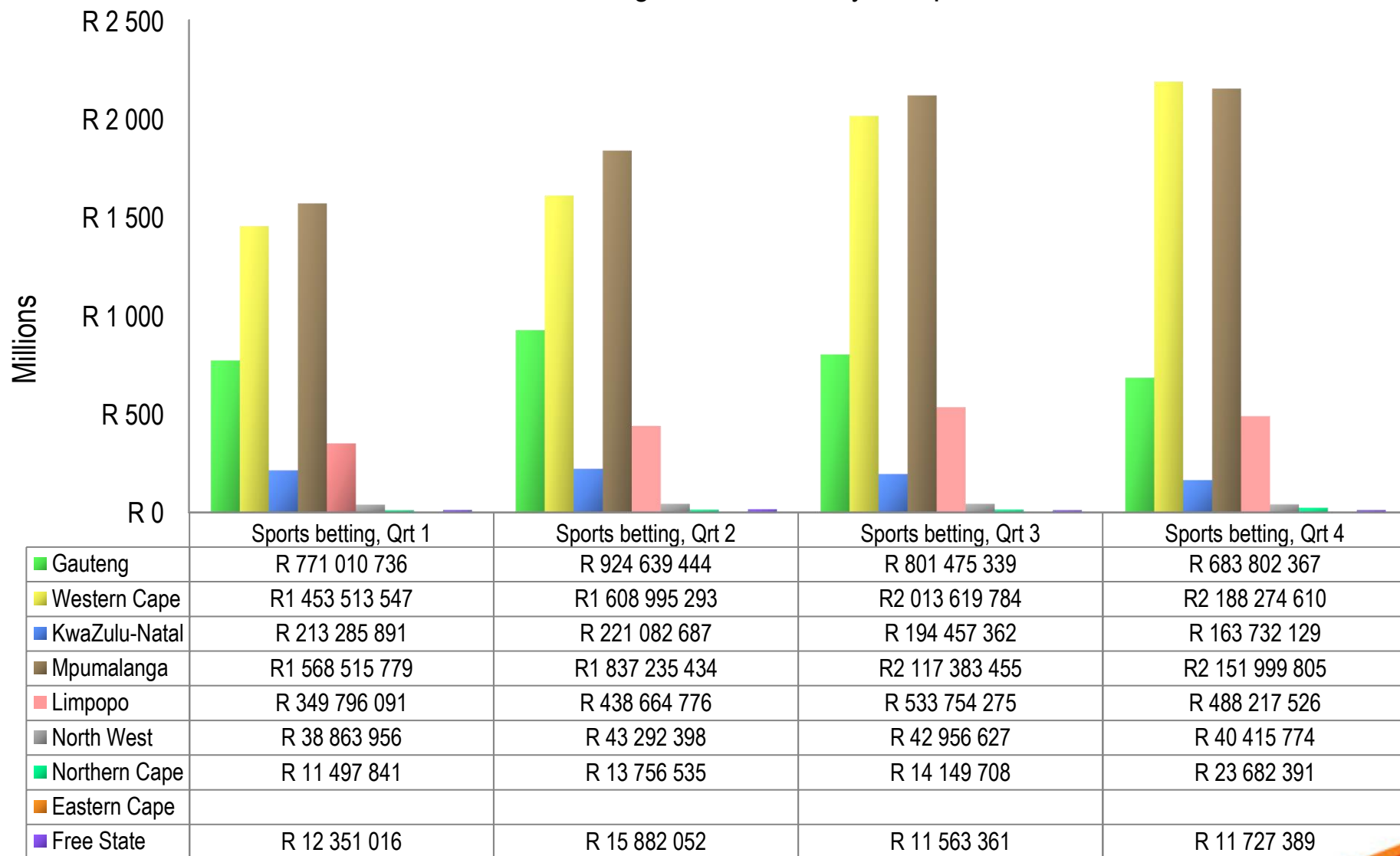


* Eastern Cape: Statistics includes sports betting

Quarterly betting GGR – FY2022/23*

Betting on sport*

Rand value of the gross revenue by an operator

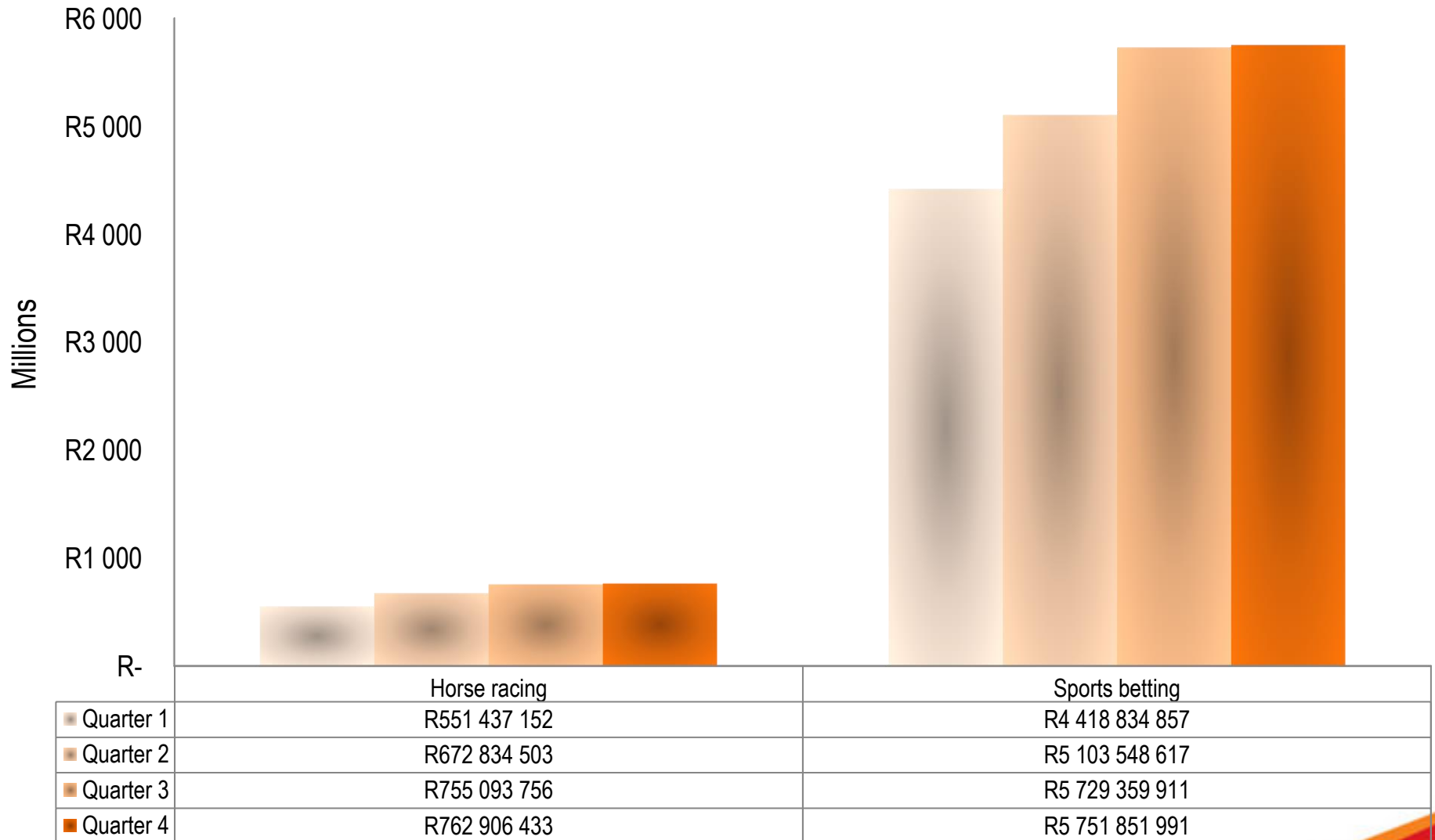


* Eastern Cape: Statistics for sports betting is included in the horse racing statistics

Quarterly betting GGR – FY2022/23*

Split between betting on horse racing & sport*

Rand value of the gross revenue by an operator

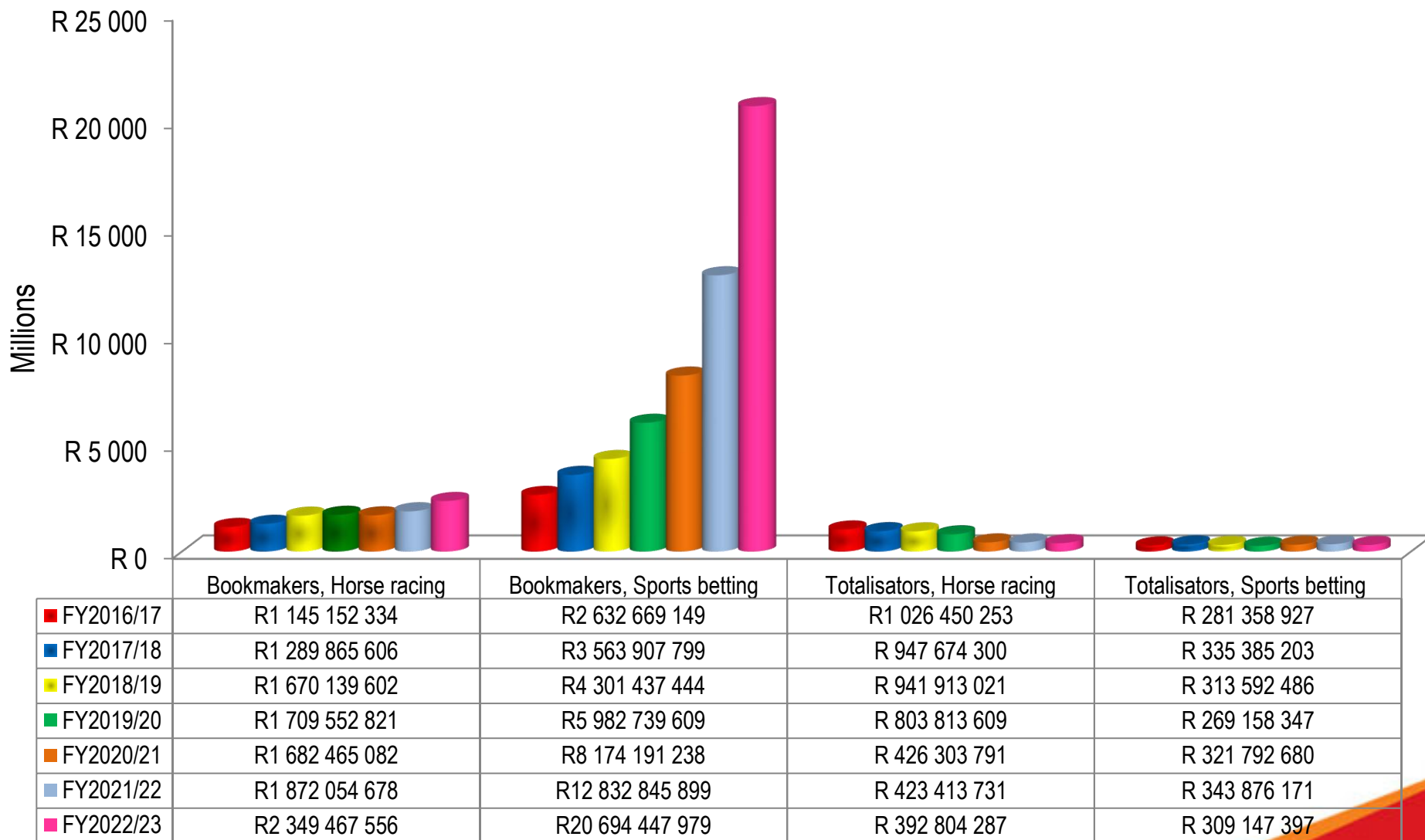


* Eastern Cape: Statistics for sports betting is included in the horse racing statistics

Trend in GGR, bookmakers & totalisators

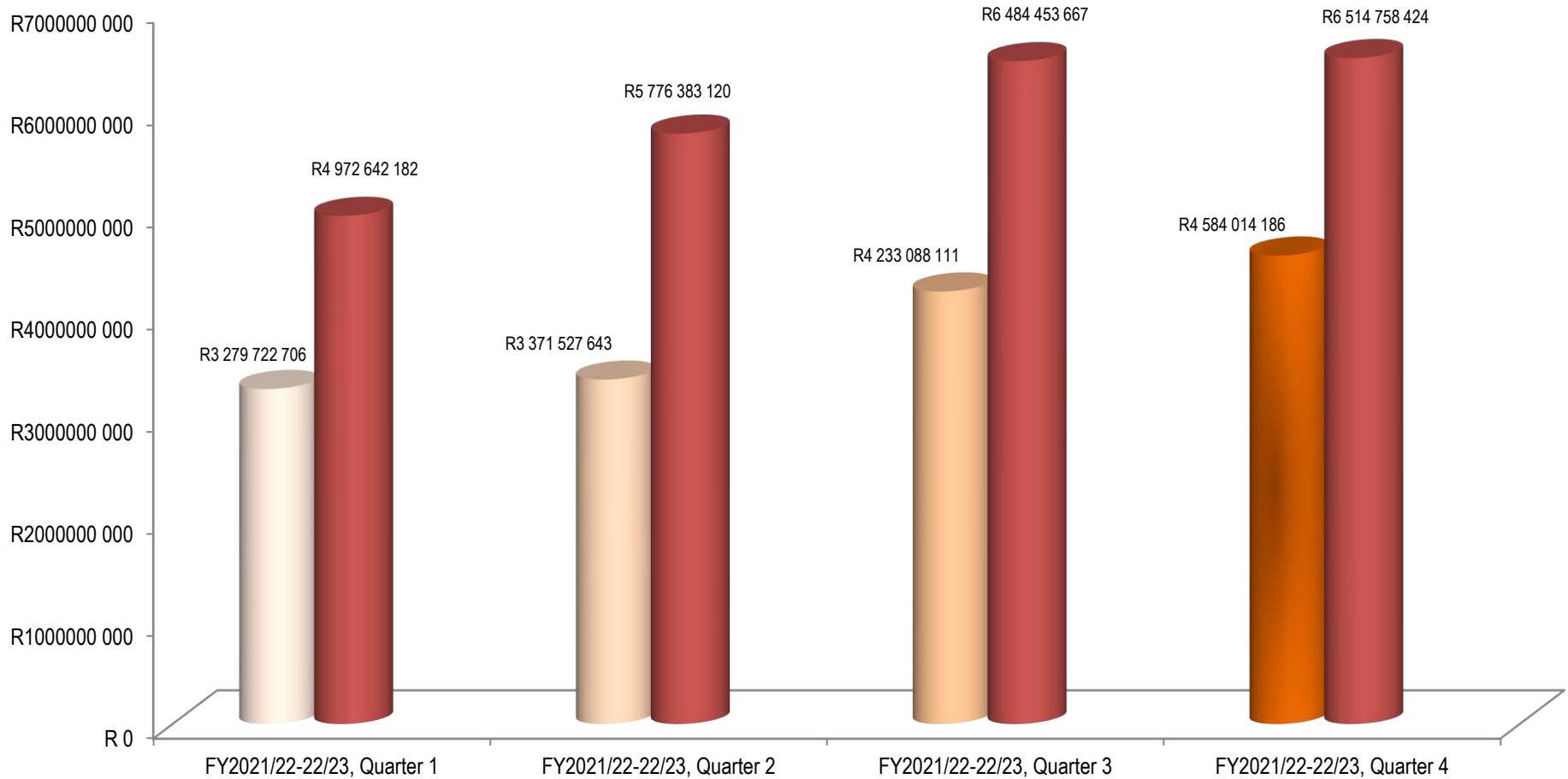
FY2016/17 to FY2022/23

Rand value of the gross revenue by an operator



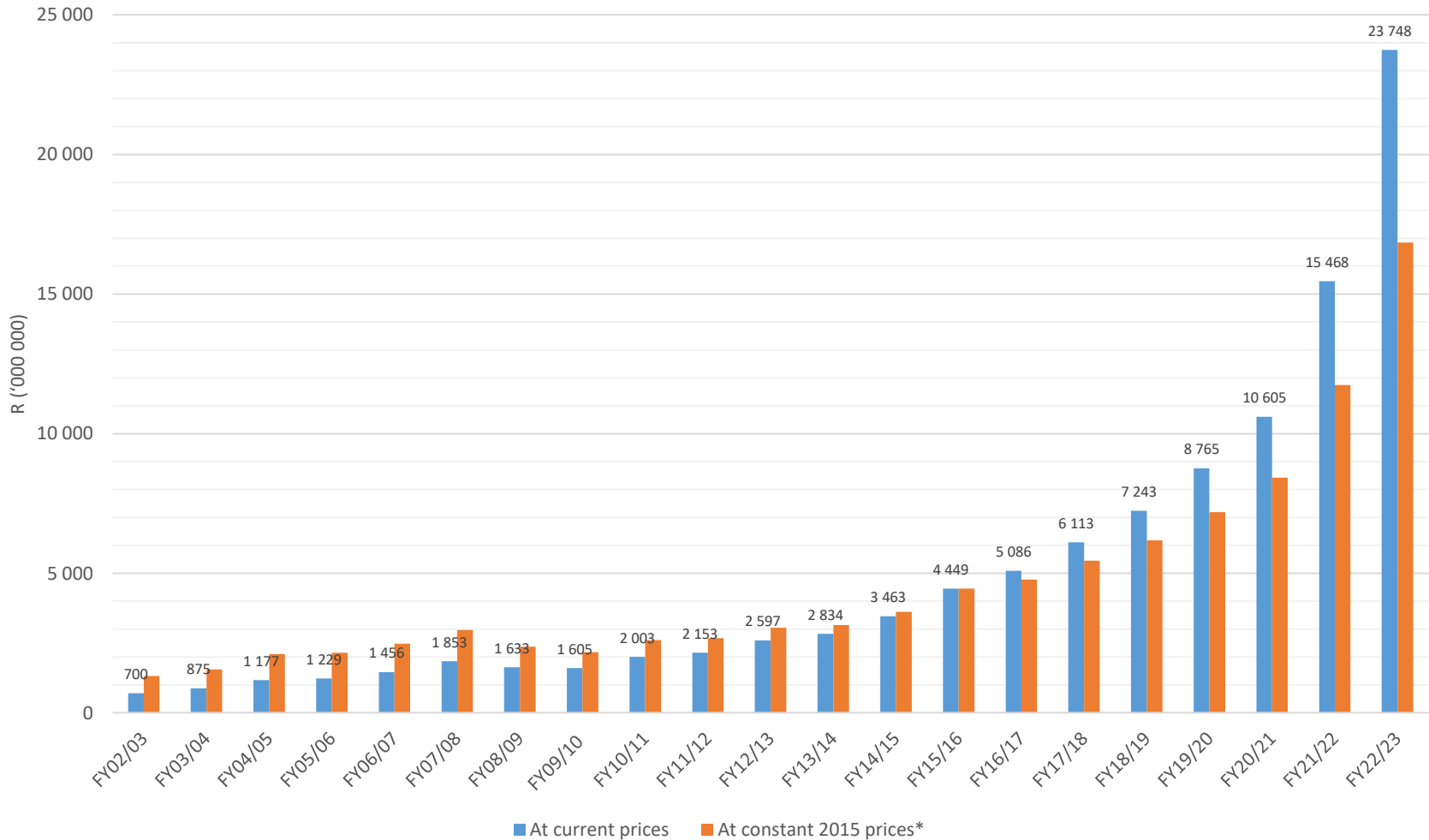
Trend in GGR betting on horse racing & sport – FY2021/22- FY2022/23

Rand value of the gross revenue of an operator



Trend in GGR betting on horse racing & sport – FY2001/02 to FY2022/23

Rand value of the gross revenue by an operator



2015 constant prices, Reserve Bank

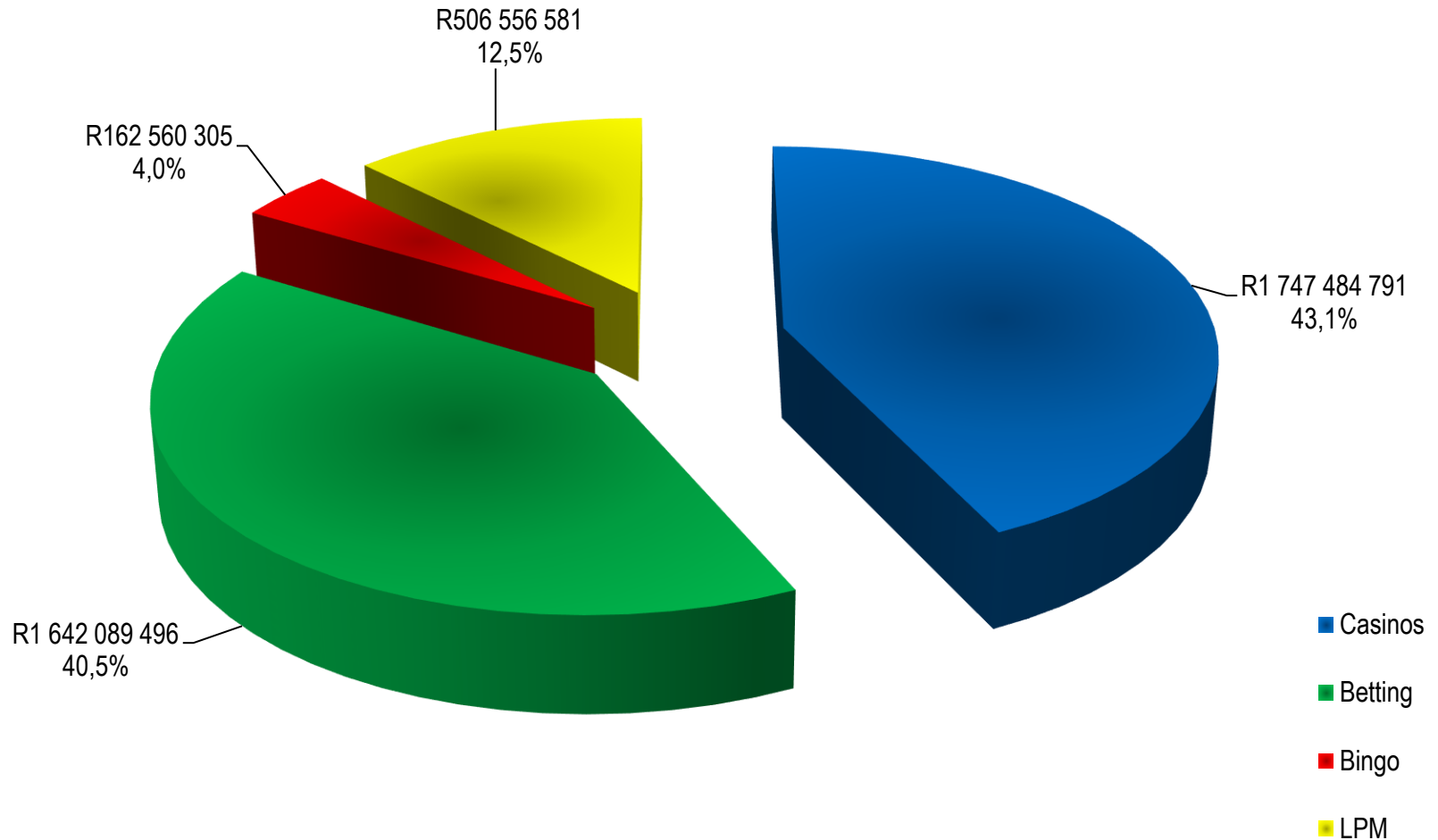
Summary: GGR

- ❑ In FY2022/23, gambling industry GGR totalled R47.2 billion, a 37.0% increase from the previous financial year's value of R23.2 billion.
- ❑ The casino sector had seen declining revenues since FY2018/19, falling by 1.3% between FY2017/18 and FY2018/19, and plummeting direly (-50.5%) when the land-based fraternity was in lockdown for a part of FY2020/21. The recovery in FY2021/22 saw the industry grow by 50.9% to R13.8 billion, and 26.1% in FY2022/23 to R17.3 billion; however, it has not reached its pre-pandemic figure of R18.4 billion.
- ❑ The betting industry experienced high growth between FY2020/21 and FY2021/22 of 45.8%, and expanded further by 53.5% in FY2022/23.
- ❑ The betting industry's growth over the past three financial years has led to its revenues surpassing casinos to hold a market share of 50.3% compared to 36.8% for the casino sector.
- ❑ Year on year, the bingo and LPM sectors grew by 21.6% and 14.4% respectively.
- ❑ Provinces which generated the largest revenues are Gauteng (27.1%), the Western Cape (25.9%) and Mpumalanga (18.4%).
- ❑ All provinces experienced positive GGR growth over the past financial year, with Mpumalanga having the highest growth at 75.6%. Limpopo and the Western Cape also experienced high levels of growth at 61.8% and 42.9% respectively

TAXES/LEVIES FROM GAMBLING



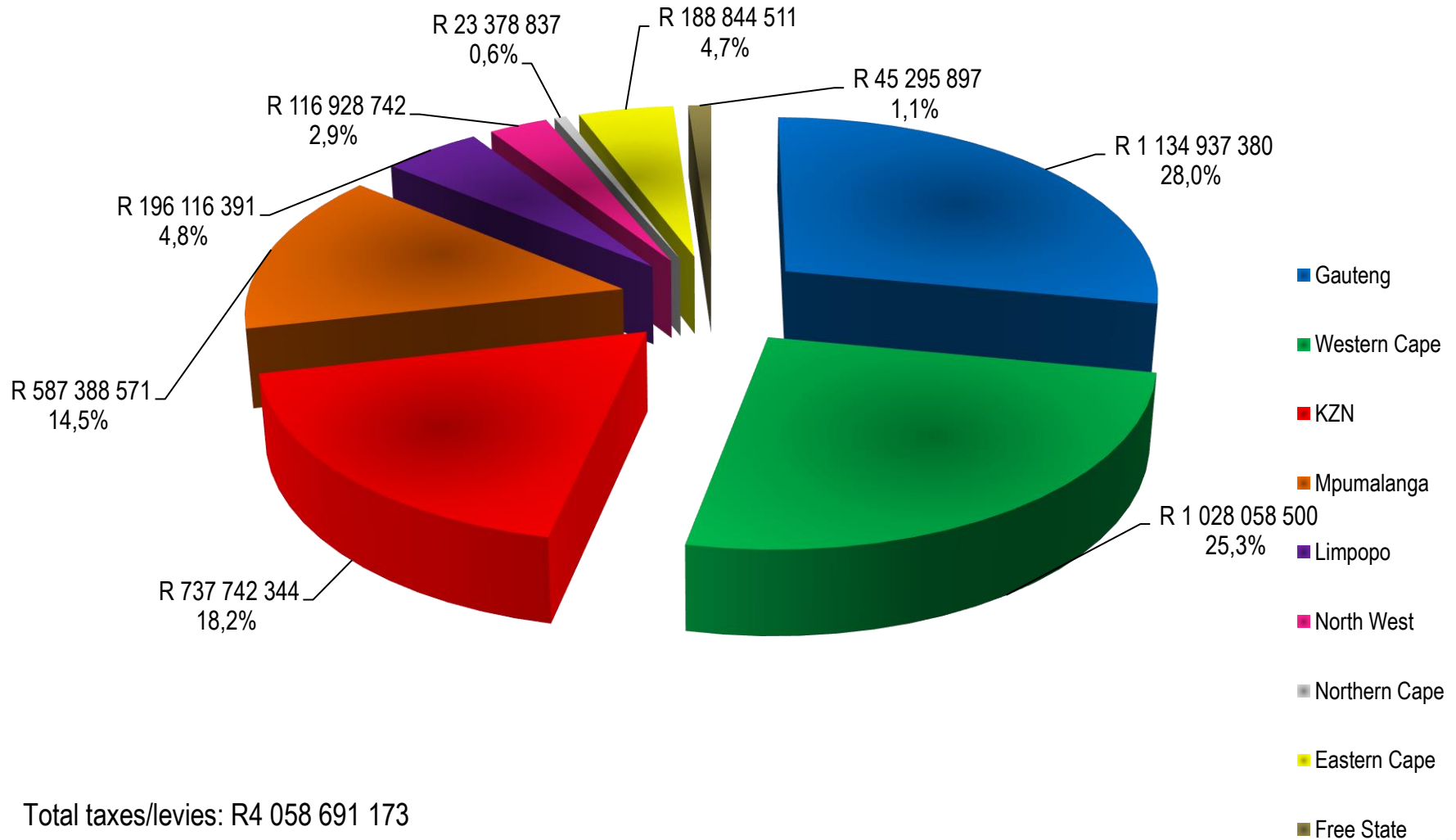
Taxes/levies contribution per gambling mode – FY2022/23



Total taxes/levies: R4 058 691 173

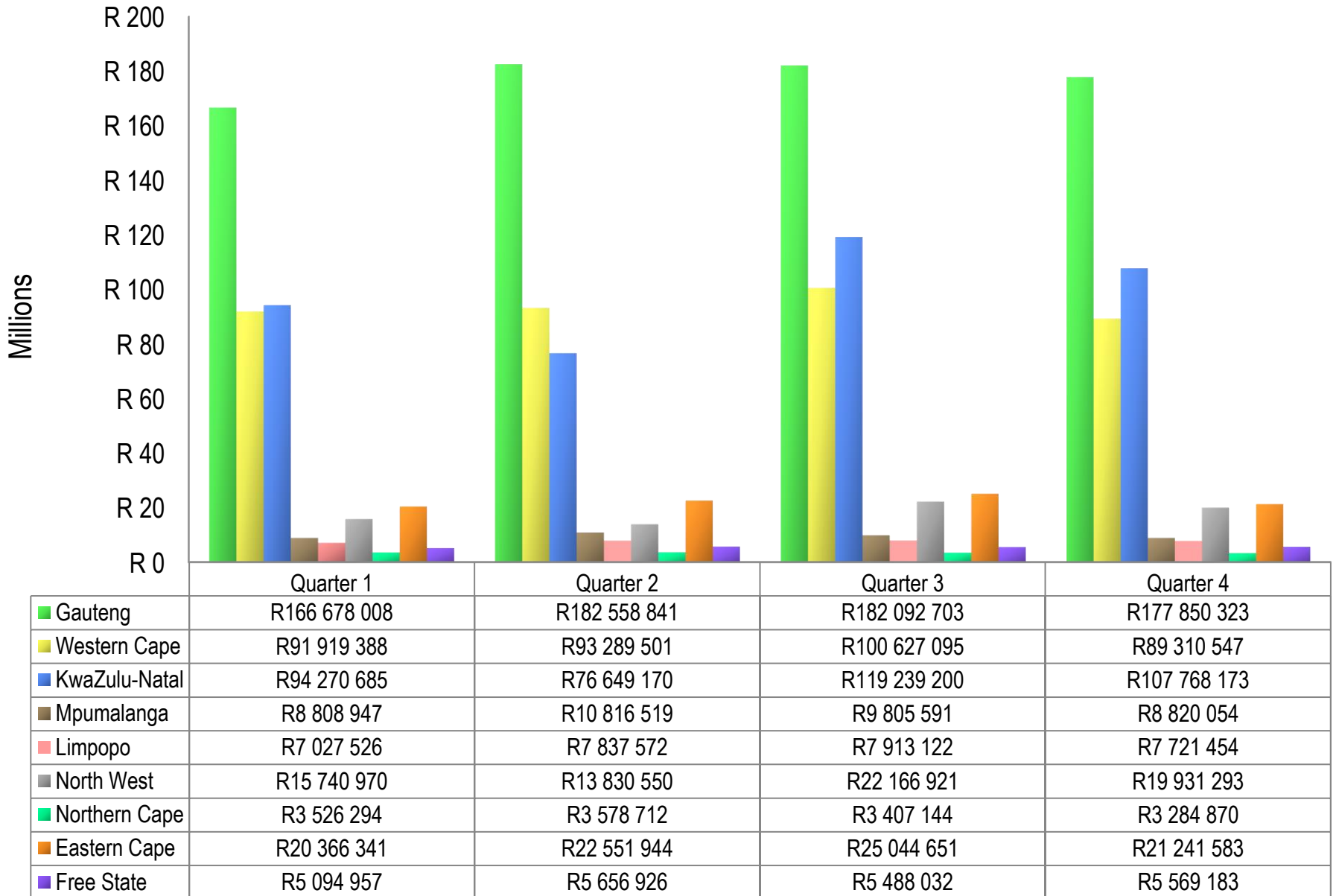
Taxes/levies contribution per province – FY2022/23

Gambling tax levied and collected by PLAs



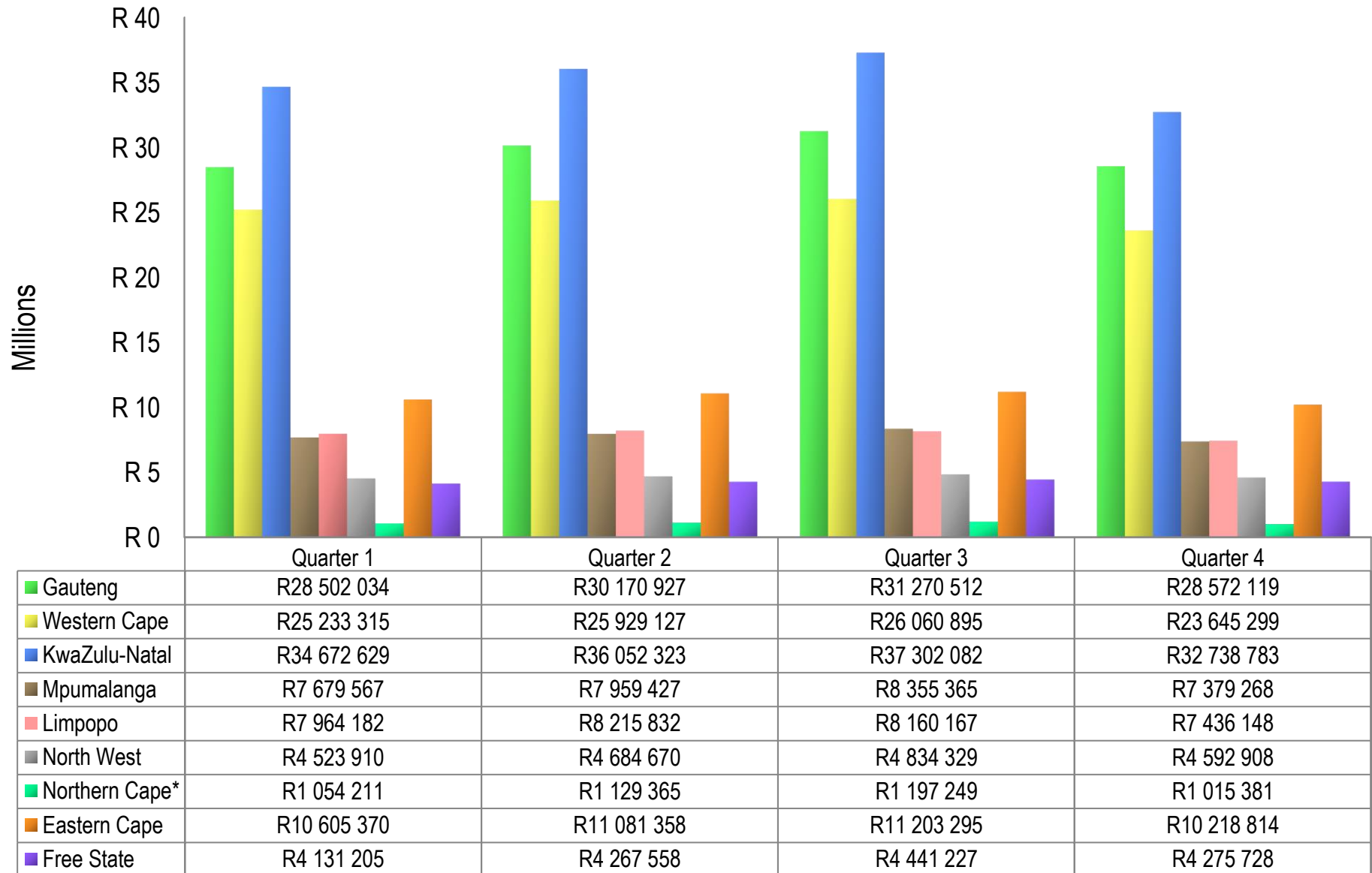
Quarterly casino taxes/levies - FY2022/23

Gambling tax levied and collected by PLAs



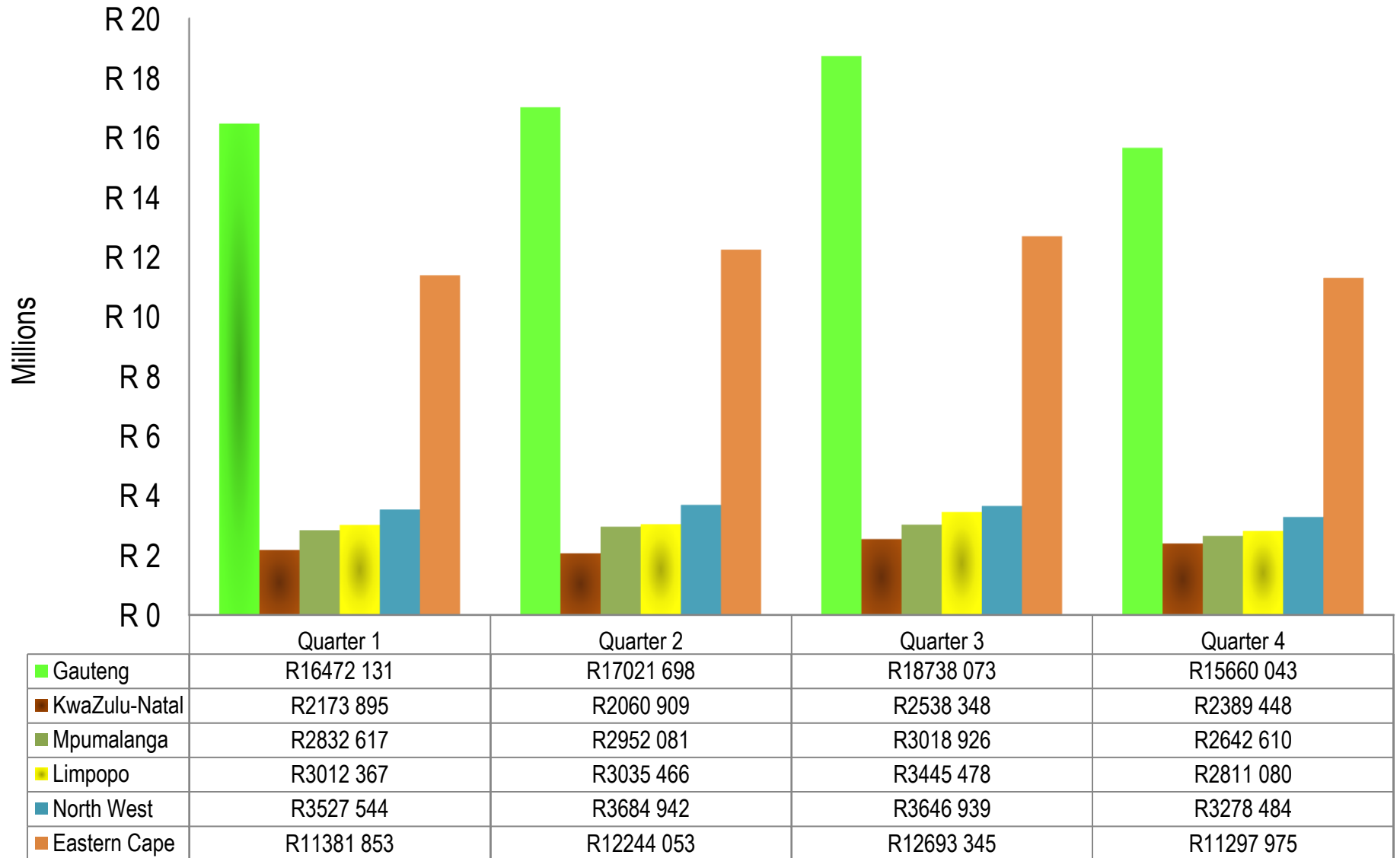
Quarterly LPM taxes/levies - FY2022/23

Gambling tax levied and collected by PLAs



Quarterly bingo taxes/levies - FY2022/23*

Gambling tax levied by and collected by PLAs

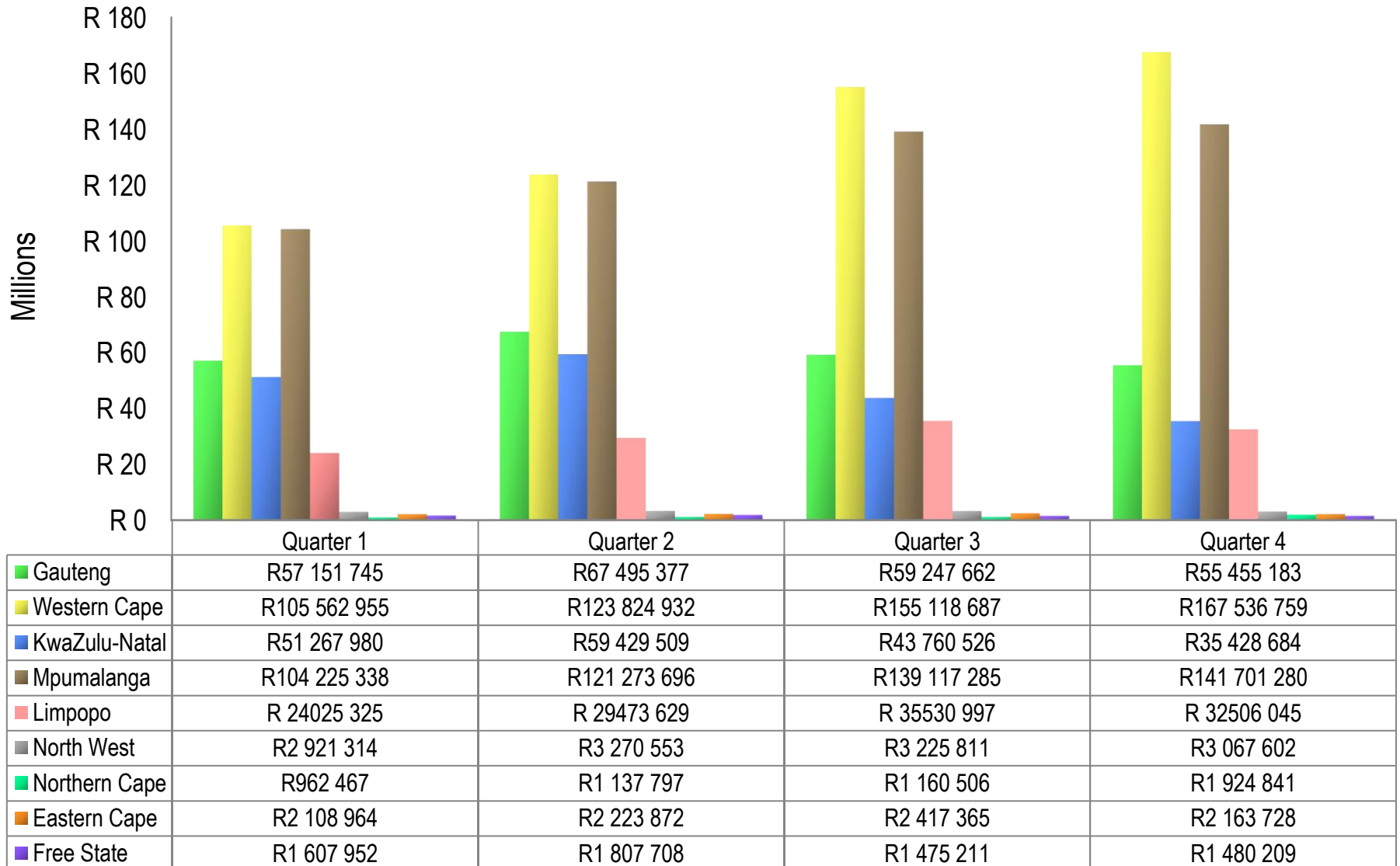


- Bingo offered for play in Gauteng, Mpumalanga, North West, Eastern Cape and KwaZulu-Natal only

Quarterly betting taxes/levies – FY2022/23

Bookmakers & Totalisators

Gambling tax levied and collected by PLAs

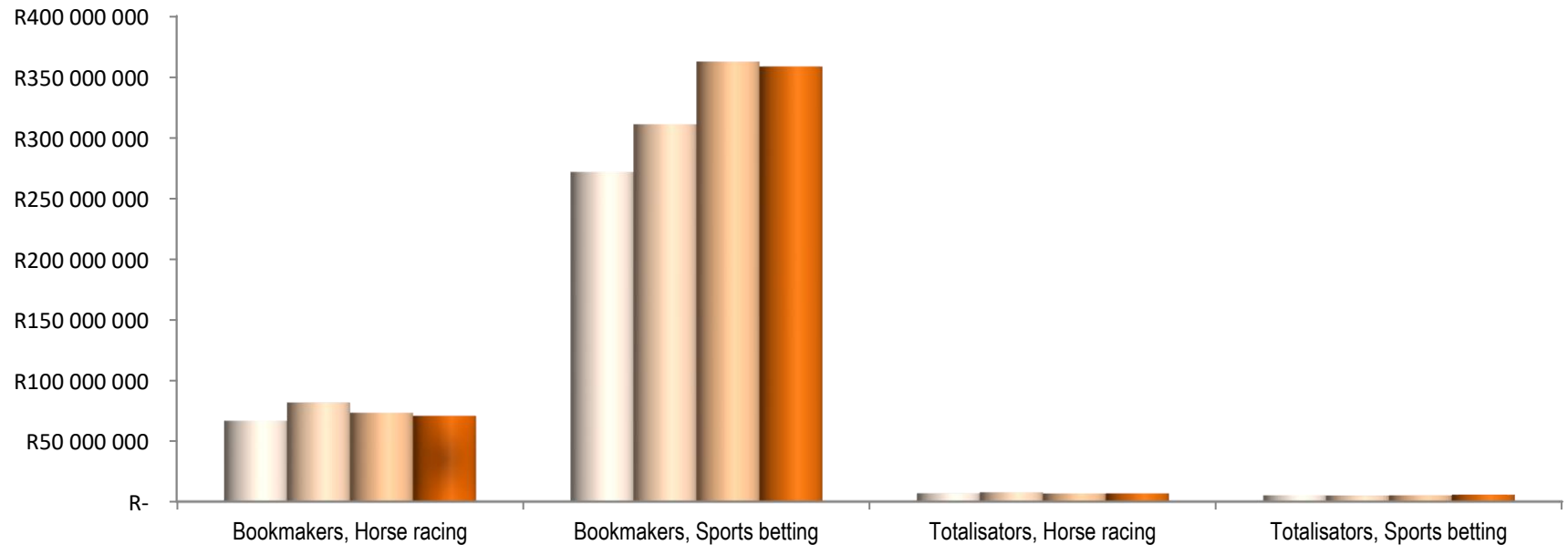


Quarterly betting taxes/levies – FY2022/23

Split between Bookmakers & Totalisators

Betting on horse racing & sport

Gambling tax levied and collected by PLAs

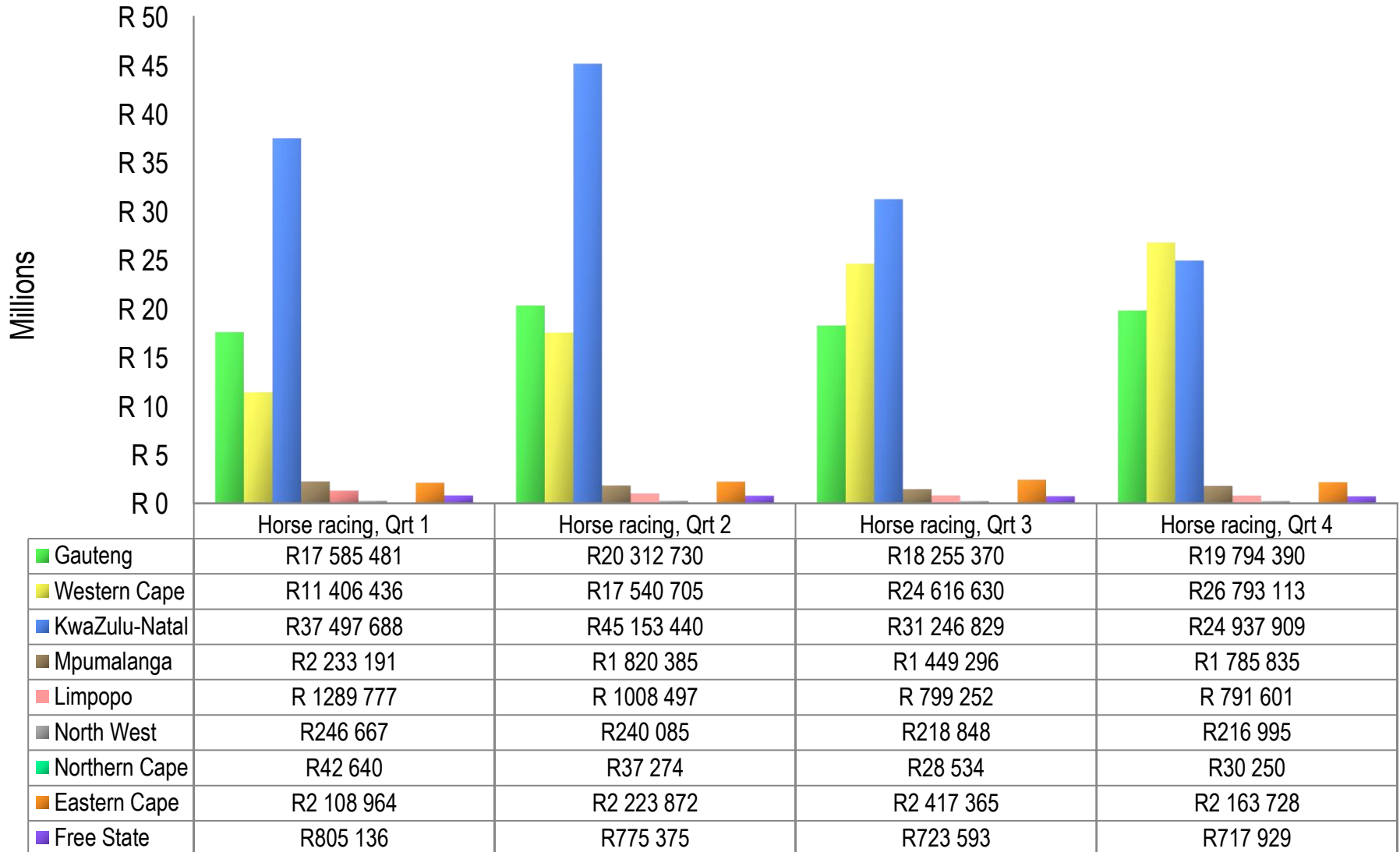


	Bookmakers, Horse racing	Bookmakers, Sports betting	Totalisators, Horse racing	Totalisators, Sports betting
FY2021/22 (Qrt 1)	R66 476 056	R271 504 040	R6 739 924	R5 078 725
FY2021/22 (Qrt 2)	R81 537 721	R310 799 663	R7 574 641	R4 928 331
FY2021/22 (Qrt 3)	R73 156 487	R362 465 723	R6 599 229	R5 027 816
FY2021/22 (Qrt 4)	R70 563 954	R358 398 446	R6 667 794	R5 631 903

Quarterly betting taxes/levies – FY2022/23

Betting on horse racing*

Gambling tax levied by and collected by PLAs

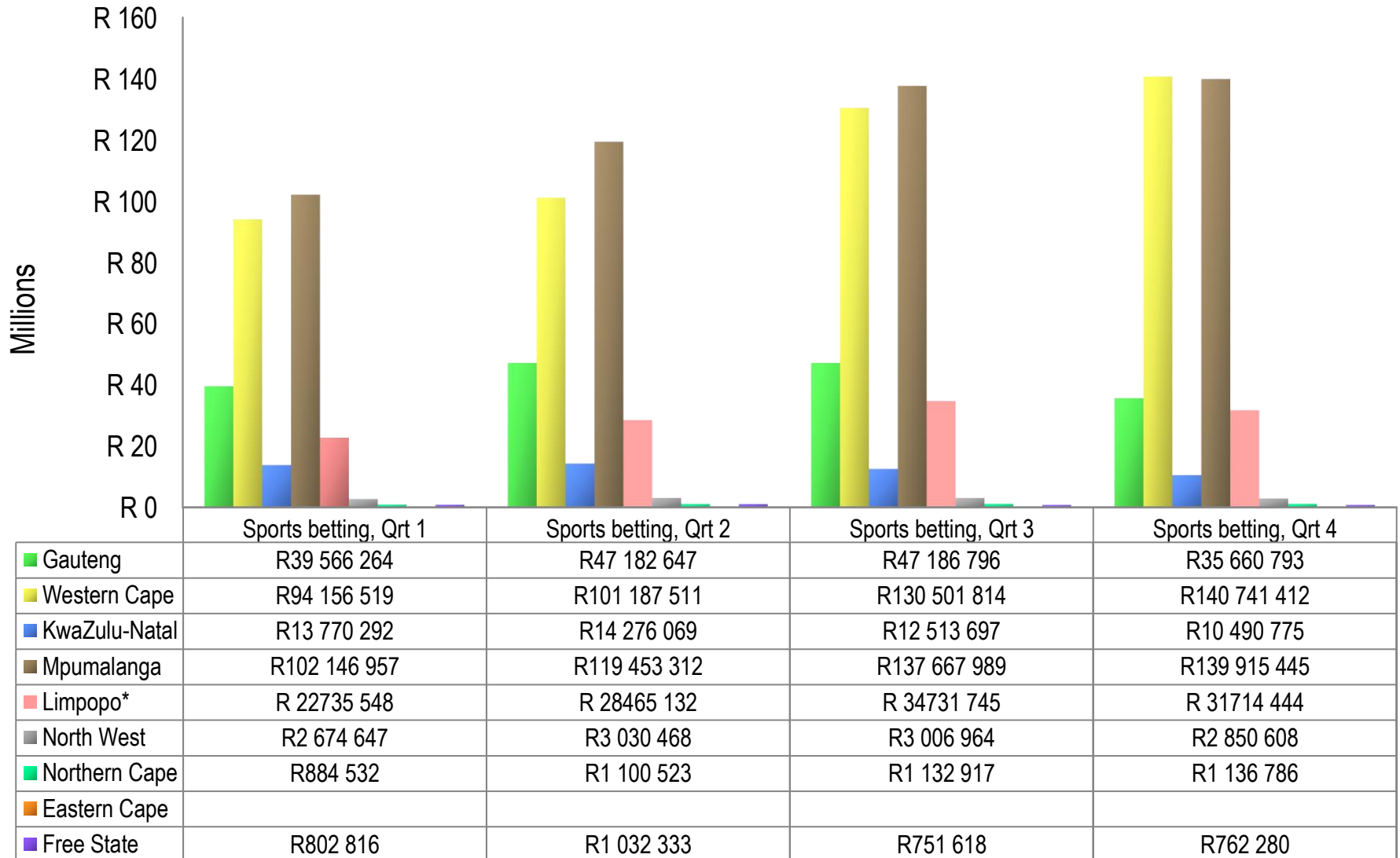


* Eastern Cape: Statistics includes sports betting

Quarterly betting taxes/levies – FY2022/23

Betting on sport*

Gambling tax levied and collected by PLAs

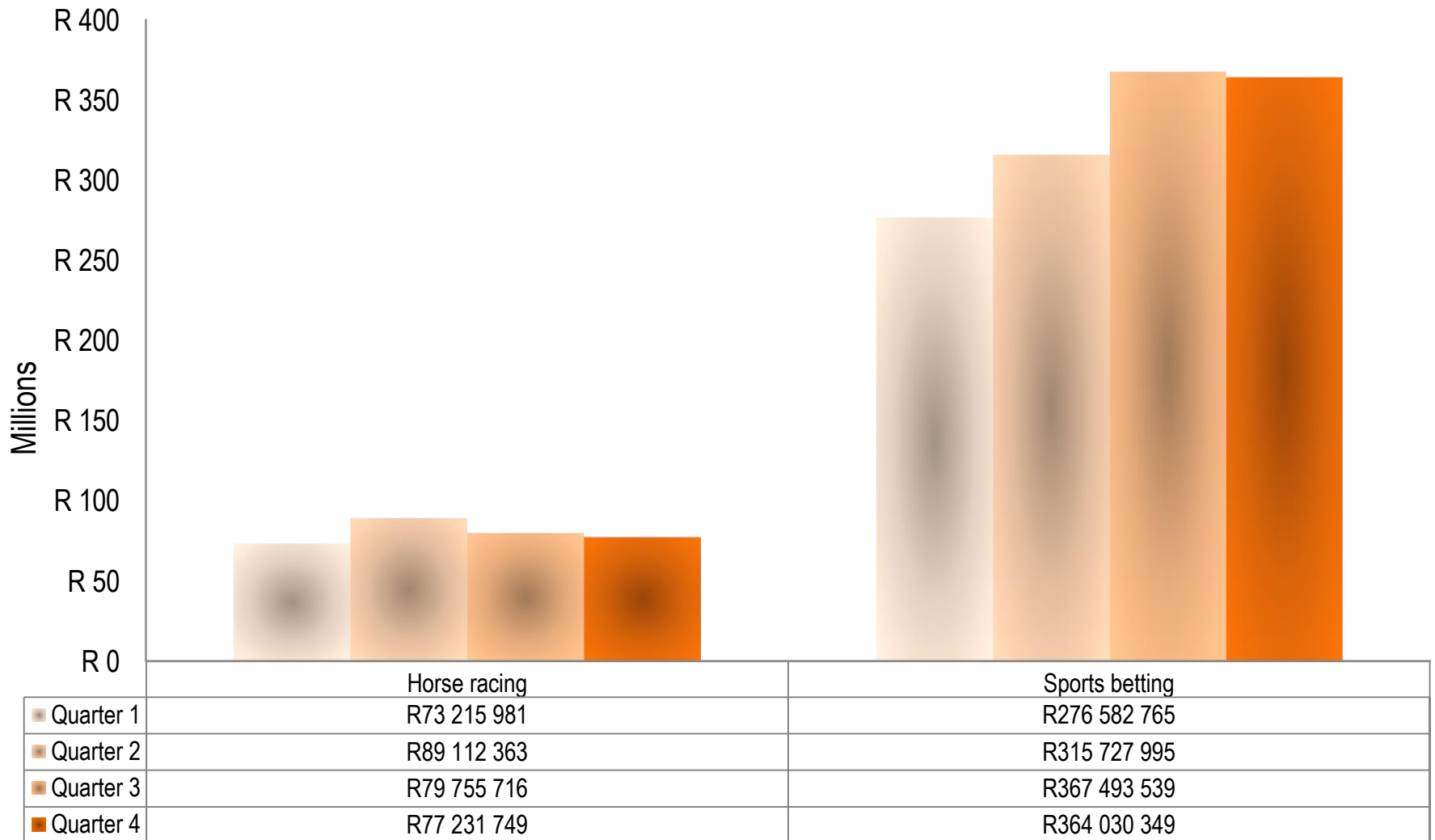


* Eastern Cape: Statistics for sports betting is included in the horse racing statistics

Quarterly betting taxes/levies – FY2022/23

Split between betting on horse racing & sport

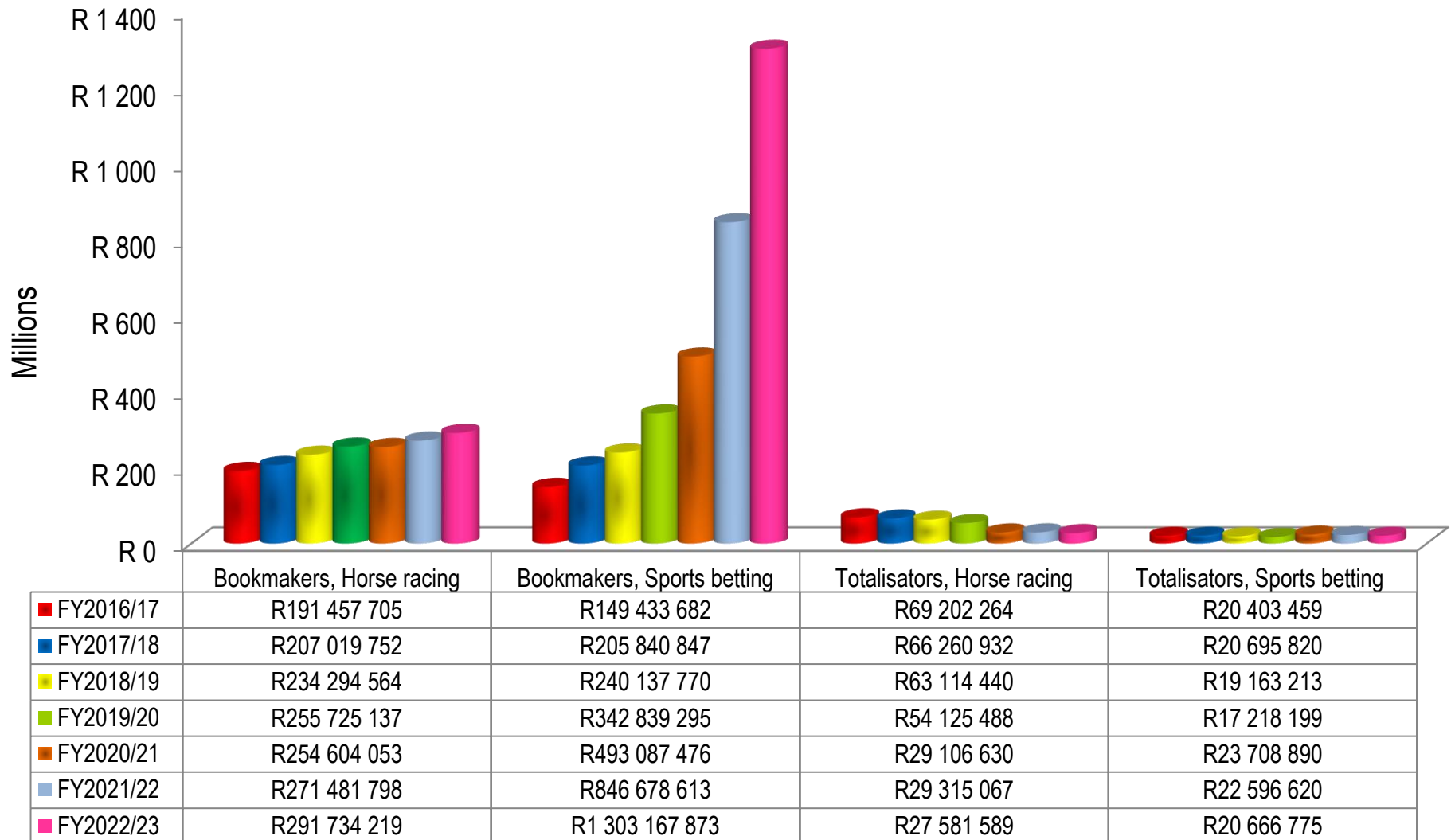
Gambling tax levied and collected by PLAs



* Eastern Cape: Statistics for sports betting is included in the horse racing statistics

Trend in taxes/levies, bookmakers & totalisators, FY2016/17 to FY2022/23

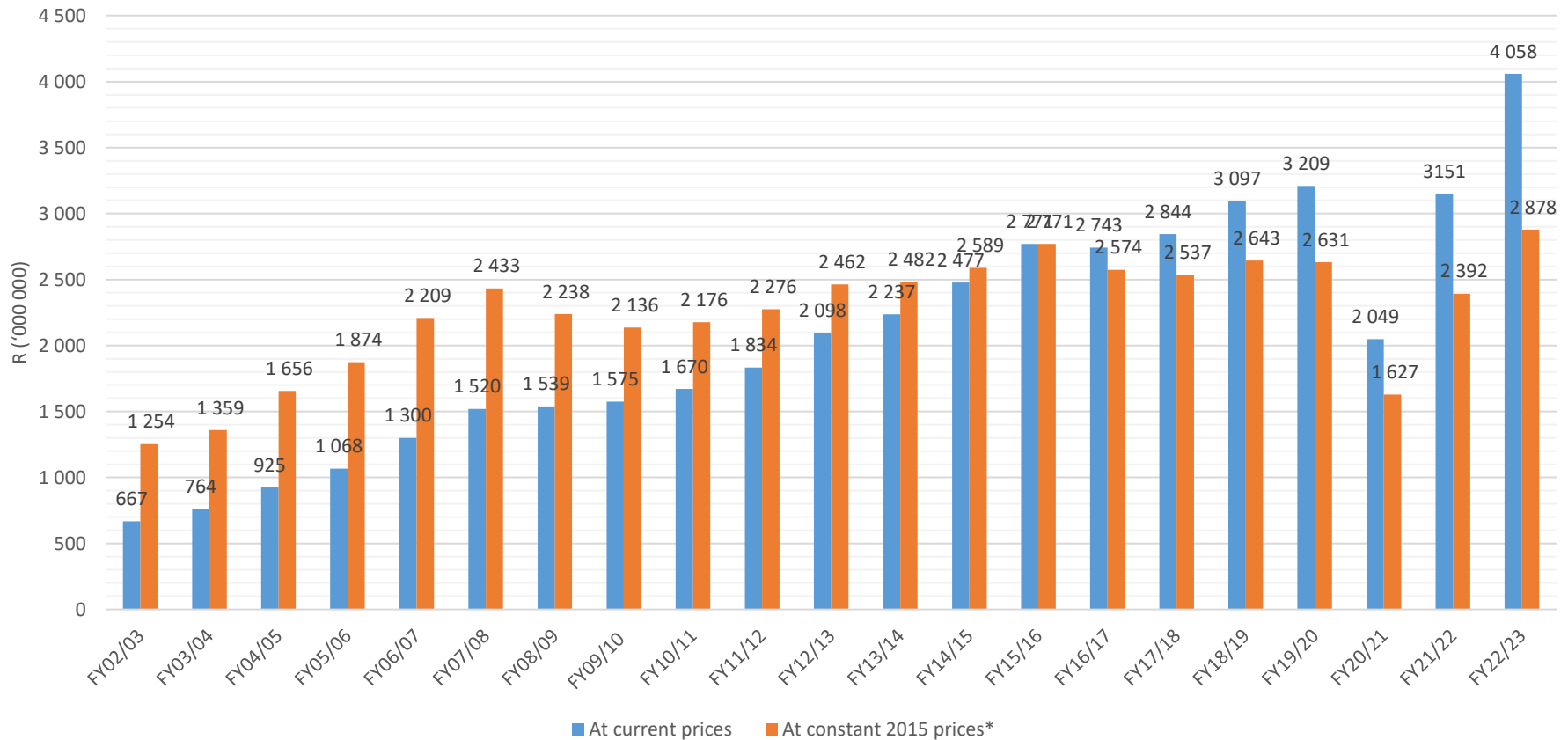
Gambling tax levied and collected by PLAs



Trend in taxes/levies – FY2002/03 to FY2022/23

(all modes and provinces)

Gambling tax levied and collected by PLAs



Summary : Taxes/Levies

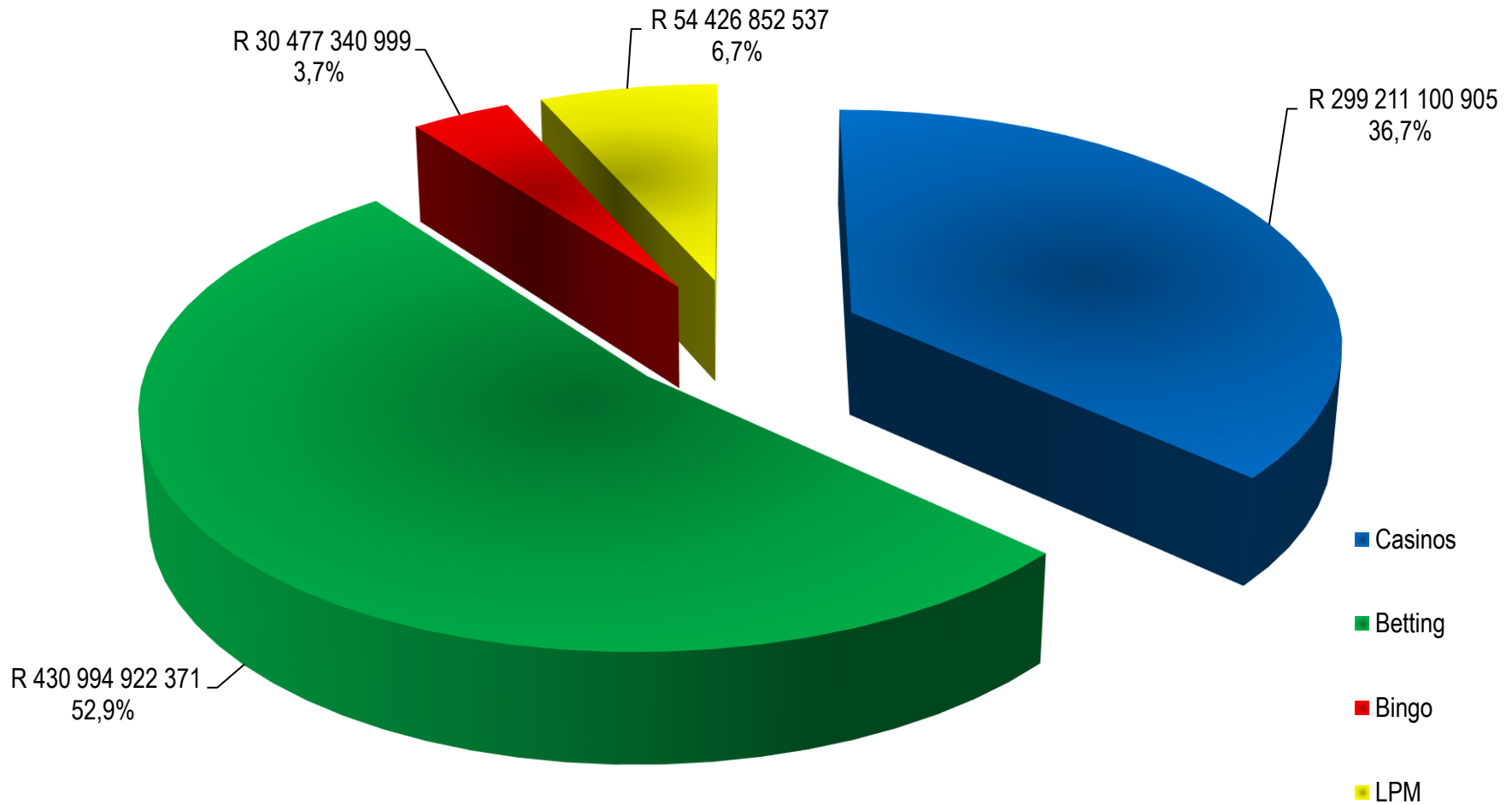
- ❑ Taxes/levies generated by the gambling industry amounted to R4.1 billion during FY2022/23. This is a 28.8% increase from the previous year's taxes/levies of R3.2 billion.
- ❑ The casino and betting sectors generated almost equal shares of taxes/levies, with casinos (43.1%) being slighter higher than betting (40.5%).
- ❑ Gauteng (28.0%) and the Western Cape (25.3%) provinces generated the largest share of taxes/levies compared to other provinces.

TURNOVER



Turnover per gambling mode – FY2022/23

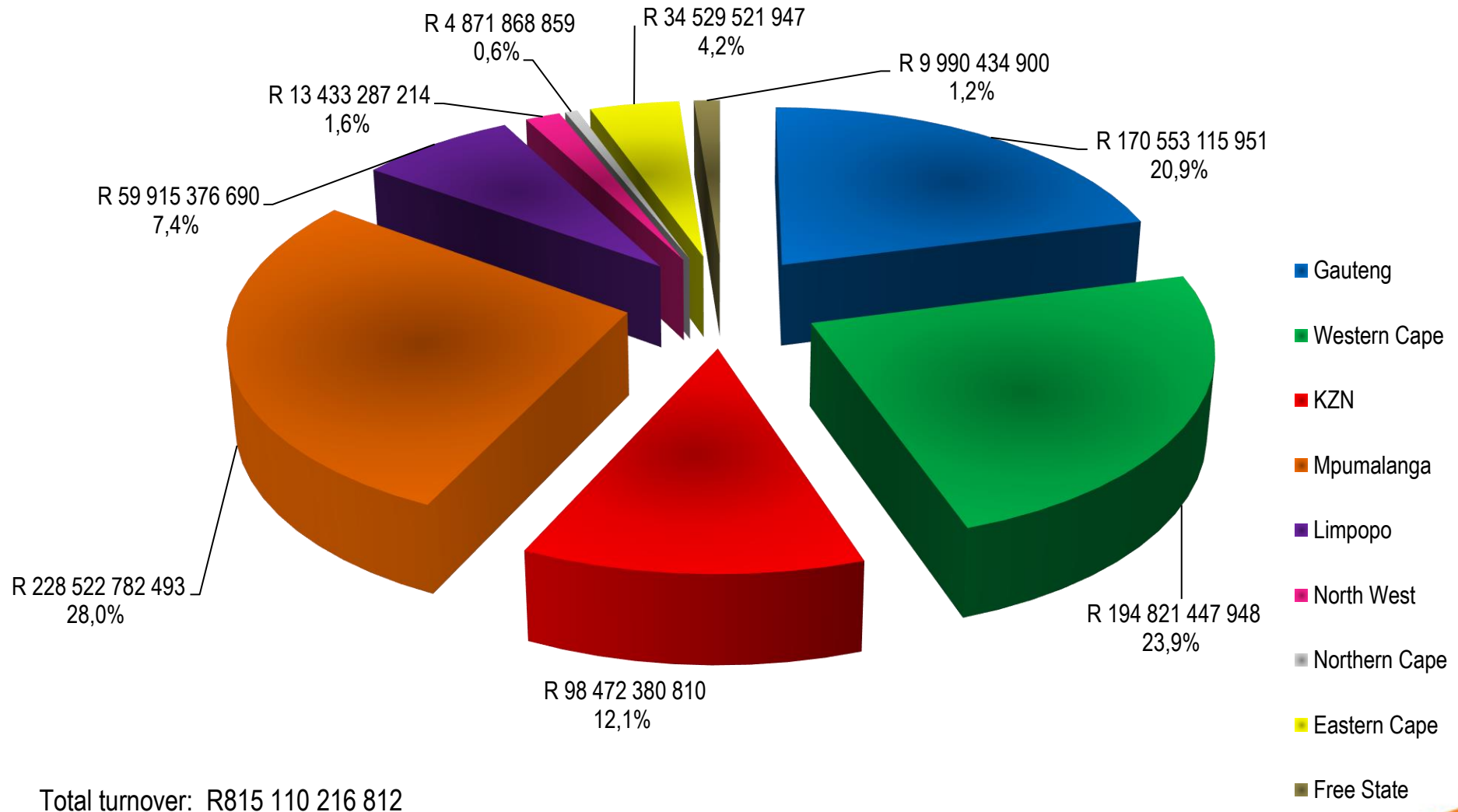
The rand value of money wagered includes "recycling" which refers to amounts that are staked on more than one occasion.



Total turnover: R815 110 216 812

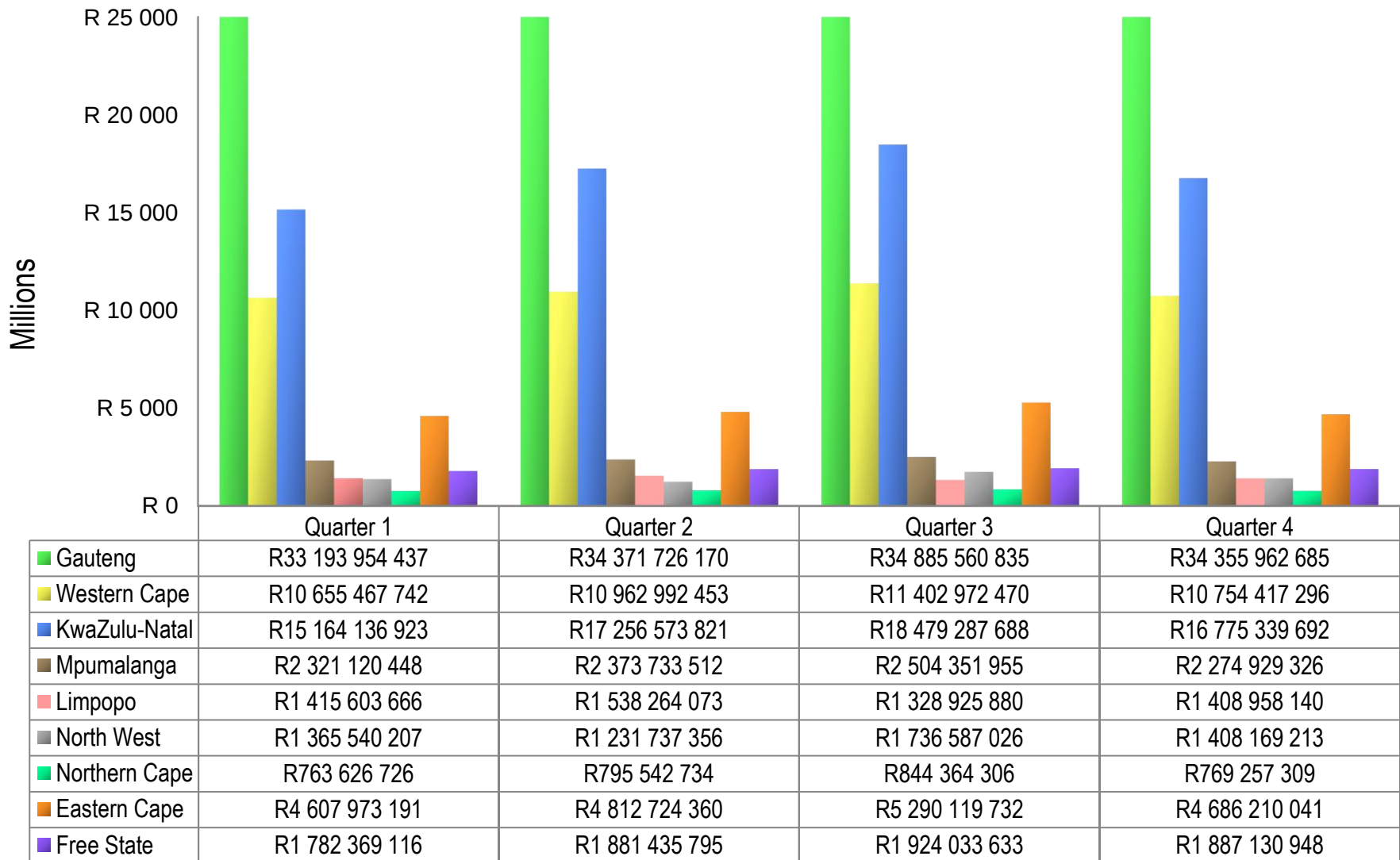
Turnover per province – FY2022/23

The rand value of money wagered includes "recycling" which refers to amounts that are staked on more than one occasion.



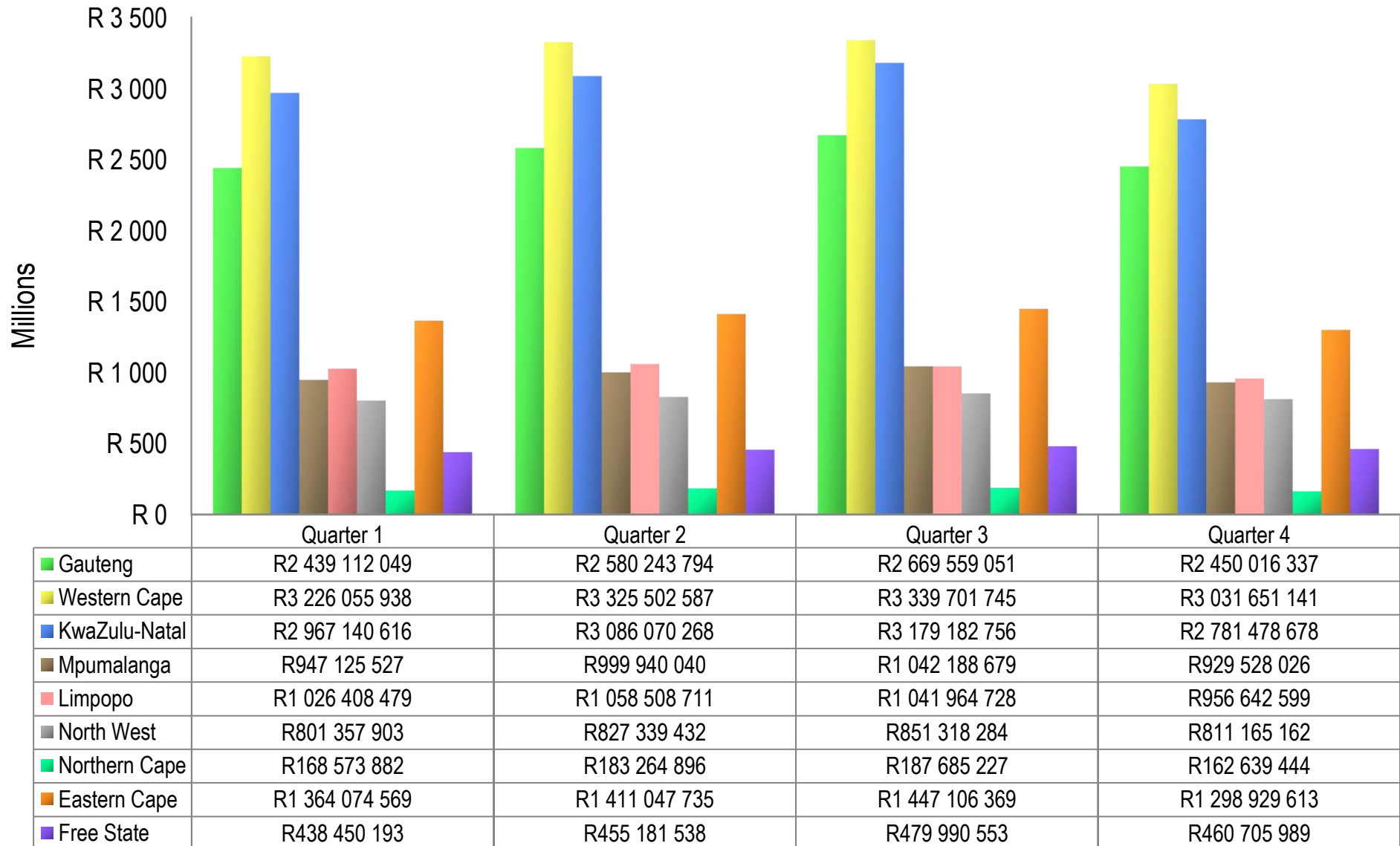
Quarterly casino turnover - FY2022/23

The rand value of money wagered includes "recycling" which refers to amounts that are staked on more than one occasion



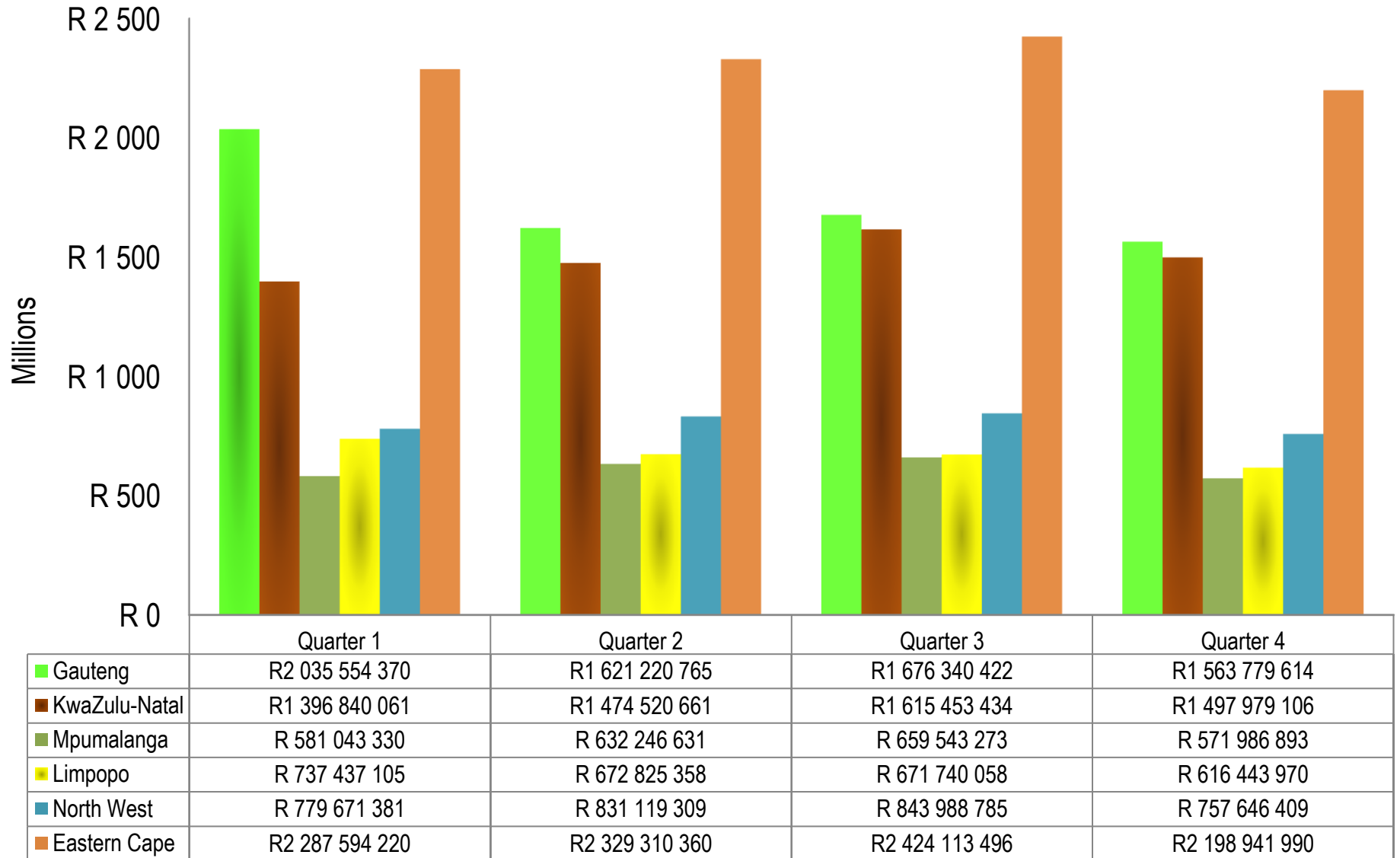
Quarterly LPM turnover - FY2022/23

The rand value of money wagered includes "recycling" which refers to amounts that are staked on more than one occasion



Quarterly bingo turnover - FY2022/23*

The rand value of money wagered includes "recycling" which refers to amounts that are staked on more than one occasion

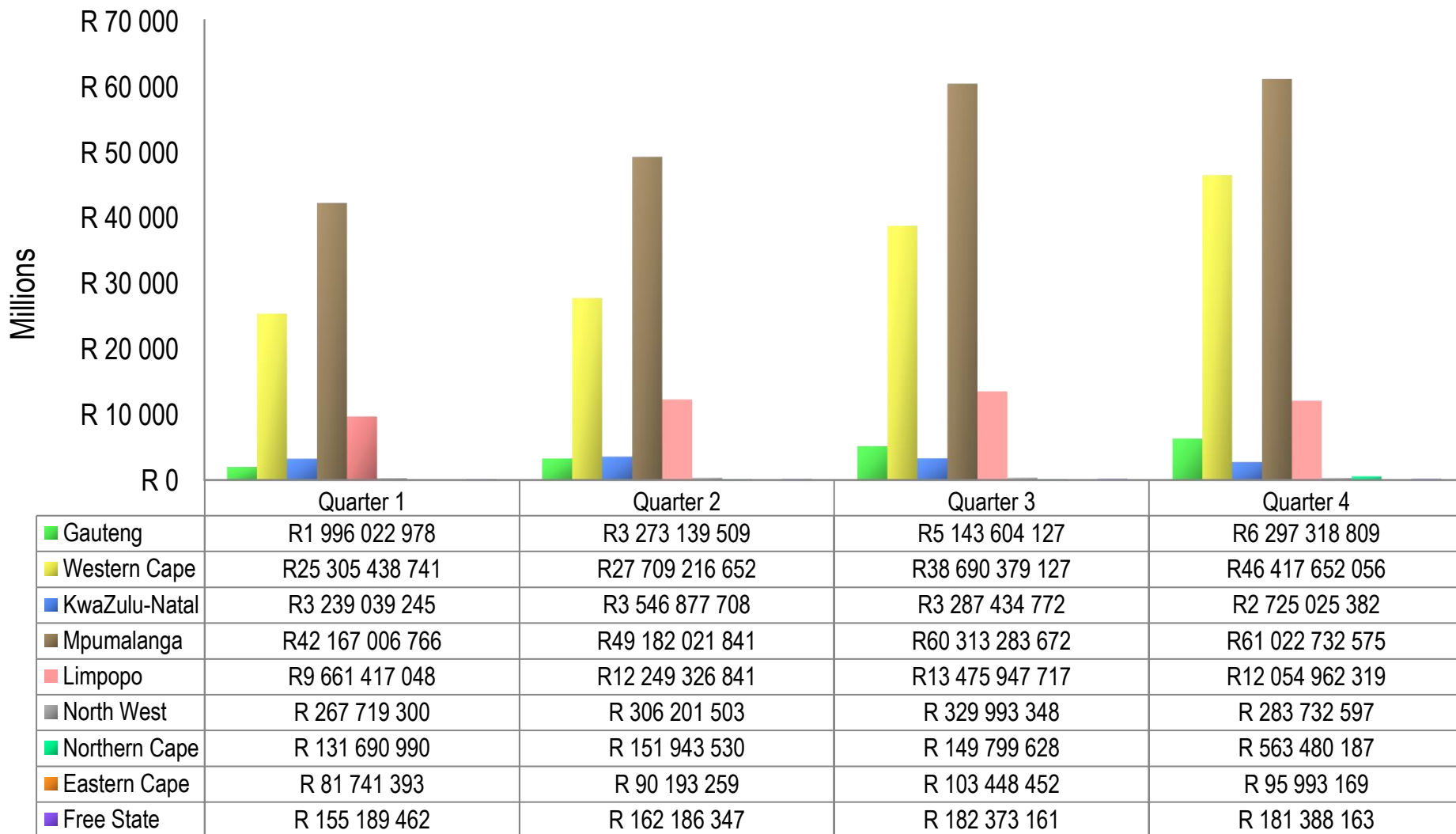


Bingo offered for play in Gauteng, Mpumalanga, North West, Limpopo, KwaZulu-Natal and Eastern Cape only

Quarterly betting turnover – FY2022/23

Bookmakers & Totalisators

The rand value of money wagered includes "recycling" which refers to amounts that are staked on more than one occasion

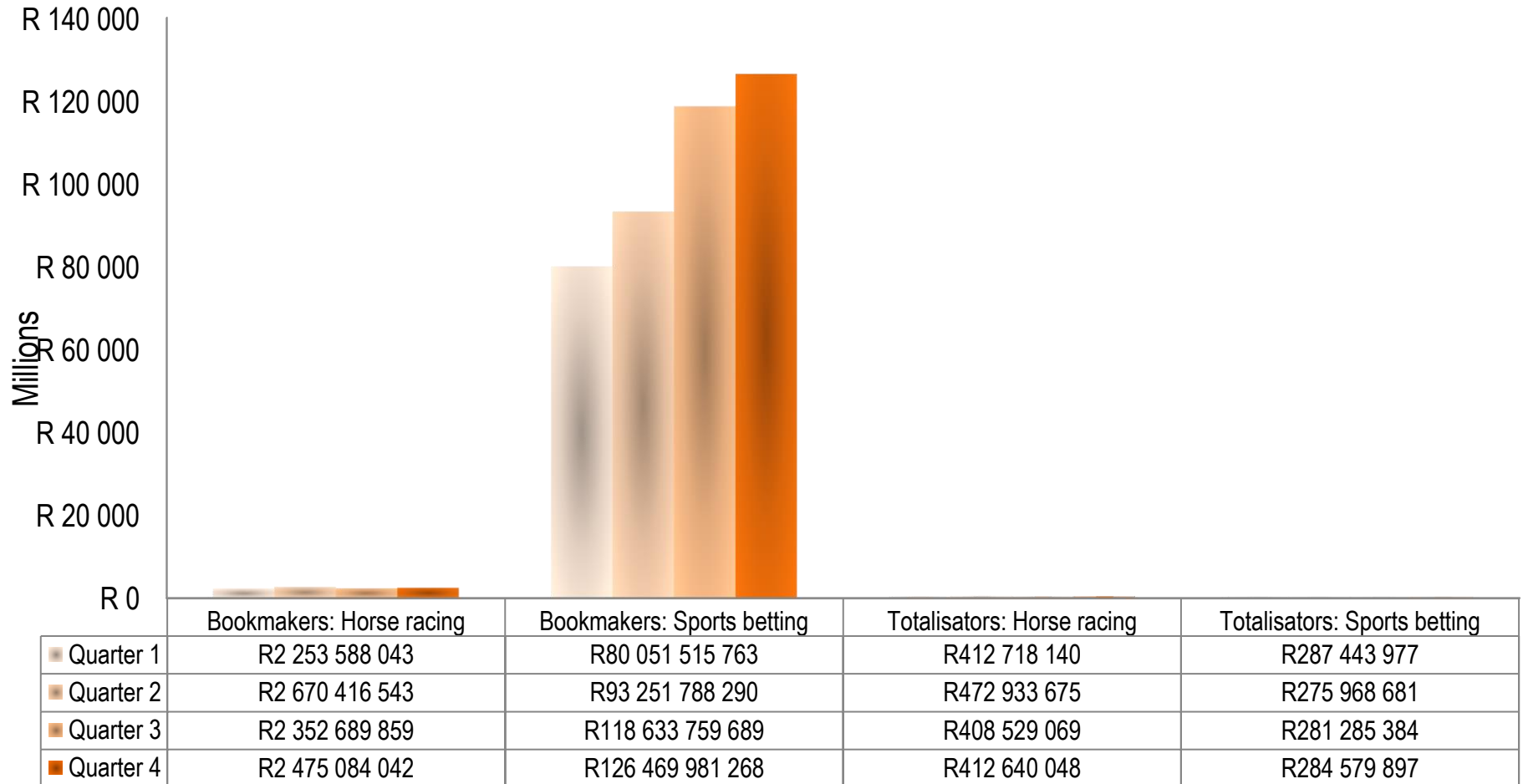


Quarterly betting turnover – FY2022/23

Split between Bookmakers & Totalisators

Betting on horse racing & sport

The rand value of money wagered includes "recycling" which refers to amounts that are staked on more than one occasion

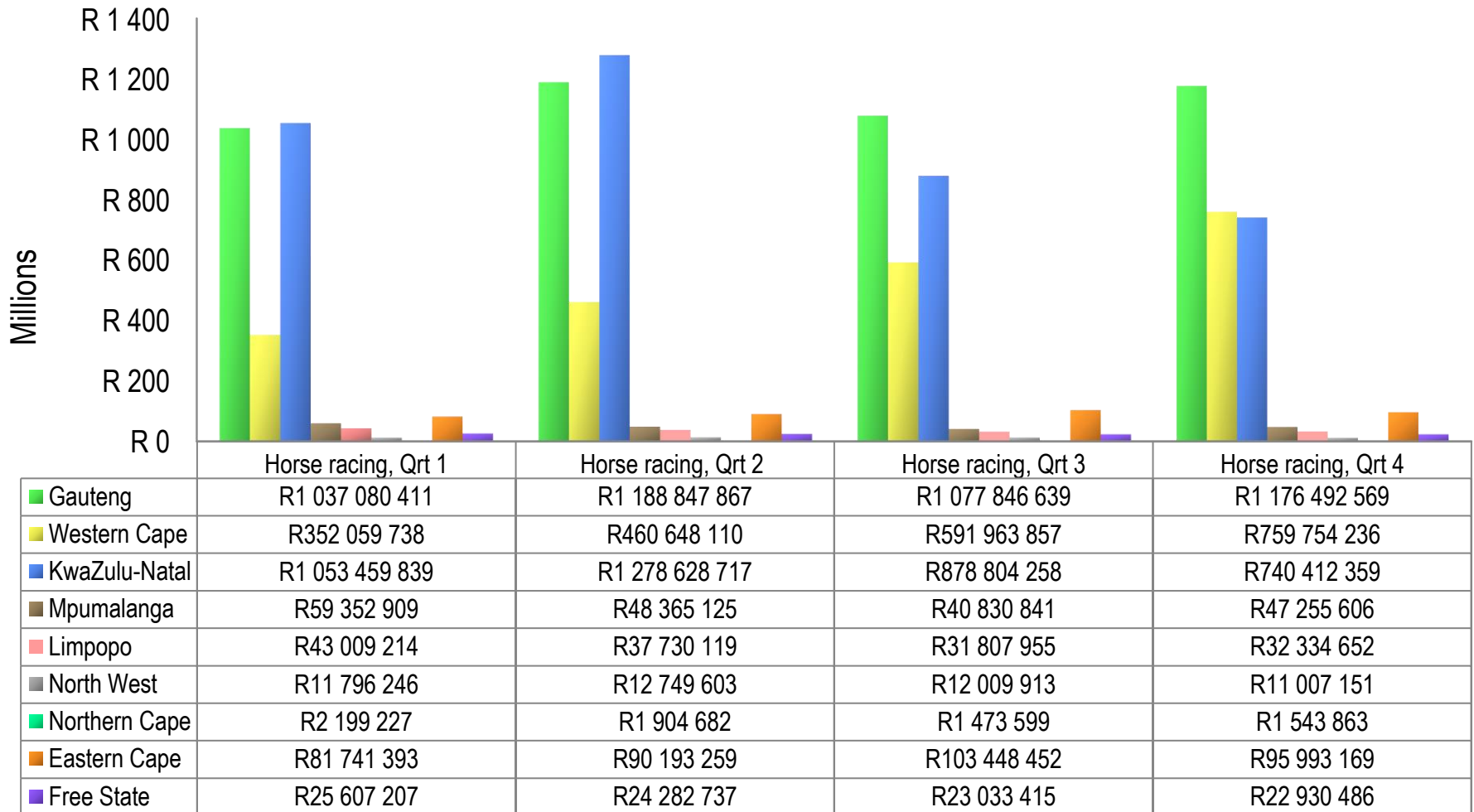


* Eastern Cape: Statistics for sports betting is included in the horse racing statistics

Quarterly betting turnover – FY2022/23

Betting on horse racing*

The rand value of money wagered includes "recycling" which refers to amounts that are staked on more than one occasion

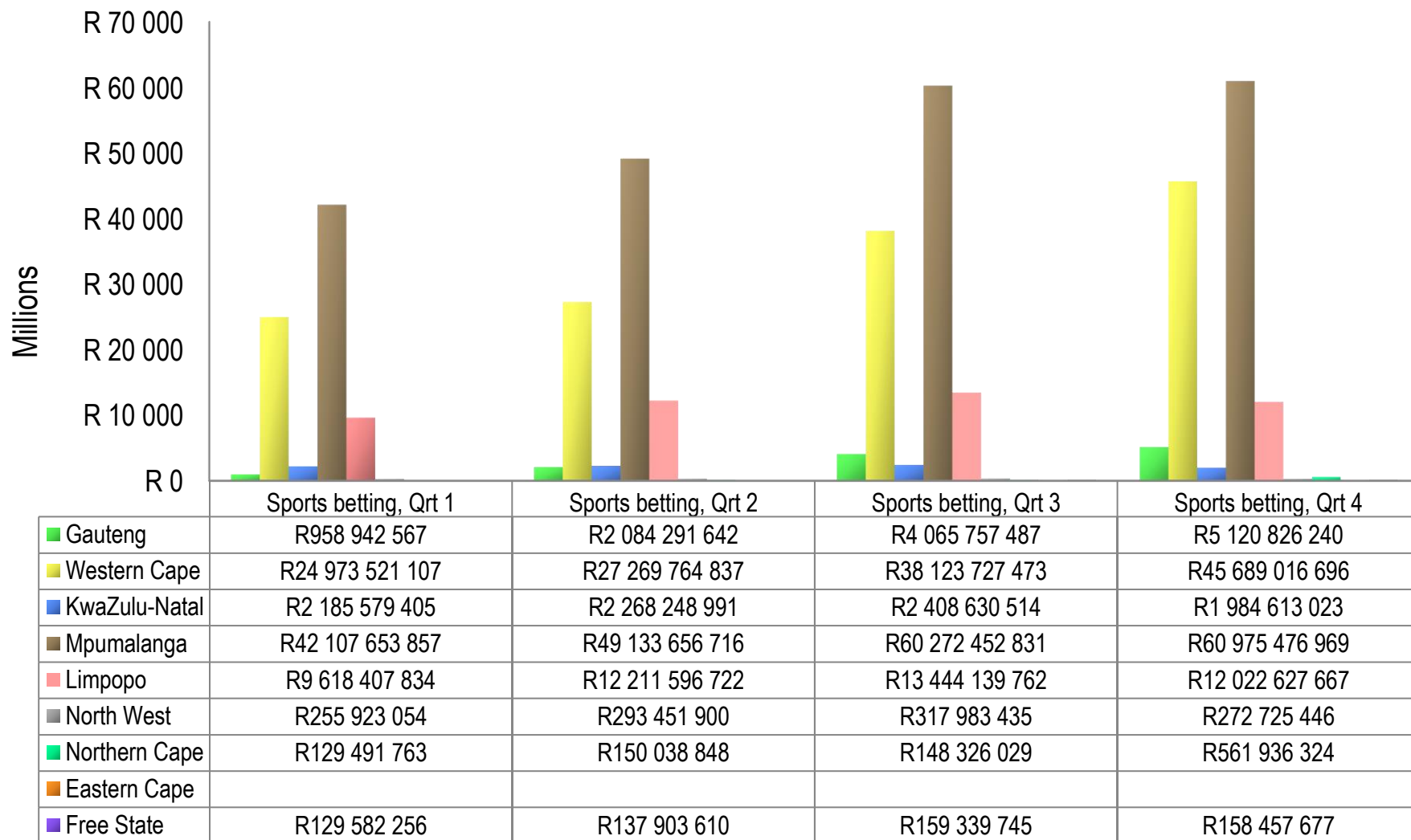


* Eastern Cape: Statistics includes sports betting

Quarterly betting turnover – FY2022/23

Betting on sport*

The rand value of money wagered includes "recycling" which refers to amounts that are staked on more than one occasion

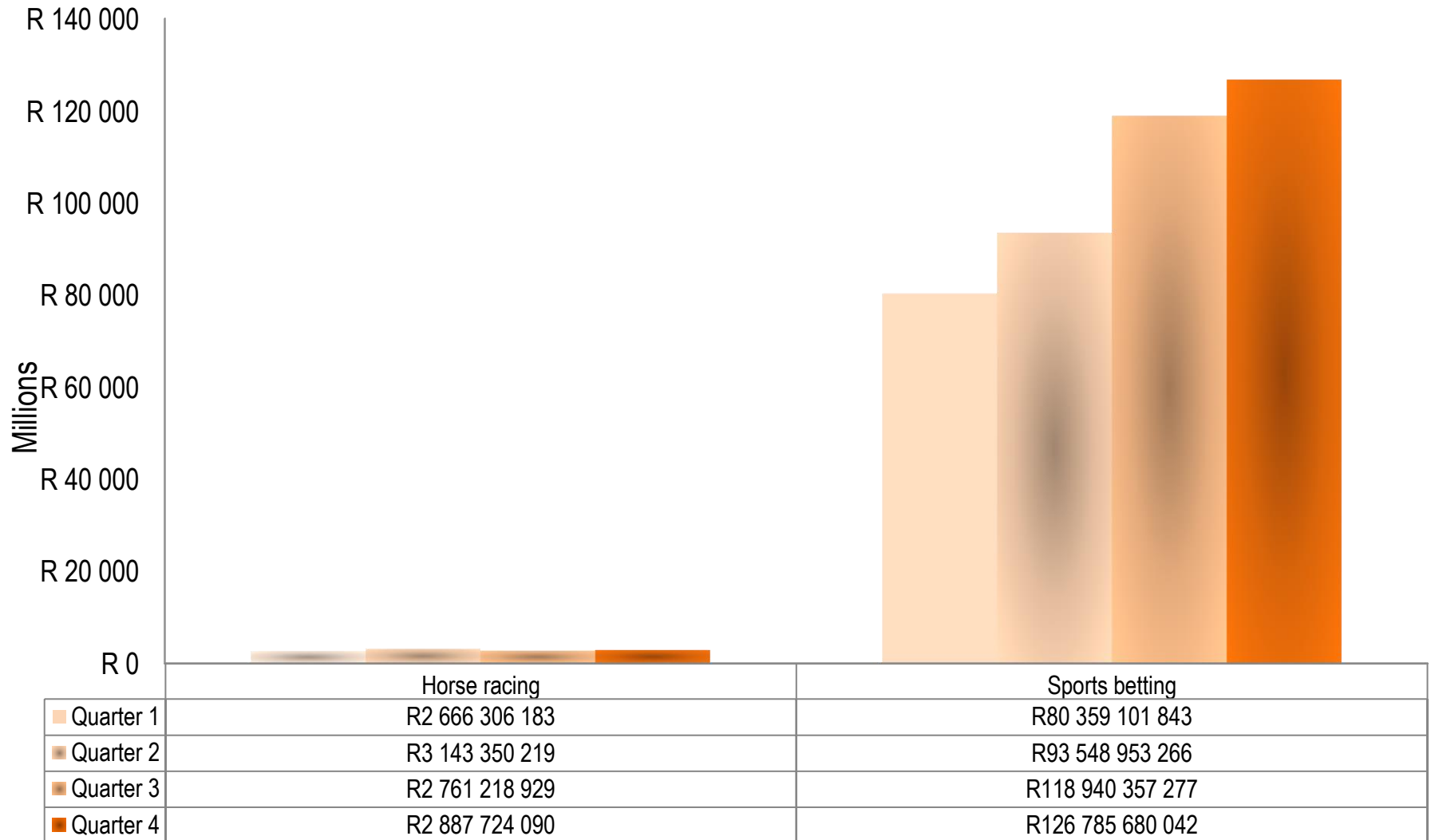


* Eastern Cape: Statistics for sports betting is included in the horse racing statistics

Quarterly betting turnover – FY2022/23

Split between betting on horse racing & sport

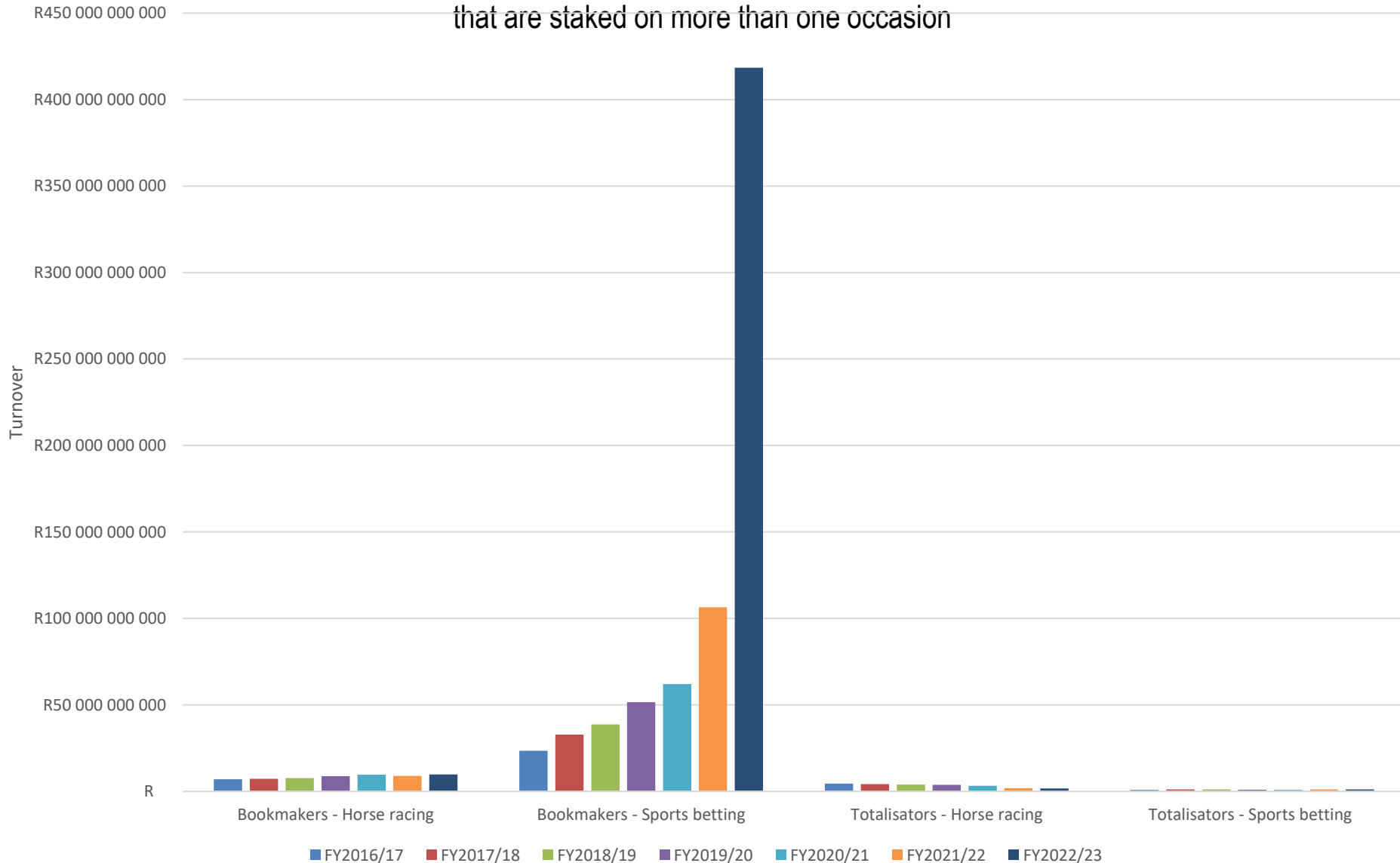
The rand value of money wagered includes "recycling" which refers to amounts that are staked on more than one occasion



* Eastern Cape: Statistics for sports betting is included in the horse racing statistics

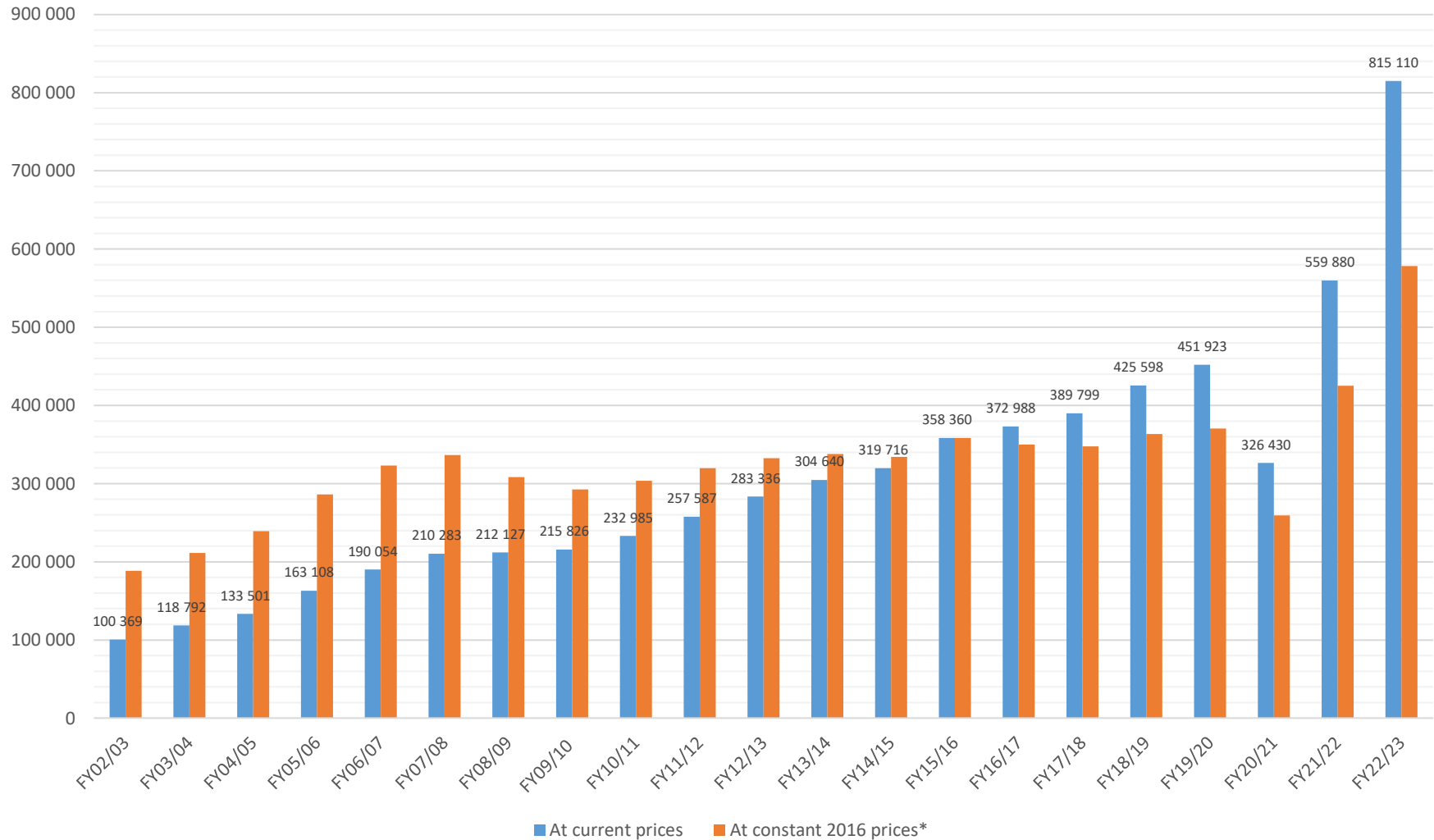
Trend in turnover, bookmakers & totalisators, FY2016/17 to FY2022/23

The rand value of money wagered includes "recycling" which refers to amounts
that are staked on more than one occasion



Trend in turnover– FY2002/03 to FY2022/23

The rand value of money wagered includes "recycling" which refers to amounts that are staked on more than one occasion

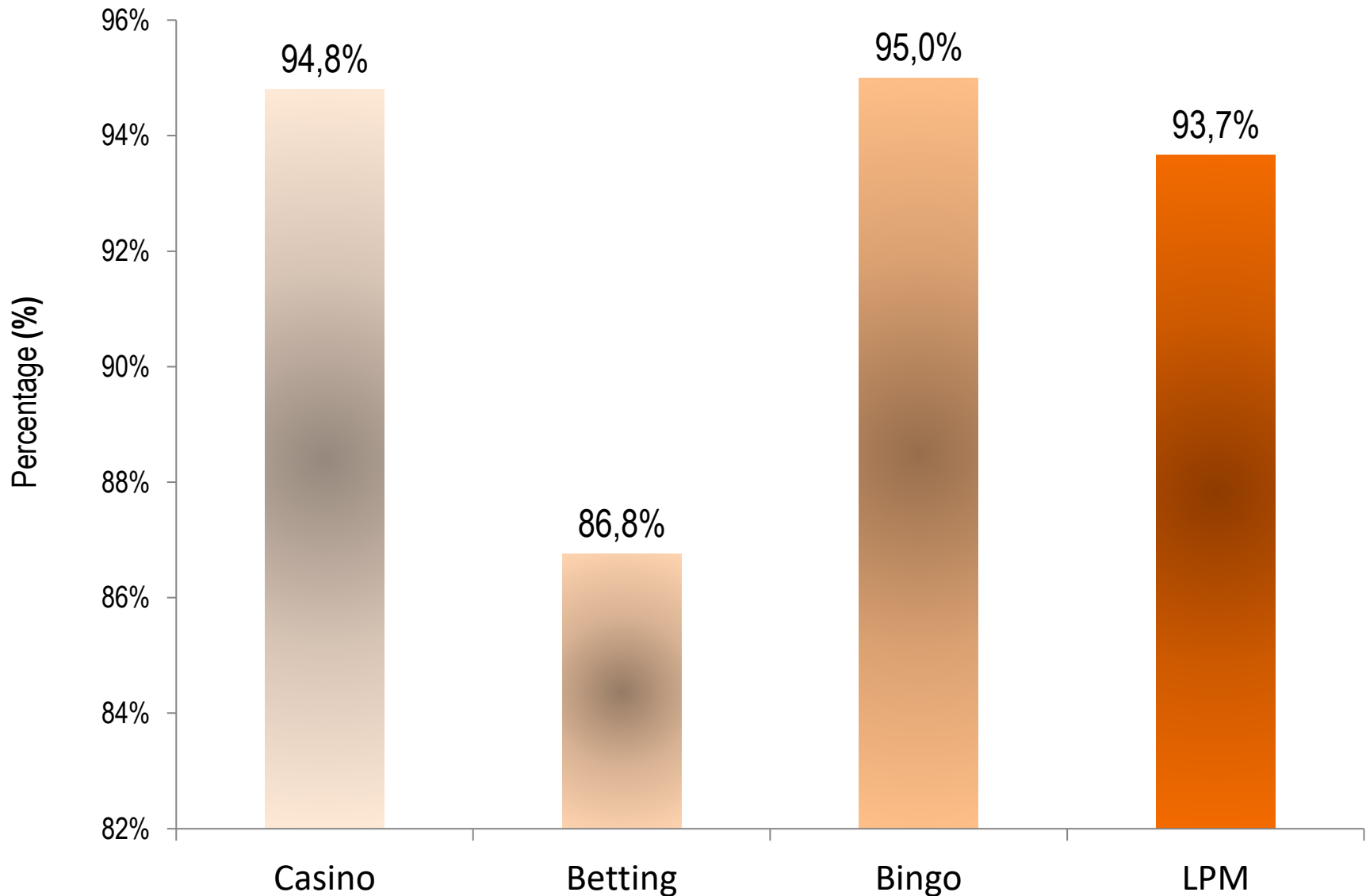


Summary: Turnover

- ❑ A total amount of R815.1 billion was wagered in FY2022/23. This is a 45.6% increase from the previous year's turnover of R559.9 billion.
- ❑ The betting sector generated more than half of industry turnover at 52.9%. This was followed by casinos at 36.7%. The LPM and bingo sectors generated 6.7% and 3.7% of industry turnover respectively.
- ❑ Mpumalanga generated the highest amount of turnover at R228.5 billion or 28.0% of total turnover, followed by the Western Cape (R194.8 billion or 23.9%). Gauteng was the third largest province in terms of money wagered at R170.6 billion (20.9%).

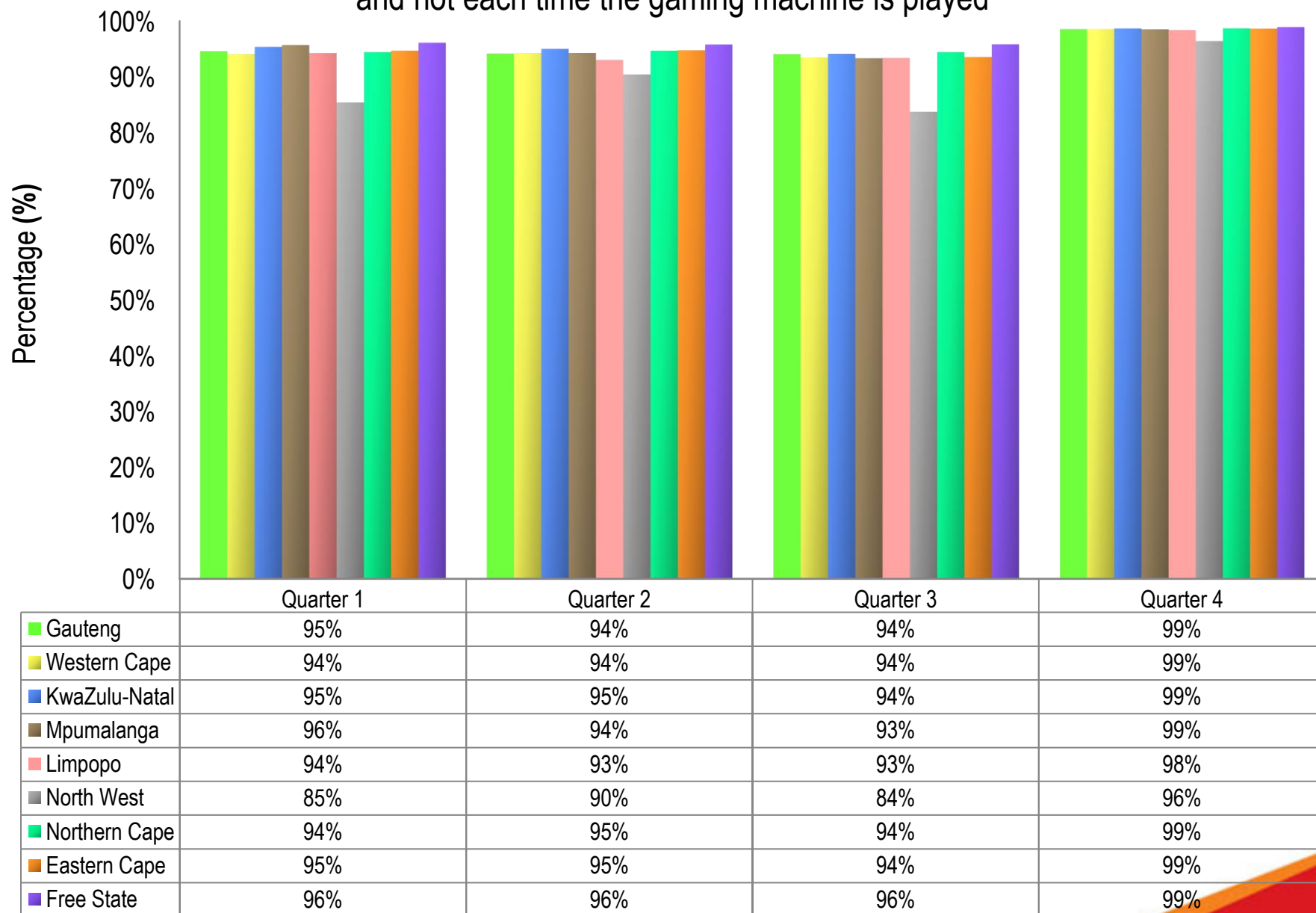
Average RTP % per gambling mode – FY2022/23

Return to Player is an average achieved over a significant number of game plays*
and not each time the gaming machine is played



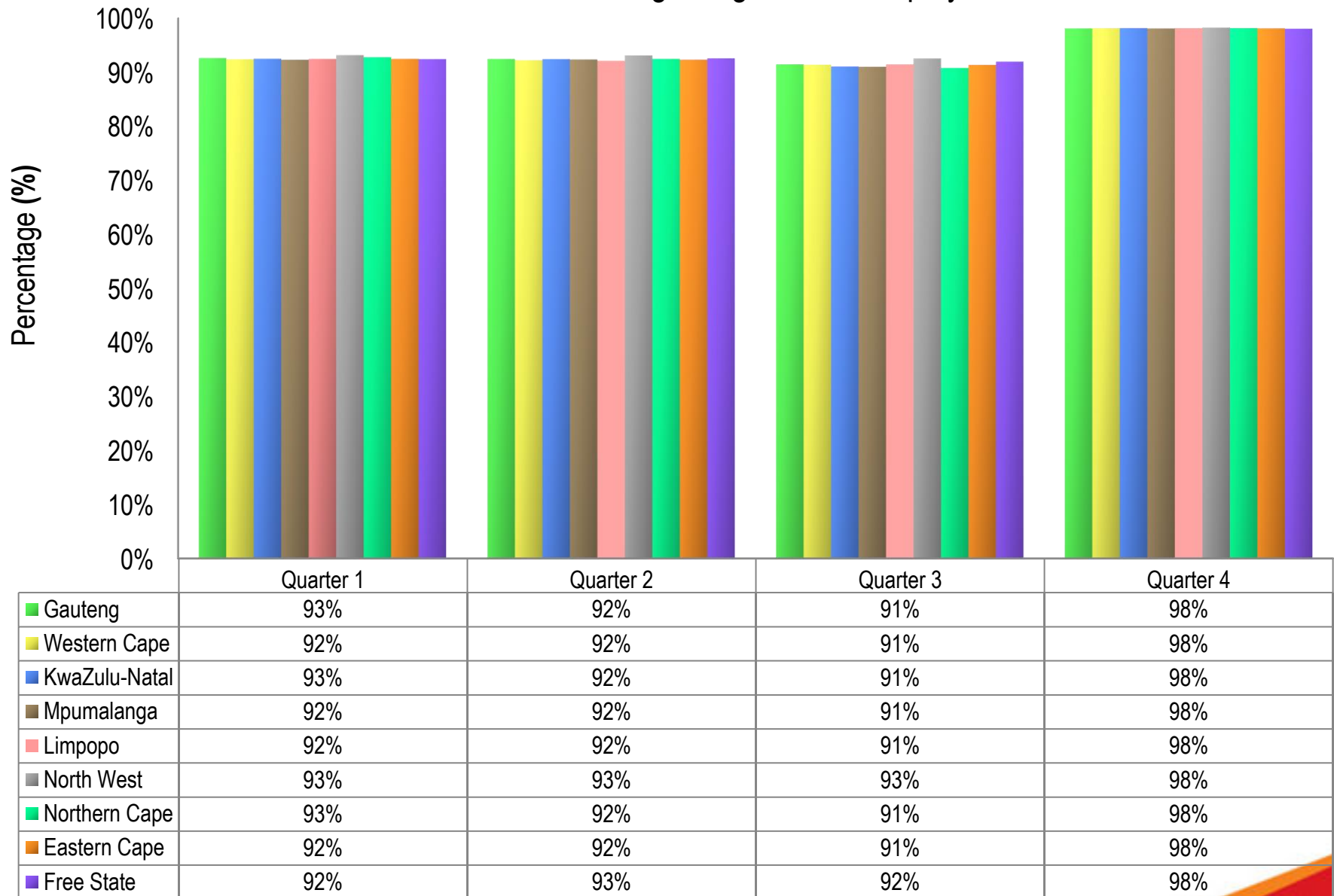
Quarterly casino RTP % - FY2022/23

Return to Player is an average achieved over a significant number of game plays*
and not each time the gaming machine is played



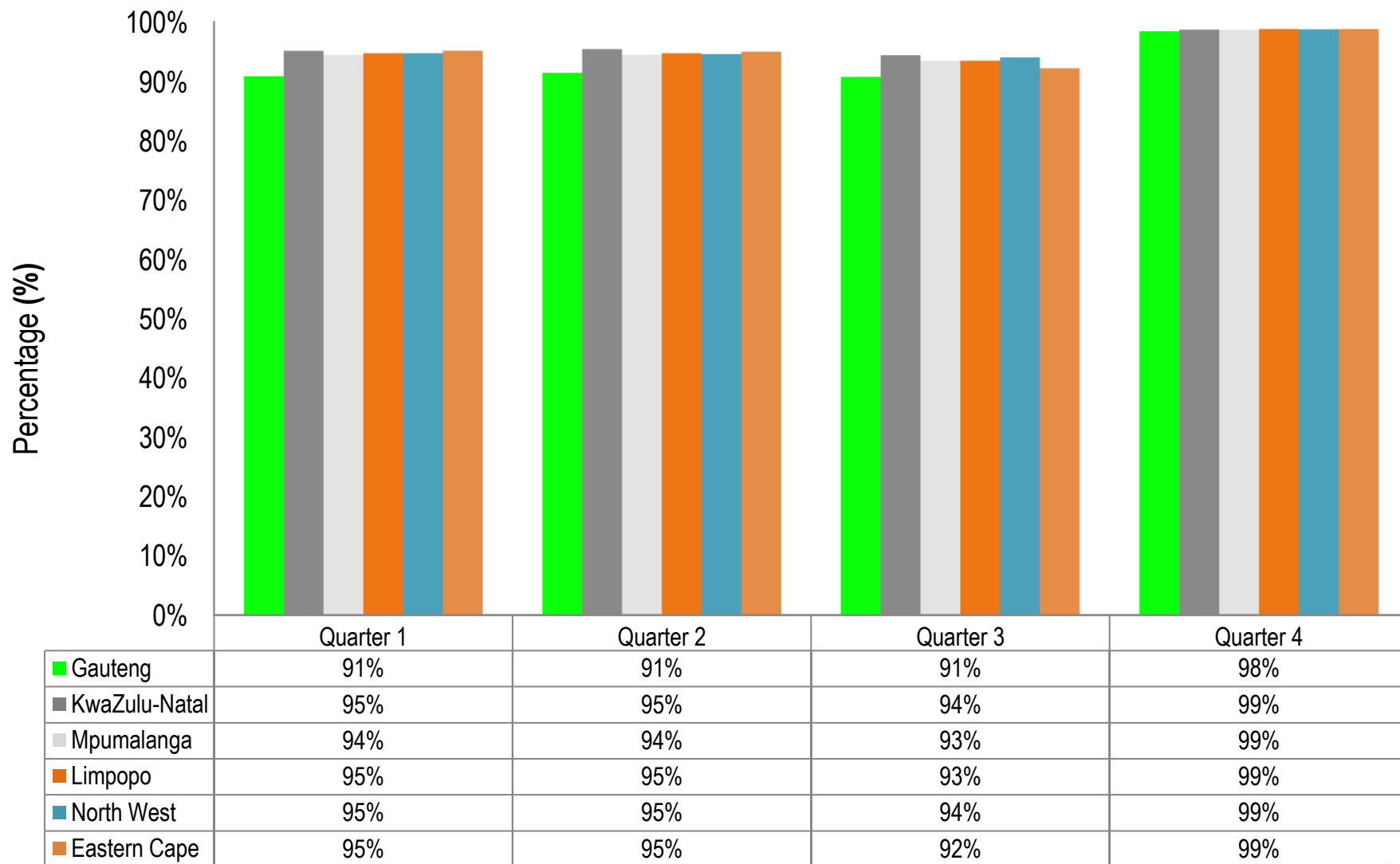
Quarterly LPM RTP % - FY2022/23

Return to Player is an average achieved over a significant number of game plays*
and not each time the gaming machine is played



Quarterly bingo RTP % - FY2022/23*

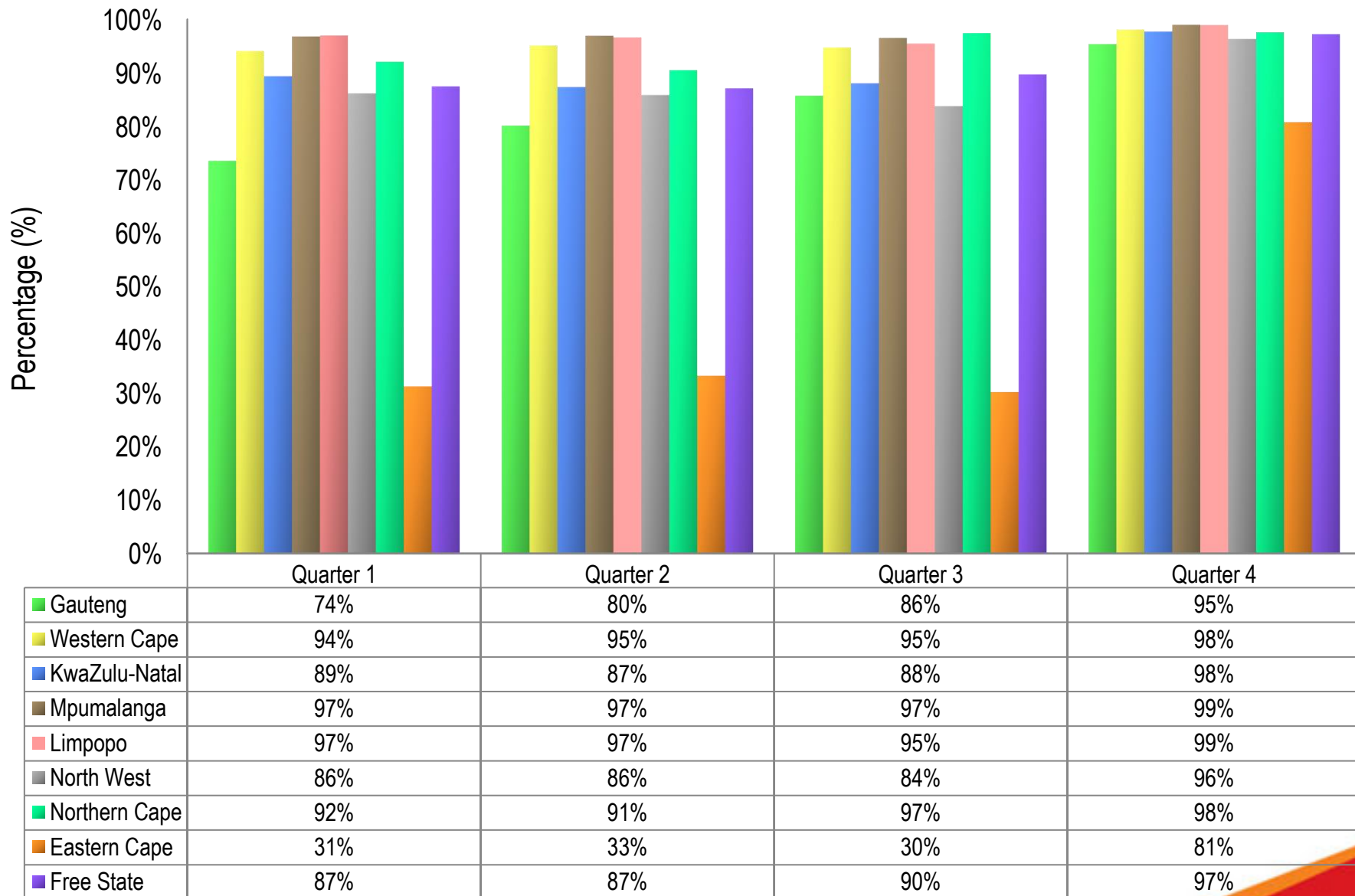
Return to Player is an average achieved over a significant number of game plays*
and not each time the gaming machine is played



* Bingo offered for play in Gauteng, Mpumalanga, Limpopo, North West, Eastern Cape and KwaZulu-Natal only

Quarterly betting RTP % - FY2022/23

Return to Player is an average achieved over a significant number of game plays*
and not each time the gaming machine is played



Conclusion

- ▶ The gambling industry has historically grown at rates around 7% prior to the pandemic. The high year on year growth rates over the past 2 years are reflective of the rebound from the pandemic and the rising demand for betting.
- ▶ FY2022/23 entrenched the dominance of the betting market in the South African gambling industry, expanding its market share to 50.3%, while the other three modes shared the remaining half of the market.
- ▶ Consumers growing preference for betting may be because it is permitted online while the other modes are land-based.
- ▶ Casinos generate disproportionately larger taxes to the economy relative to betting because of the differential tax rates applied to the gambling modes – with casinos taxed at the higher rate.

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