

NATIONAL GAMBLING AMENDMENT BILL

The ANNUAL BETTING & IGAMING (BIG) AFRICA SUMMIT

7 NOVEMBER 2017

EMPEROR'S PALACE HOTEL & CASINO, GAUTENG

**Mr NKOATSE MASHAMAITE – DIRECTOR: GAMBLING LAW AND
POLICY – the dti**



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Trade and Industry
REPUBLIC OF SOUTH AFRICA



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BACKGROUND



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WIEHAHN COMMISSION POLICY OBJECTIVES AND ANALYSIS

Below is a list of Wiehahn Commission policy objectives which are still relevant today

Policy Objective

Current Status

Protection of society from over-stimulation of latent gambling through the ***limitation of gambling opportunities***

Protection of players and integrity and fairness of the industry through ***strict control and supervision*** of the industry

Uniformity and harmonisation of policy and legislation at all levels of government across provinces through minimum norms and standards, cooperation and coordination

Generation of ***revenue and taxes*** for provincial governments and for good causes

Economic empowerment of the ***historically disadvantaged***

Promotion of ***economic growth, development and employment***



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BILL CHANGES

Problem	Proposed Solution
<p>Section 4</p> <p>The provision permitted taking of bets or wagers on any contingencies. This led to the undesired outcomes when bookmakers began to take bets on lottery results and operating sports pools.</p>	<p>Section 4 is amended to provide that betting on any contingencies excludes bets on lottery results and sports pools – local or abroad.</p> <p>This will ensure that there is no undue competition with the lottery operator as the lottery licence is granted with a guarantee for a monopoly.</p>



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BILL CHANGES

Problem	Proposed Solution
Section 11 The Policy approved by Cabinet expressly prohibited betting or gambling on illegal gambling activities. This was developed having in mind the illegal online gambling and dog racing amongst others.	Section 11 is amended to provide that online gambling and betting on dog racing are prohibited in the country.



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BILL CHANGES

Problem	Proposed Solution
<p>Section 14</p> <p>The provision makes it permissible for a person to exclude themselves or that they can be excluded by third party through a court order.</p> <p>It has been noted that often that excluded person will remain on the mailing list of gambling outlets they gambled with and that is not assisting the course to rehabilitate them.</p>	<p>Section 14 is amended to provide that excluded persons must be removed from the mailing list after the exclusion is communicated.</p>

BILL CHANGES

Problem	Proposed Solution
<p>Section 30</p> <p>Provincial licensing Authorities have been issuing bookmaker licences and totalisator licences which permitted betting on lottery results and conducting of sports pools respectively.</p> <p>This has been found to be undermining the lottery mandate of conducting lottery and sports pools</p>	<p>Section 30 is amended to provide that Provincial Licensing Authorities will no longer have powers to issue licences which will permit betting on lottery results or conducting sports pools.</p>



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BILL CHANGES

Problem	Proposed Solution
<p>Bingo</p> <p>The emergence of Electronic Bingo Terminals (EBTs) exposed the lack of forward looking in the current policy in that it was never considered that there may in future be this type of electronic bingo.</p> <p>The proposal is that a <i>framework</i> be introduced for regulating EBTs in a coherent and consistent manner.</p>	<p>Section 44A is inserted to provide that electronic form of bingo <i>be allowed with the following:</i></p> <p>That Minister is empowered to determine the maximum number of bingo licences and machines the country should have</p> <p>The two bingo activities must <i>be allocated together.</i></p> <p><i>That the server must be permitted within each licensed premises</i></p>



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BILL CHANGES

Problem	Proposed Solution
<p>Horseracing and Betting</p> <p>Horseracing is regulated through the National Gambling Act 7 of 2004 (the Act) only regulate betting (tote betting or bookmakers betting).</p> <p>Value chain of horseracing entirely depends on financing from betting and betting results depends on the results of horseracing which makes a case for government to intervene.</p>	<p>Section 44C is amended to provide for the recognition of self-regulation in the industry, including:</p> <p>Self-regulation body be placed under the oversight of the National Gambling Regulator through the standards approved by the NGPC.</p> <p>This will ensure the credibility of racing results and fair treatment of all participants in the horseracing industry.</p>



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BILL CHANGES

Problem	Proposed Solution
<p>Bookmakers</p> <p>Bookmakers and horseracing operators take bets on lotteries results including sports pools through totalisator sports betting. This is contravention of the Lotteries Act.</p> <p>The amendments of section 4 and 30 respectively may have adverse effects on operators given the lengthy period they have been betting on lottery and sports pools.</p>	<p>Section 44C is introduced to further qualify that any operator taking bets on lottery results or conducting sports pools must be licensed under the lottery legislation.</p> <p>This will include contribution towards the NLDTF as shall be determined by Minister.</p>



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BILL CHANGES

Problem	Proposed Solution
National Gambling Policy Council	
Effectiveness of the National Gambling Policy Council (Council) is hindered by the constant lack of quorum.	Section 63A is inserted to provide that if there is no quorum the third meeting should be empowered to make a decision without a quorum
Policy alignment at national and provincial government is not achieved while provinces continue to implement policies contrary to resolutions.	Paragraph (g) is inserted in section 62 to require that national and provinces are obliged to table their policy amendments before Council to ensure policy harmony nationally.



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BILL CHANGES

Problem	Proposed Solution
National Gambling Board	
Repositioning of the National Gambling Board	Section 67 of the Act will remove the board and reposition the National Gambling Board to become the National Gambling Regulator (NGR) led by CEO.
Automatic forfeiture of unlawful winnings	Section 16 is amended to provide that money forfeited as <i>unlawful winnings</i> should be automatically forfeited without court order and paid over into the NGR to fund activities relating to problem gambling.
Authority of the NGB to approve 40 LPM sites.	Section 33 is amended to emphasis the NGR's role is to ensure socio-economic effects of gambling are considered before such approval.



BILL CHANGES

Problem	Proposed Solution
National Gambling Regulator	
Enforcement against illegal gambling operations	<p>Section 76A is inserted to provide for the NGR to develop inspectorate capacity to enforce against illegal gambling operations in the country.</p> <p>This includes measures to combat illegal online gambling.</p> <p>Section 76 is also amended to insert a provision that the NGR keep a register of illegal gambling operators</p>



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THE END



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