

GOVERNMENT NOTICES • GOEWERMENTSKENNISGEWINGS

DEPARTMENT OF TRADE AND INDUSTRY

NO. 1031

30 OCTOBER 2015

NATIONAL GAMBLING ACT, 2004

NOTICE REGARDING THE MAXIMUM NUMBER OF CASINO LICENCES THAT MAY BE GRANTED THROUGHOUT THE REPUBLIC

I, Dr Rob Davies, the Minister of Trade and Industry, after consultation with the National Gambling Policy Council, hereby in terms of section 45(1) read with section 87(1)(b) of, and item 6 of the schedule to the National Gambling Act, 2004, (Act No. 7 of 2004), give notice of my intention to set the maximum number of casino licences that may be granted throughout the Republic at **forty-one (41)**, to be divided among the provinces as follows:

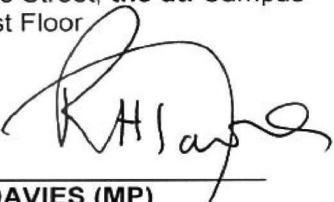
1. Eastern Cape : Five (5);
2. Free State : Four (4);
3. Gauteng : Seven (7);
4. Kwazulu-Natal : Five (5);
5. Mpumalanga : Four (4);
6. Limpopo : Three (3);
7. Northern Cape : Three (3);
8. North West : **Five (5)**; and
9. Western Cape : Five (5).

Interested persons may submit written comments on the proposed determination within **forty five (45)** days from the day of publication hereof to:

The Director-General, Department of Trade and Industry
Private Bag X 84
Pretoria
0001

or

For Attention: Ms Tsholofelo Shale /Email: TShale@thedti.gov.za
77 Meintjies Street, **the dti** Campus
Block B, 1st Floor
Sunnyside
Pretoria



DR ROB DAVIES (MP)
MINISTER OF TRADE AND INDUSTRY
21/10 2015

THE NATIONAL GAMBLING POLICY COUNCIL DRAFT MINUTES	
DATE : 5 September 2014 TIME : 10H00 VENUE : Emperors Palace, Marcia Room	
PRESENT: REGULAR (VOTING) MEMBERS	
Minister Dr R Davies MEC B. Scott: MEC I Meyer MEC W. Nelson MEC S. Kholwane MEC S. Sekoati MEC L. Maile MEC S. Somyo	Chairperson KwaZulu Natal Province Western Cape Province North West Province Mpumalanga Province Limpopo Province Gauteng Province Eastern Cape Province
APOLOGIES: REGULAR (VOTING) MEMBERS	
MEC A. Winde MEC J Block MEC M. Zwane	Western Cape Province Northern Cape Province Free State Province
PRESENT: REGULAR (NON-VOTING) MEMBERS	
Deputy Minister M. Masina Director-General L. October Deputy Director General Ms Z Ntuli Mr. D Pillay Ms. S Zulu	Department of Trade and Industry Department of Trade and Industry Department of Trade and Industry Chairperson: Free State Gambling & Liquor Authority Chairperson: KwaZulu Natal Gambling and Betting Board

Mrs. A Lapoorta Mr D. Martin Ms N. Mayoni Mr. L Mkhabela	Chairperson Western Cape Gambling Board Northern Cape Department of Economic Development Chairperson: Eastern Cape Gambling and Betting Board Chairperson: Limpopo Gambling Board
APOLOGIES: REGULAR (NON-VOTING MEMBERS) None	
NON MEMBERS	
Mr. B Mlambo Mr. S Maja Mr. F Sekgaphane T. Kgomo F. Kgashane M. Mothlate Ms A Thinta Mr. B Bobeje Mr. B. Gxilishe R. Bennert Ms. M Gasela Ms. P Baloyi Ms. D. Mtshali Mr. E Lalumbe Mr. B Mashigo Mr. CN Khumalo Mr. N Muthewana Mr H. Malila Ms. M Broderick Mr. A Phillips Mr. B Nelana Mr. K Radebe Mr. B Wilkinson Ms P. Mbaniwa Mr. L Curtis Mr. N. Nkomo Mr. M Netshitenzhe	CEO Mpumalanga Gambling Board CEO Limpopo Gambling Board CEO North West Gambling Board North West Gambling Board North West Gambling Board GCB Eastern Cape Finance and Economic Development CEO Northern Cape Gambling Board HOD Eastern Cape Economic Development HOD Western Cape CEO Free State Gambling and Liquor Authority CEO KZN Gambling Board and betting board Chairperson Northern Cape Liquor Board COO Gauteng Gambling Board COO National Gambling Board CEO KwaZulu Natal Liquor Authority Office of the Premier – KZN Western Cape Treasury HOD: Limpopo Economic Development, Environment and Tourism HOD (Acting) HOD: Eastern Cape HOD: Economic Development Gauteng Office of the Premier: KwaZulu Natal HOD Department of Economic Development KwaZulu Natal Provincial Treasury KwaZulu Natal Provincial Treasury Department of Trade & Industry

Ms T Tsotetsi Mr. E Mashamaite Ms N Nkosi Dr R Nonyana-Mokabane Ms E. Masoja Mr. S Medupe Ms. T Mabirimisa Ms M.C. Makaepea Ms S. Nkosi Ms B. Ngwenya Ms T. Shale Ms B Siswana Mr. T. Baleni Ms. C Kongwa Ms. N Tsokolibane Ms. A Sebastian Mr. T Gcilitshana S. Botha T. Nel Mr B. Nkosi Mr K. Mabuya	Department of Trade and Industry Department of Trade and Industry Department of Trade and Industry Department of Trade and Industry Department of Trade and Industry Department of Trade and Industry Department of Trade and Industry Department of Trade and Industry Department of Trade and Industry Department of Trade and Industry Department of Trade and Industry Department of Trade and Industry Department of Trade and Industry Department of Trade and Industry Department of Trade and Industry Co-Administrator National Gambling Board Co-Administrator National Gambling Board Gauteng Gambling Board Mpumalanga Provincial Government Eastern Cape Western Cape Liquor Authority Economy and Enterprise Development North West Acting CEO Gauteng Gambling Board Limpopo governance and regulation
1. OPENING AND WELCOME	
The Chairperson officially opened the meeting and welcomed everyone present. He suggested that everyone introduces him or herself so everybody knows who is present. Minister mentioned that in the past Council meetings have struggled to quorate and therefore impacted a lot on decision making and shared his gratitude on the fact that the meeting was quorate. Minister was of the view that more ways should be found to ensure that the meetings take place by suggesting that documents be circulated a week before the meeting to allow members time to study them, that the venue be retained as it is central and that a year programme be developed that to ensure that meetings do take place.	
2. APOLOGIES	
Apologies were noted from Western Cape Alan Winde and Northern Cape John Block MEC's who were not present in the meeting.	
3. ADOPTION OF AGENDA	

The agenda was adopted as tabled.	
4. ADOPTION OF MINUTES OF PREVIOUS MEETING: 03 August 2012 and 02 August 2013	
Minutes of the meeting of 03 August 2012 and 02 August 2013 were tabled and adopted.	
5. MATTERS ARISING	
5.1 Update on the Gambling Norms and Standards	Minister indicated that there is no presentation on the Gambling Norms and Standards however there are inputs that need to be made on the gambling sector performance in South Africa, which will serve as a background on the Gambling Policy Proposals discussion. These discussions need to begin at this Council to enable decision-making on issues raised at the next meeting. It is important when looking at the legal forms of gambling in SA to look at it from a realistic point of view and determine the best form, in terms of investments and job creation, and identify ones that are emerging and growing. It is also important to look if these trends are optimally moving to a trajectory that is going to continue to yield results or whether it is allowing opposition to competitive challenges. Minister stated that he envisaged that the meeting would have a great discussion on these issues that will ultimately feed into the policy proposals. DDG Zodwa Ntuli provided update on the Norms and Standards indicating that in the last meeting it was clear that the discussion between the department and the various provinces did not produce a document that could be adopted as the Norms and Standards. However it was agreed that some of the issues were matters that can inform policy going forward. It was also clear that there were other issues from a policy perspective that were discussed by the HOD's and the department but they were not factored in the Norms and Standards. Hence, there was no Norms and Standards document submitted for discussion and also most of the issues discussed will be elevated to the policy document.
6. MATTERS FOR DISCUSSION	
6.1 Patterns of Gambling: Gambling Sector Performance	Ms Jonker presented on the performance of the gambling sector in South Africa. National Gambling Board reports on a quarterly basis on provincial and national gambling statistics, employment, gambling modes and sector performance (market conduct, turnover and Gross Gambling Revenue). All the information presented is based on the 100% information received from the Provincial Licensing Authorities (PLAs). This presentation was mainly on the 2013-2014 financial year, however it also showed charts that cover various financial years. In the casino there has been no activity that took place over the past few years. There are still 36 functioning casinos out of the 40 licences issued.
6.2 Presentation on the Gambling Policy Proposals	DDG, Ms Zodwa Ntuli made a presentation as outlined in the circulated documents in this presentation. In this presentation she also gave a

background on policy development since legislation of gambling in 1996. She also covered the Gambling Review Commission report and its recommendations. In short, the policy proposals indicate that no new forms of gambling should be allowed.

Minister Rob Davies requested the Council to discuss the policy framework then go away to think about these proposals and the framework for discussion at next meeting with a mandate for dti to hold public consultation around the policy framework.

MEC Scott stated that there is a way to regulate EBTs, which she would like to put on the table as a proposal, because she thinks that maybe the roll out of EBTs at the moment is unregulated and there are ways to stop it. She cited her concerns on the clause that consultation be mandatory and that non-compliance will render relevant law or regulation invalid, saying it's unconstitutional. She felt that provinces cannot be prevented from legislating on provincial gaming and betting matters as there is nowhere in the constitution that says provincial law go through Policy Council.

Sibusisiwe Zulu commented that as a province they do not want to have a one size fit all approach, so a 60-40% in respect of EBTs will definitely not work for their province. As they need to take into account the casino catchment areas, they want to look at each hall and consider its dynamics and communities that surround it as well.

MEC Somyo commented that as provinces they need to be given an opportunity to input in terms of their circumstances, and they are of the similar view with KZN regarding the blanket approach not working for his province. So some kind of framework must be created, so there is some form of movement in that as well.

Ms Ntuli mentioned that they would be looking at a framework that allocates Bingo seats per province in a manner which is similar to casinos and LPMs so that the provincial licensing authorities are able to respond to the licensing decision by looking at the economics of that particular site. She thought it's the national framework that is high-level and that should give provinces the flexibility to be responsive as regulators when making licensing decisions.

MEC Nelson stated that as North-West they are grateful at the opportunity given that the Norms and Standards go back so they can provide input as well.

The meeting raised a concern that there seemed to be a lack of consultation within the Council and that regulators have a forum where they meet as chairpersons and CEOs to discuss matters and it was proposed that the dti be invited to form part of the forum. This will ensure that matters are dealt with and discussed, like illegal gambling and policy before the Council meeting.

MEC Kholwane agreed with Minister that they go back to look into the issues and make inputs. He requested clarity on two issues, the first issue being the Council not quorating and how this should be dealt with and the second issue was the North West license issue, on why the process was taking long to finalise.

MEC Maile stated that he agreed on consultation and that the meeting should agree that Minister be allowed to determine the numbers for LPMs allocations per province. Further, Minister was requested to resolve the North West license issue.

MEC Sekoati said it is important to reach some consensus in terms of how we deal with matters, understand the provincial powers that we have, to also be able to reach the consensus of whatever form of gambling we come up with. Minister Rob Davies responded by stating that it should be agreed that if the meeting does not quorate twice, whoever is at the third meeting can make a decision and others will be informed of those decisions. Secondly, he recommended that new policy direction/provincial legislation should be brought to Council meeting for discussion as envisaged in the Gambling Act. Minister accepted the proposal that the dti form part of the regulators forum where matters can be discussed before the Council meeting, but that as political heads they would still drive the process and discussions at Council meeting. On the North West it was reiterated that it lost the license through demarcation and that no one is prepared to give the remaining licenses to North West even though only 36 have been put to use. It was also agreed that an additional licence be granted to North West. MEC Kholwane stated that they are at liberty to consider revenue but needed clarity on how they can factor in transformation when licenses have been allocated and how they can help their economy grow. Minister Rob Davies agreed that North West province be granted an additional licence, subject to there being an interest from Casino's in proceeding with the investment. It was agreed that the revised proposals will be presented to Council after consultation.
7. GENERAL
None
8. DATE OF NEXT MEETING
Minister resolved that the meetings should take place in Gauteng near the airport and that we will try to develop a longer term calendar of events for these meetings so that they can be diarised.
9. CLOSURE
The Chairperson thanked everyone for their participation and closed the meeting.

Signed at _____ on this date _____ of _____ 2014 _____ Chairperson