



National Gambling Board
South Africa
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National Gambling Statistics FY2021/22





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National Gambling Statistics

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

FY2021/22

1 April 2021 – 31 March 2022

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) 2021/22:
 - Casinos (tables and slots);
 - Betting on horse racing and sport (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).
- ❑ FY2021/22 information in this report is based on audited data.
- ❑ The information in this report is applicable to the period of 1 April 2021 to 31 March 2022 (FY2021/22), whereas quarters are representative of the following specific periods:
 - Quarter 1: 1 April 2021 – 30 June 2021
 - Quarter 2: 1 July 2021 – 30 September 2021
 - Quarter 3: 1 October 2021 – 31 December 2021
 - Quarter 4: 1 January 2022 – 31 March 2022
- ❑ 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 (Total amount returned to players / Total amount wagered by players x 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

FY2021/22, the second year of the Covid-19 pandemic, saw the gambling industry rebound. While FY2020/21's restrictive coronavirus measures lowered industry gross gambling revenue (GGR) by about 30%, the easing of restrictions and general recovery across the economy led to overall growth of 48% in FY2021/22. Overall, GGR in FY2021/22 totalled R34.4 billion, a figure above that of the preceding year of R23.4 billion and the year before the pandemic hit of R32.7 billion.

While the betting industry has almost doubled its pre-crisis figure, casino and bingo GGR are still below their FY2019/20 sums. The LPM industry matched its FY2019/20 performance, with the industry rolling out an additional 677 LPMs across the country. What this shows is that overall industry recovery has been driven largely by the stellar performance of the betting industry.

At present, the betting industry generates 44.9% of total industry GGR, followed by the casino (39.9%), LPM (10.7%) and bingo (4.4%) sectors. This is a starkly different picture to just 10 years ago when casinos held 80% of market share of the total gambling industry.

The industry collected R3.2 billion in taxes/levies in FY2021/22, matching the pre-pandemic level of R3.2 billion in FY2019/20. This figure was a 53.8% increase compared to the previous year FY2020/21 of R2.0 billion. While the betting industry generated the largest amount of revenue, casinos (44.5%) continue to contribute the larger share in taxes/levies relative to the betting (37.1%), LPM (14%) and bingo (4.4%) sectors.



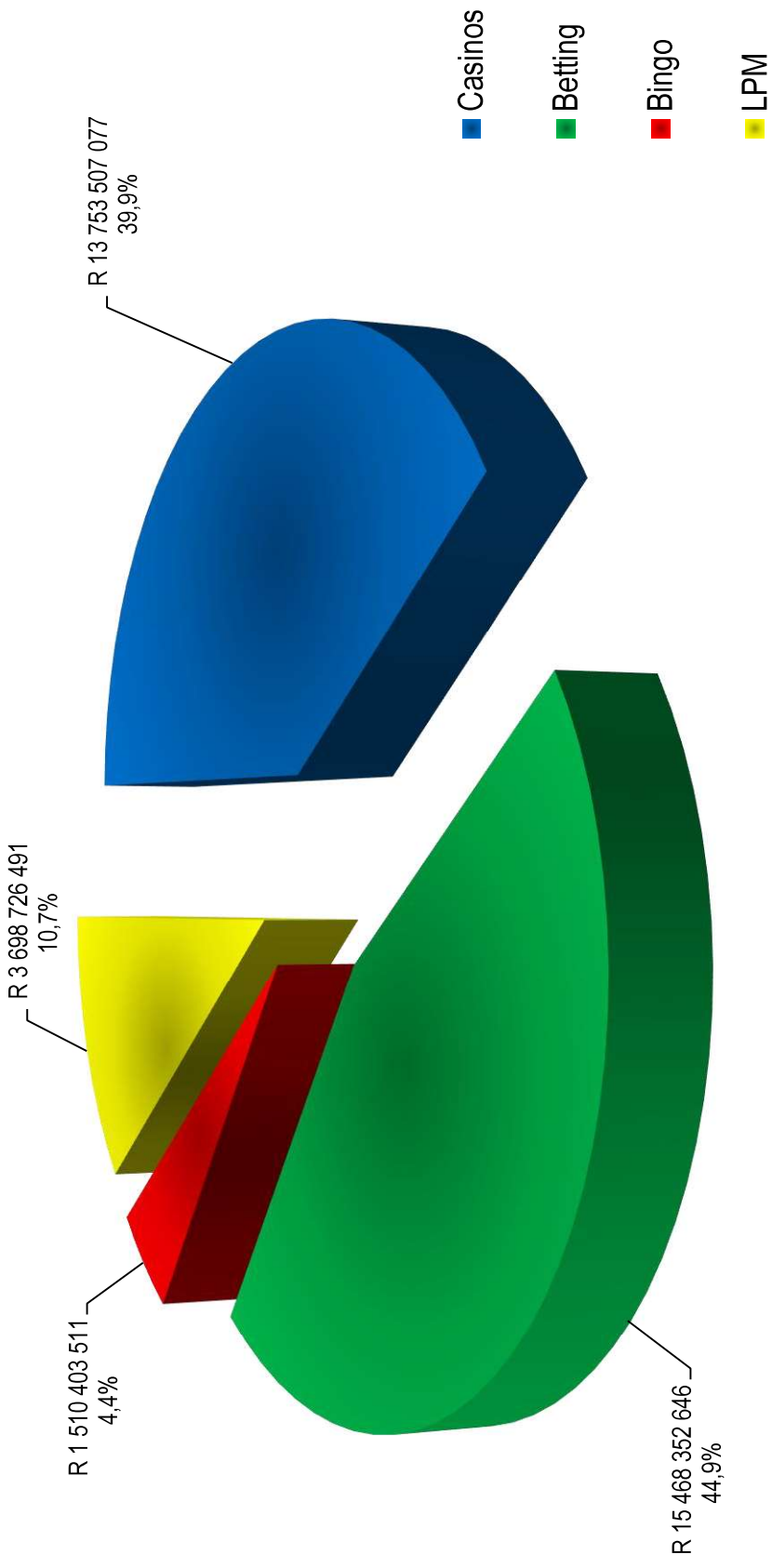
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GROSS GAMBLING REVENUE

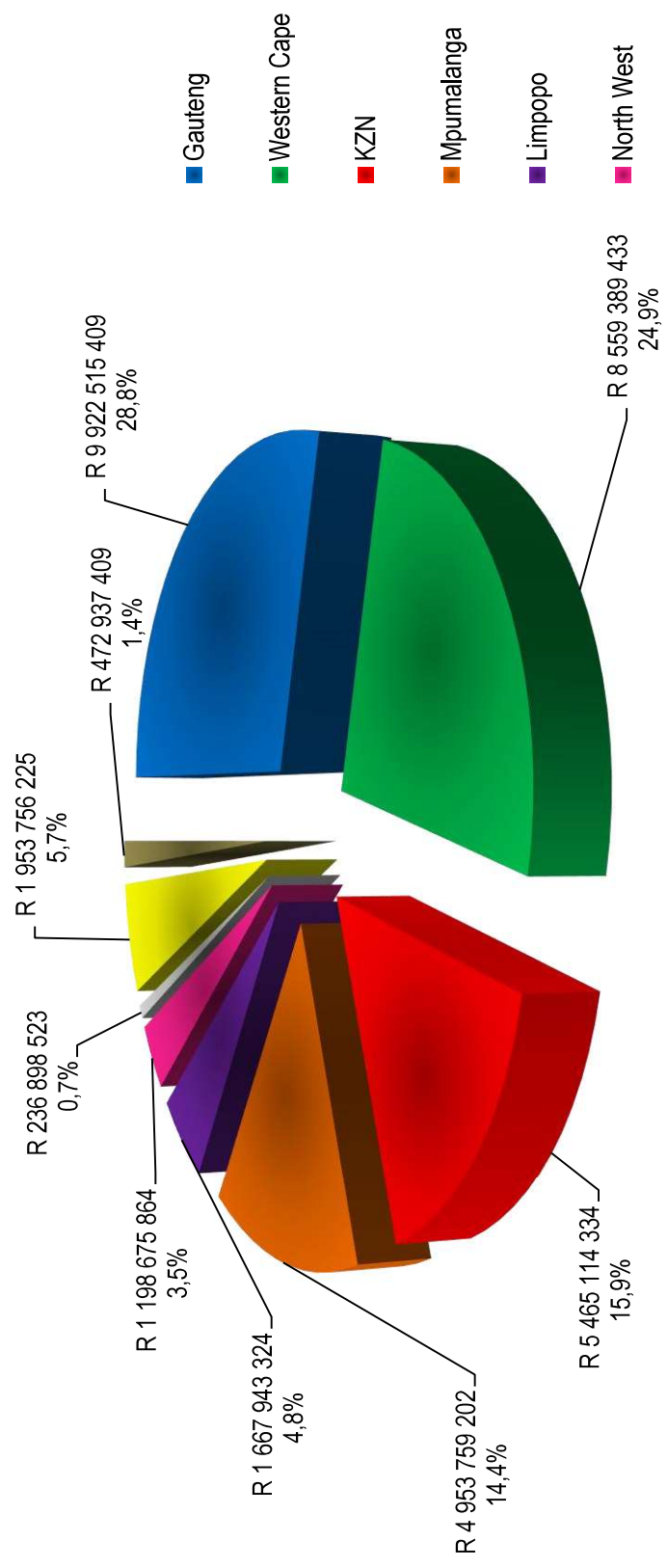


GGR per gambling mode, all provinces, FY2021/22



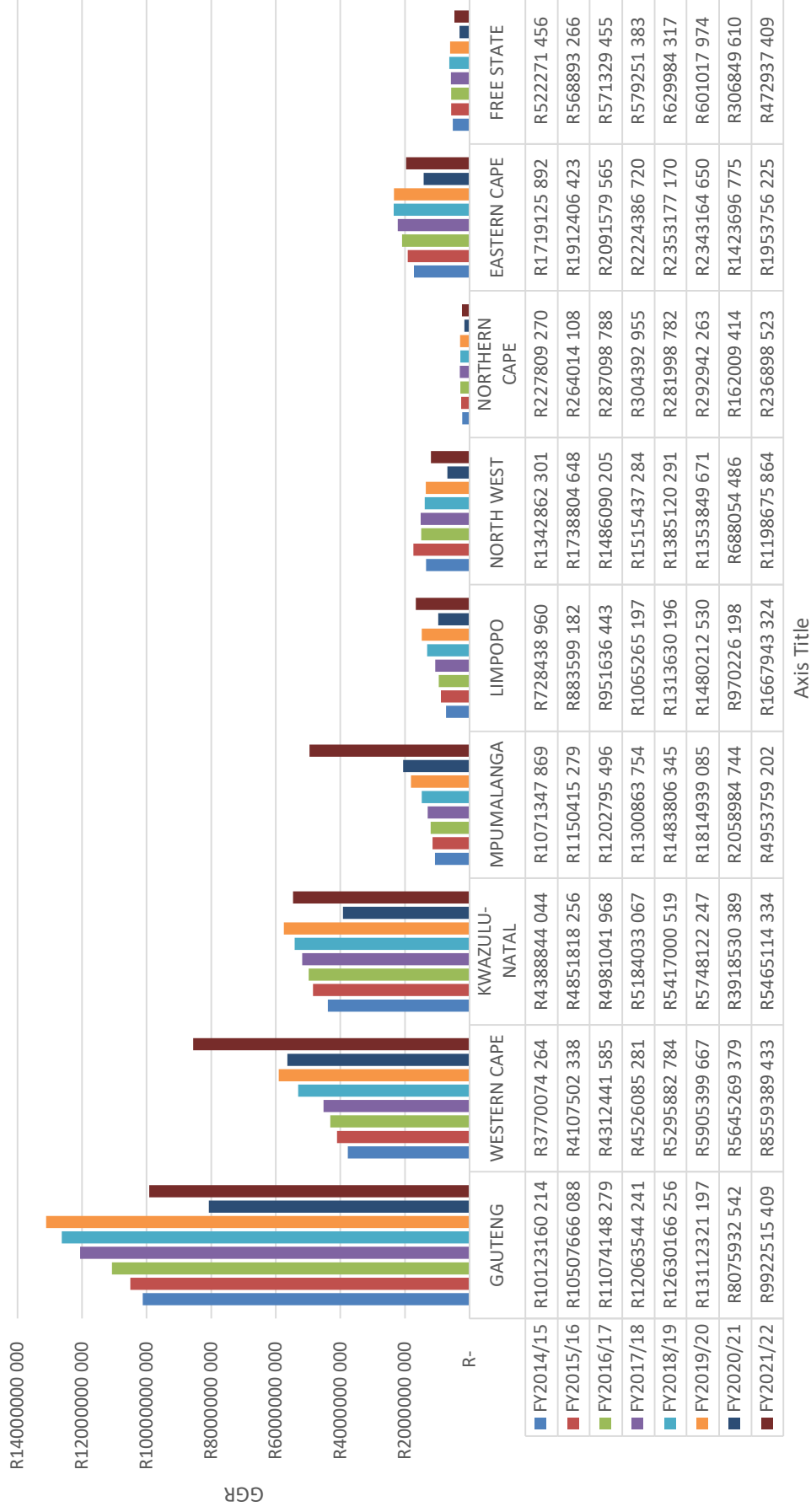
Total GGR: R34 430 989 724

GGR per province, all modes, FY2021/22



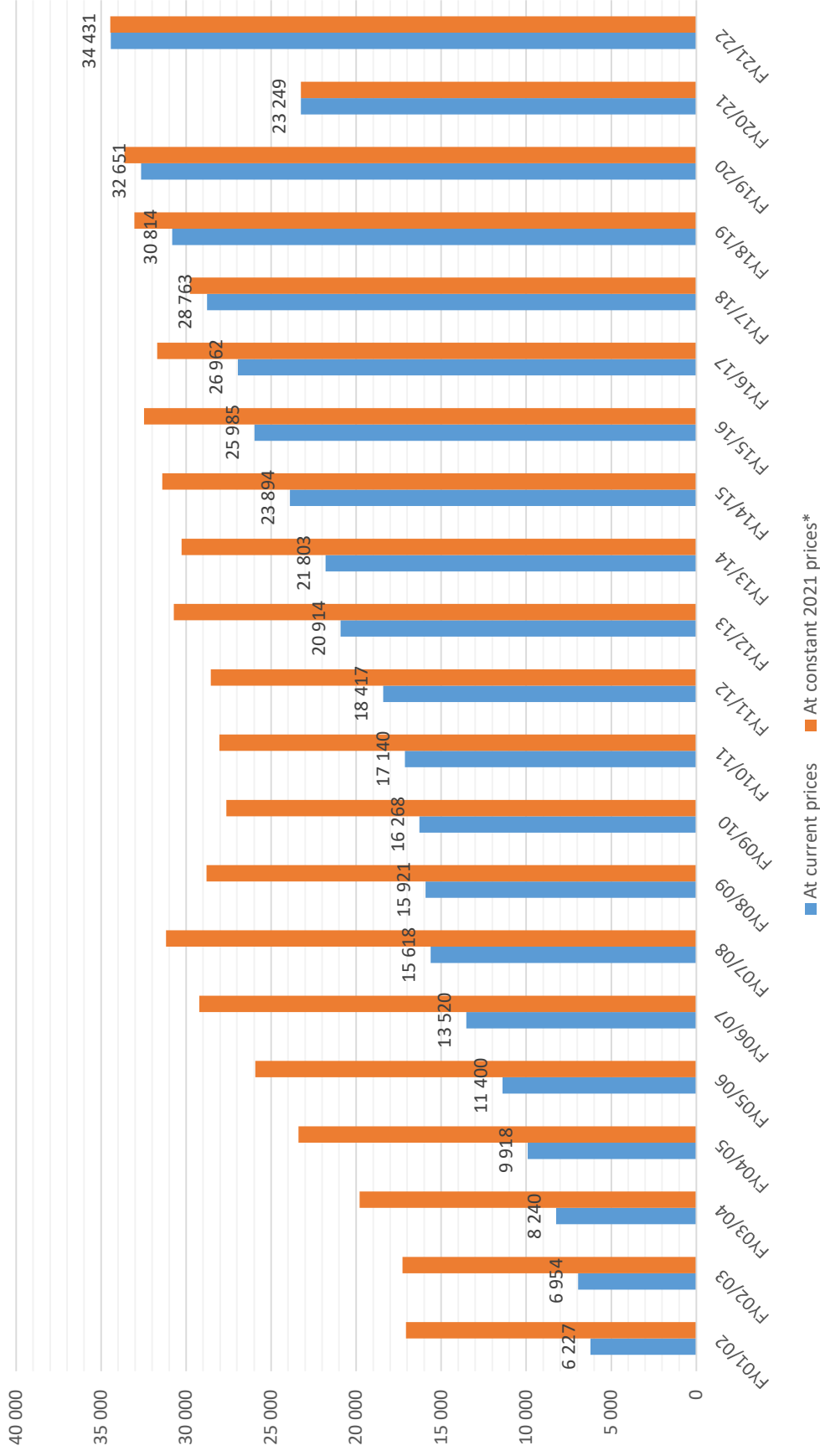
Total GGR: R34 430 989 724

Trend in GGR, per province FY2014/15 to F2021/22



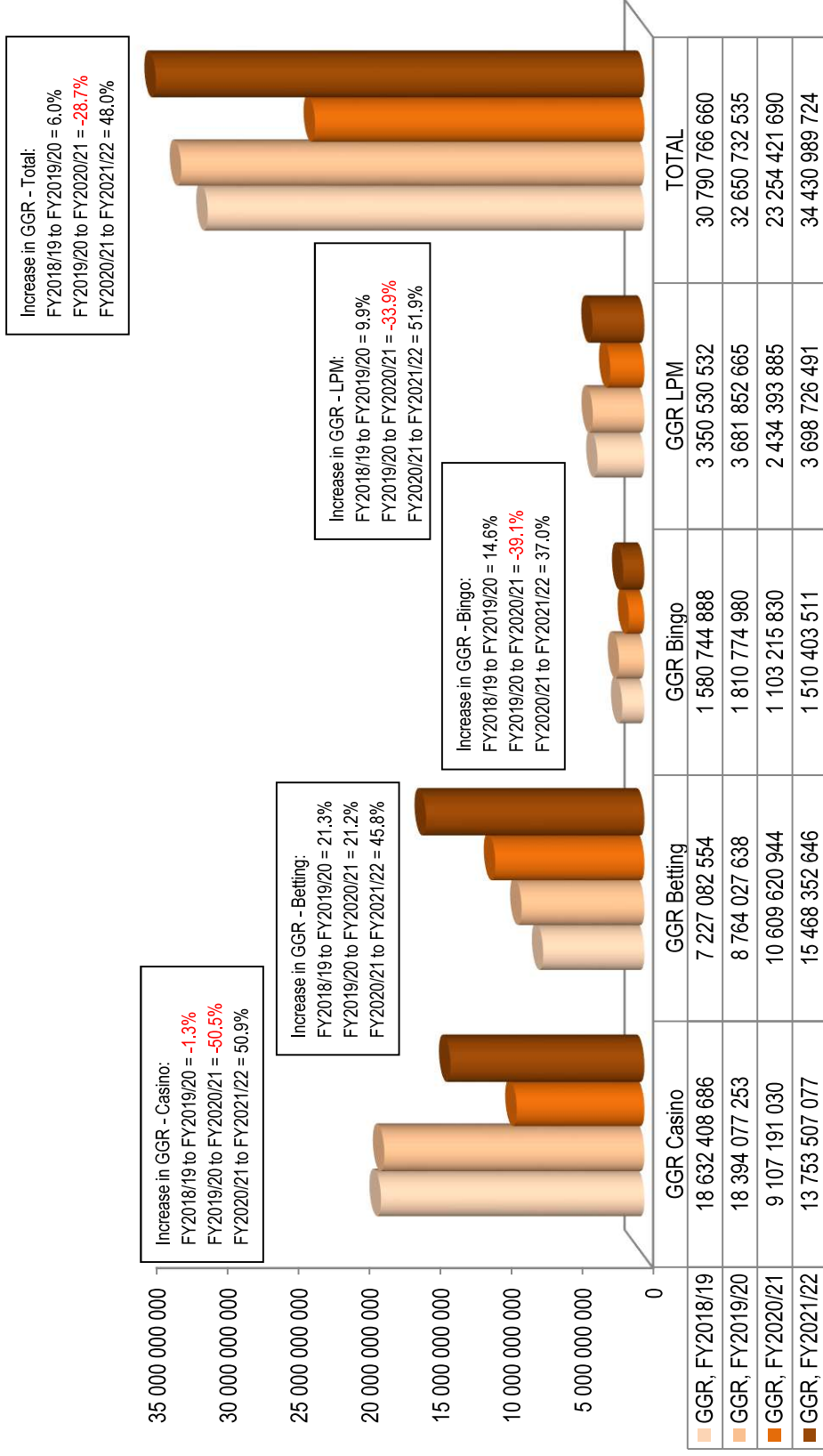
Axis Title

Trend in GGR, all modes, from FY2001/02 to FY2021/22

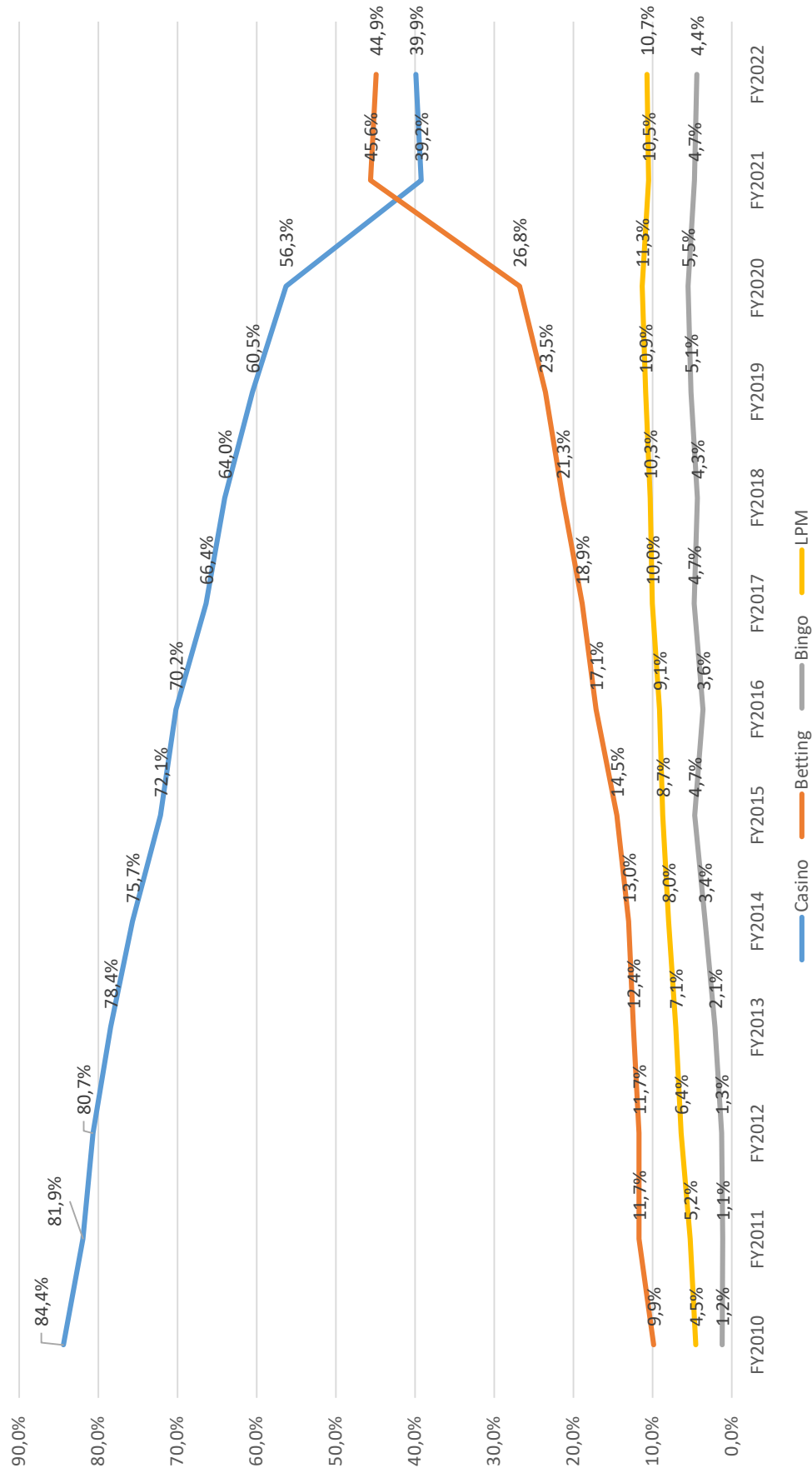


Consumer Price Index for calculation of constant figures sourced from South African Reserve Bank (2022)

Growth in GGR (all modes): FY2018/19 - FY2021/22

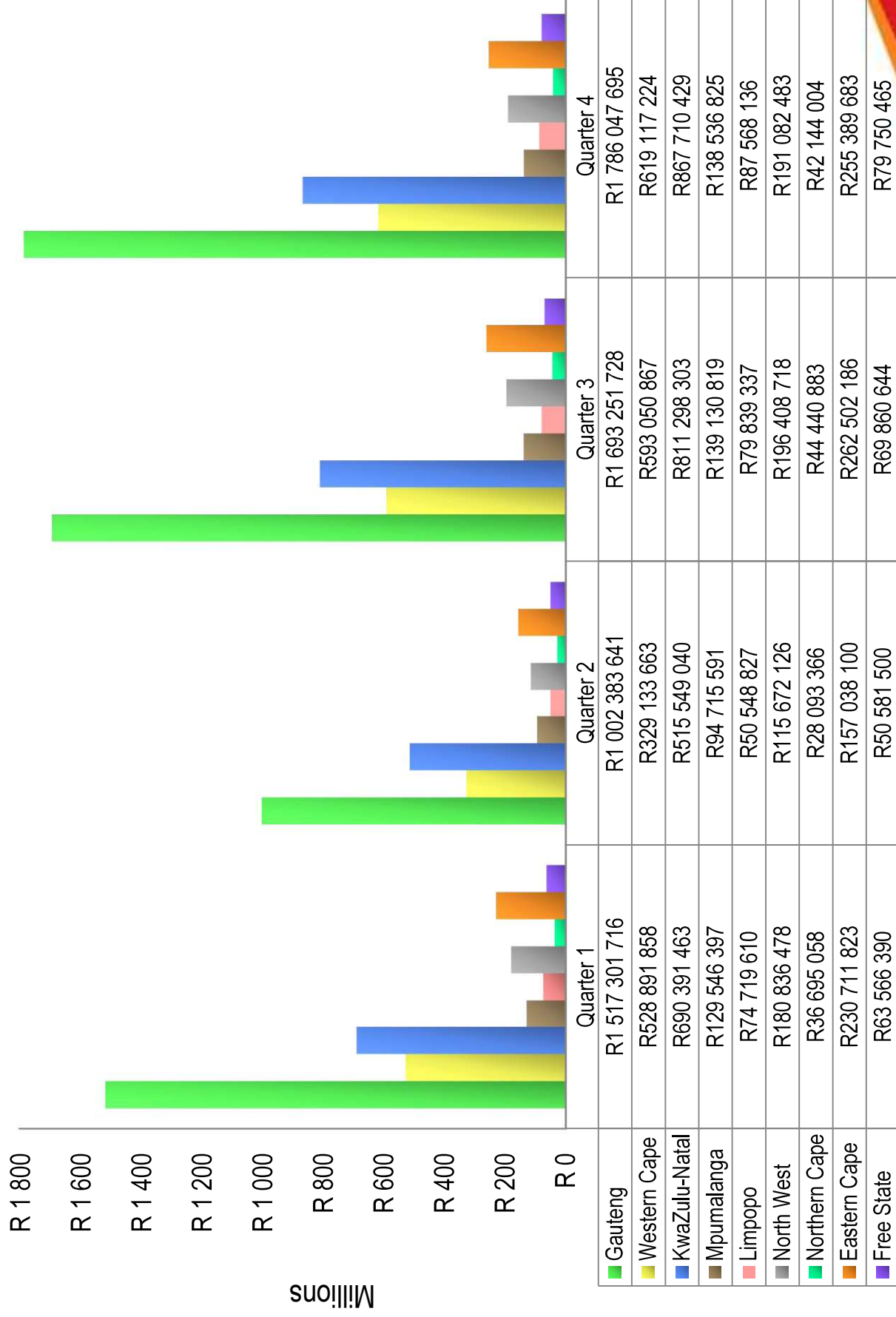


Trend in share of total GGR, comparison all modes (FY2009/10 – FY2021/22)

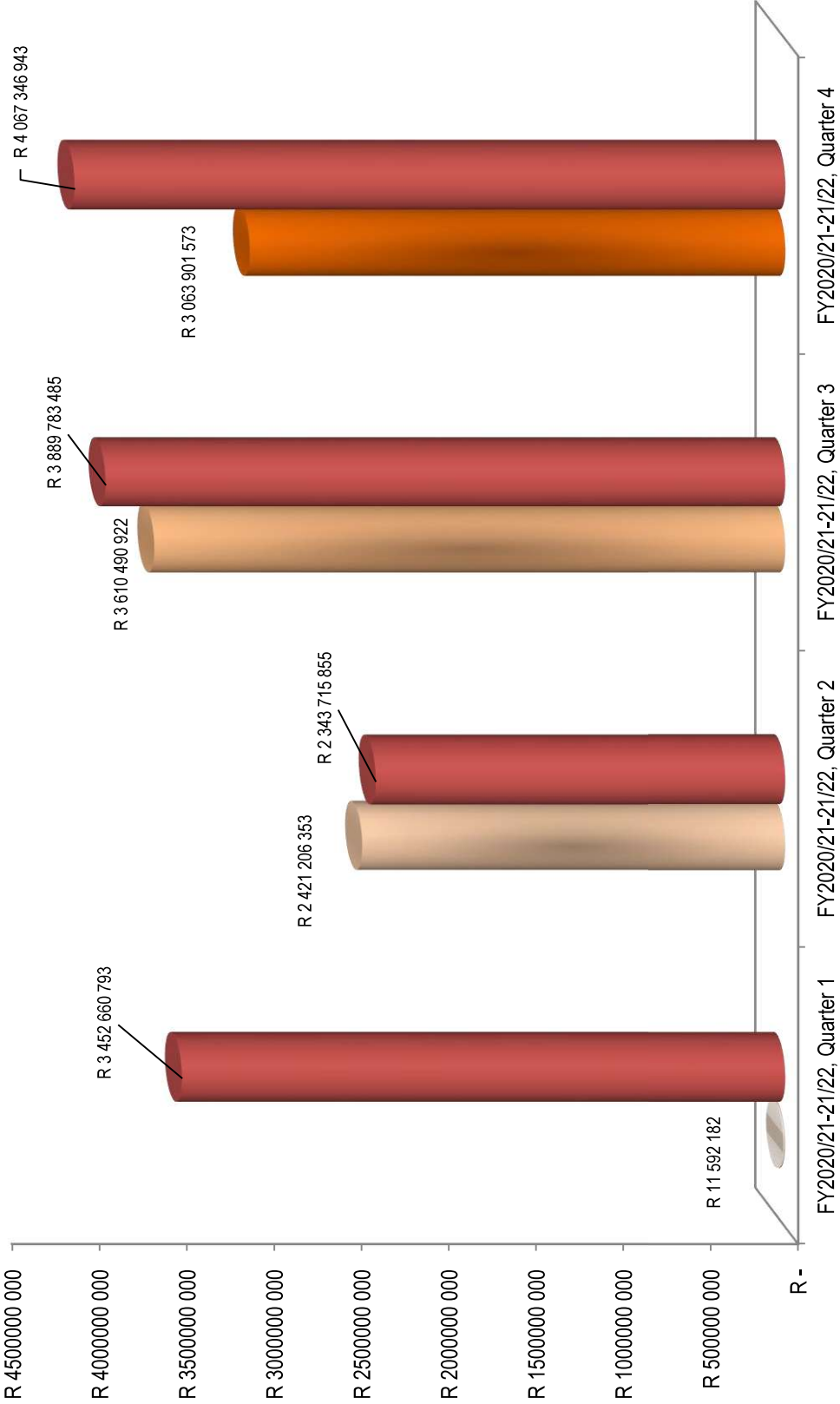


Quarterly casino GGR - FY2021/22

Rand value of the gross revenue of an operator

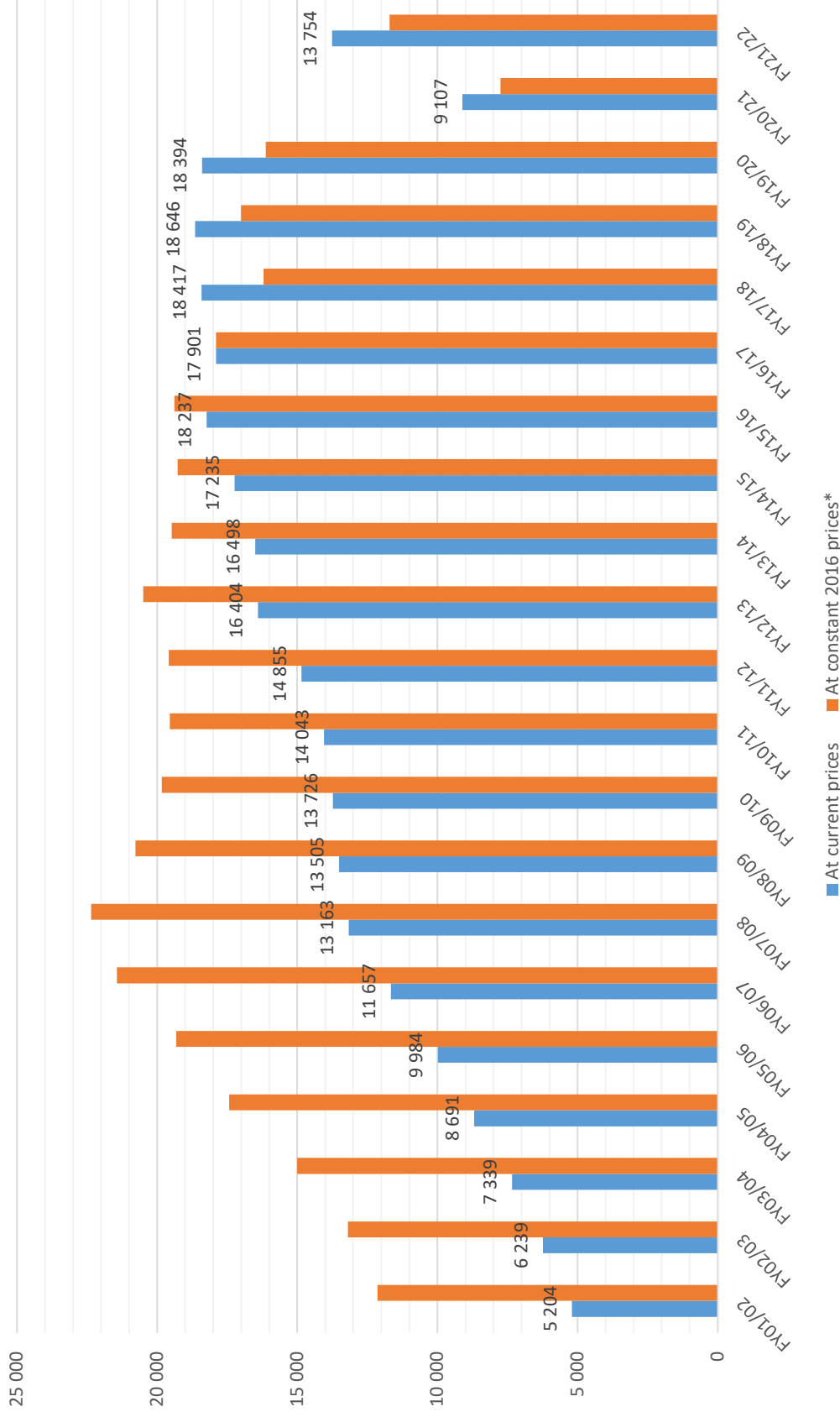


Trend GGR, casinos, FY2020/21-2021/22



Trend in GGR casinos – FY2001/02 to FY2021/22

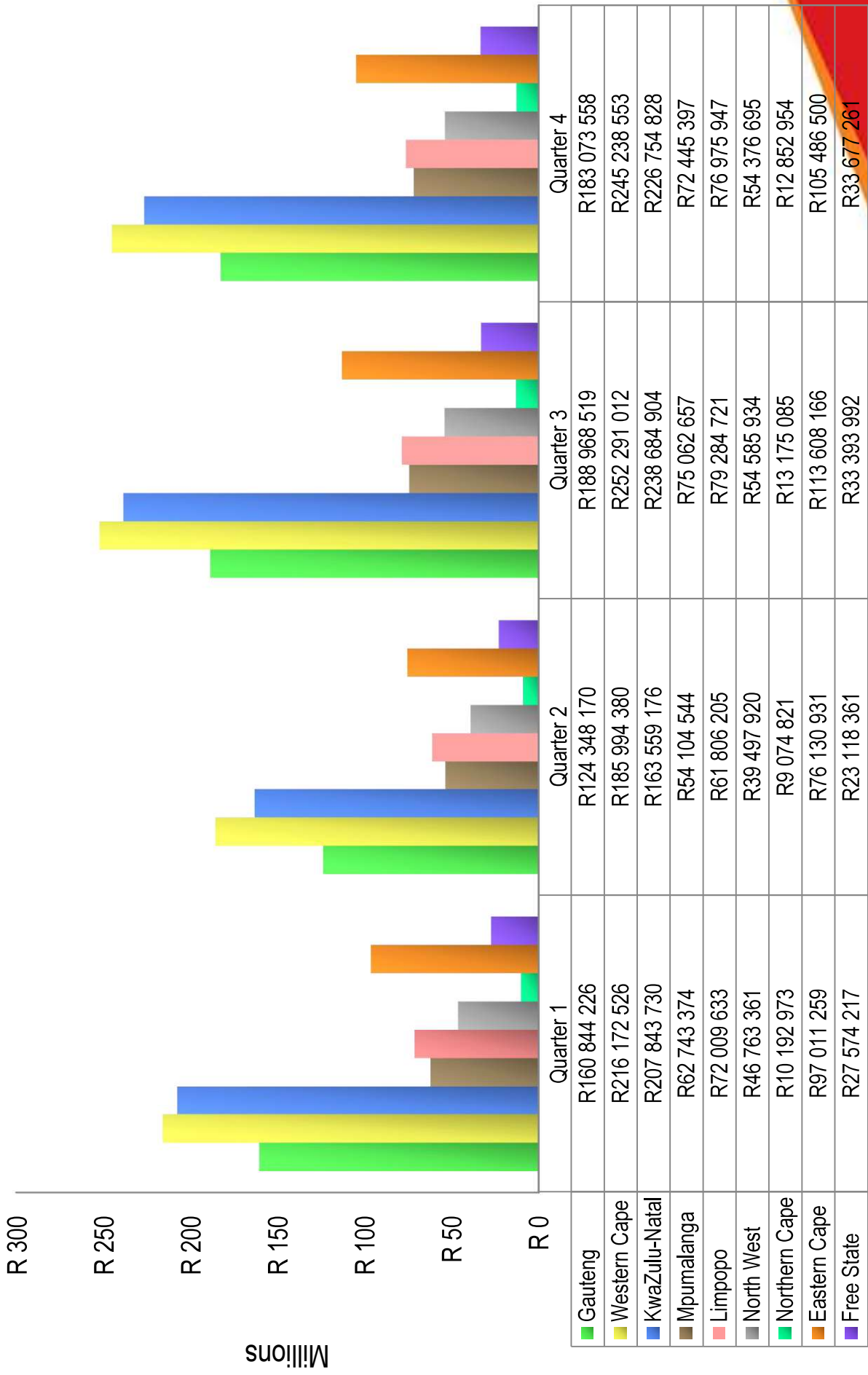
Rand value of the gross revenue of an operator



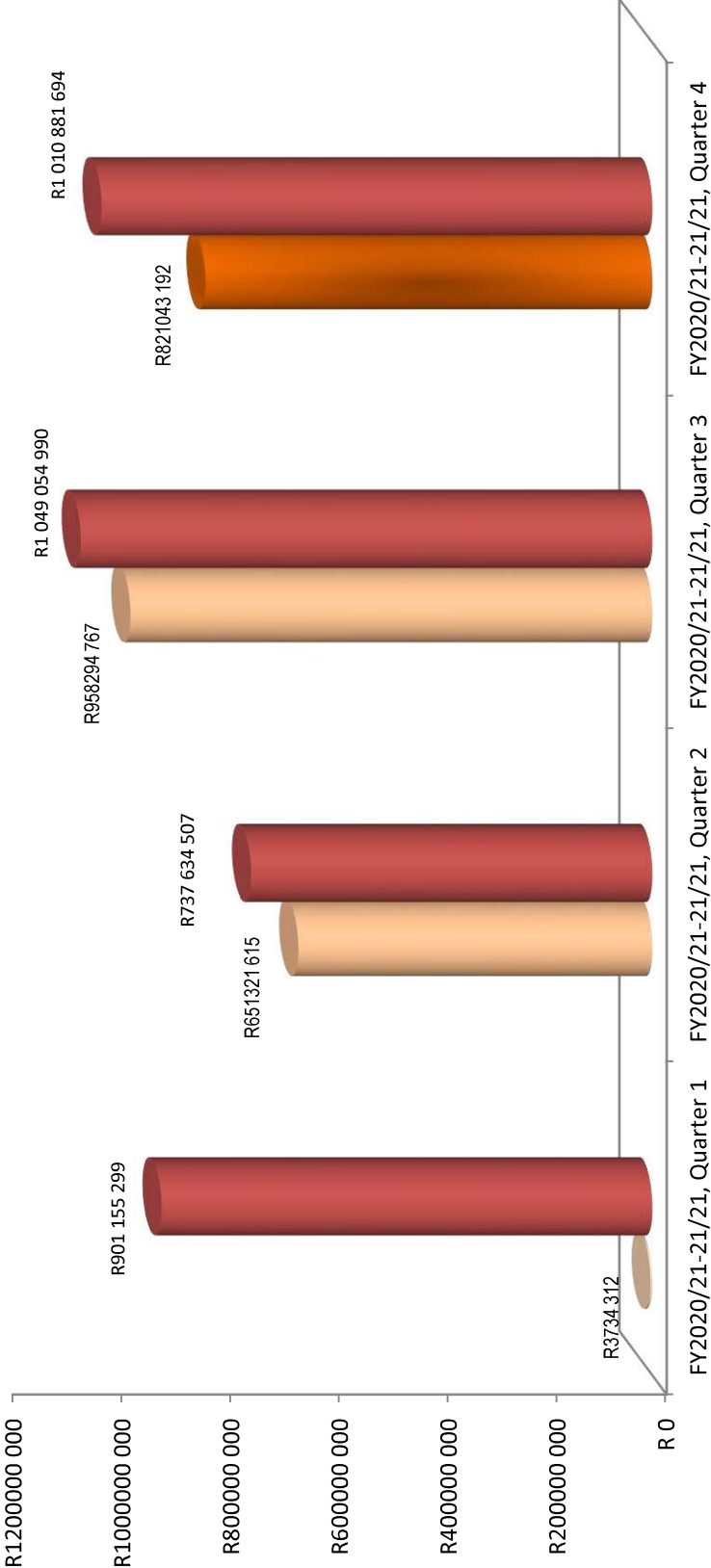
2016 constant prices, Reserve Bank

Quarterly LPM GGR - FY2021/22

Rand value of the gross revenue of an operator

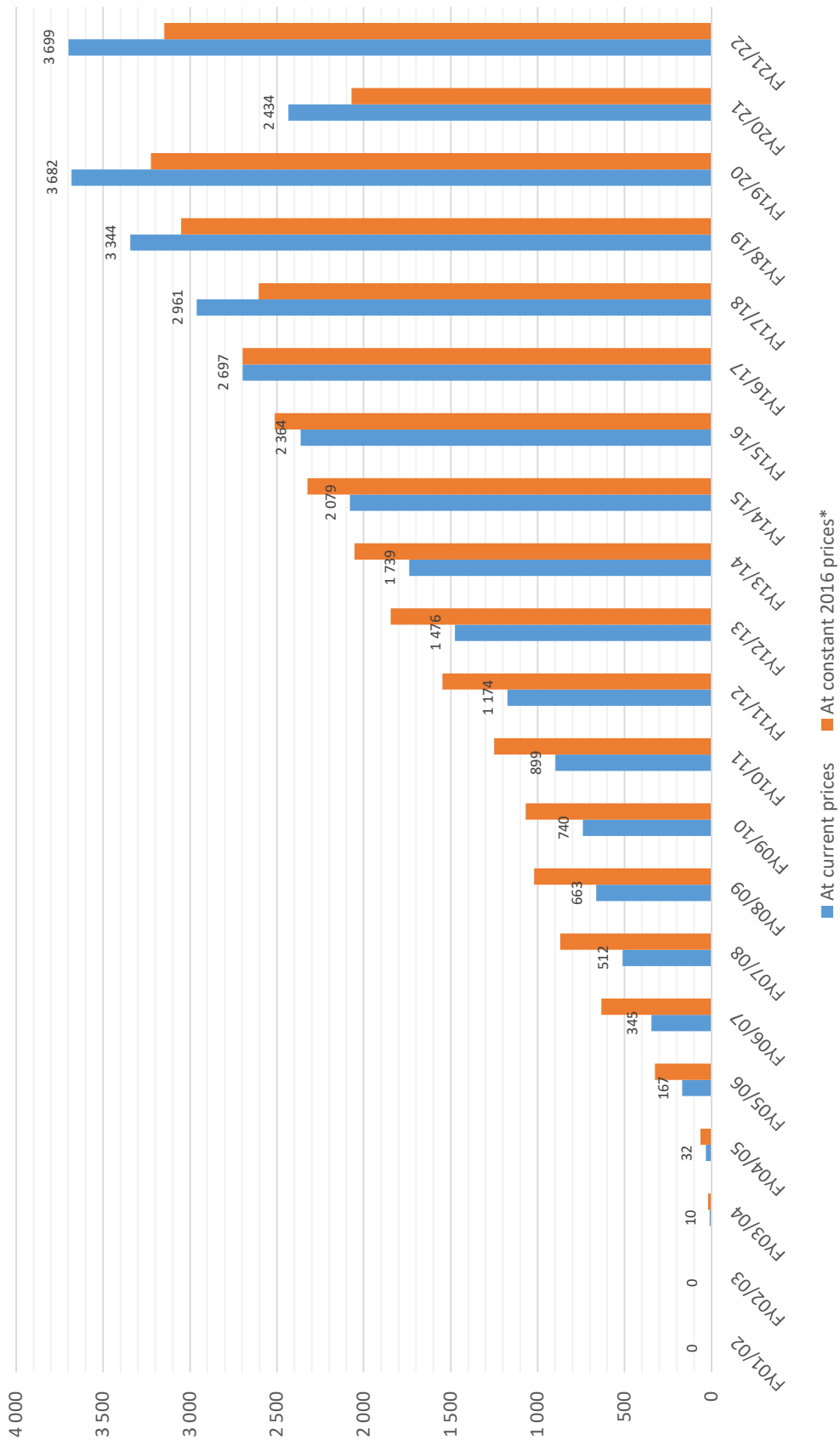


Trend in GGR LPMs – FY2020/21- FY2021/22



Trend in GGR LPMS – FY2001/02 to FY2021/22

Rand value of the gross revenue of an operator

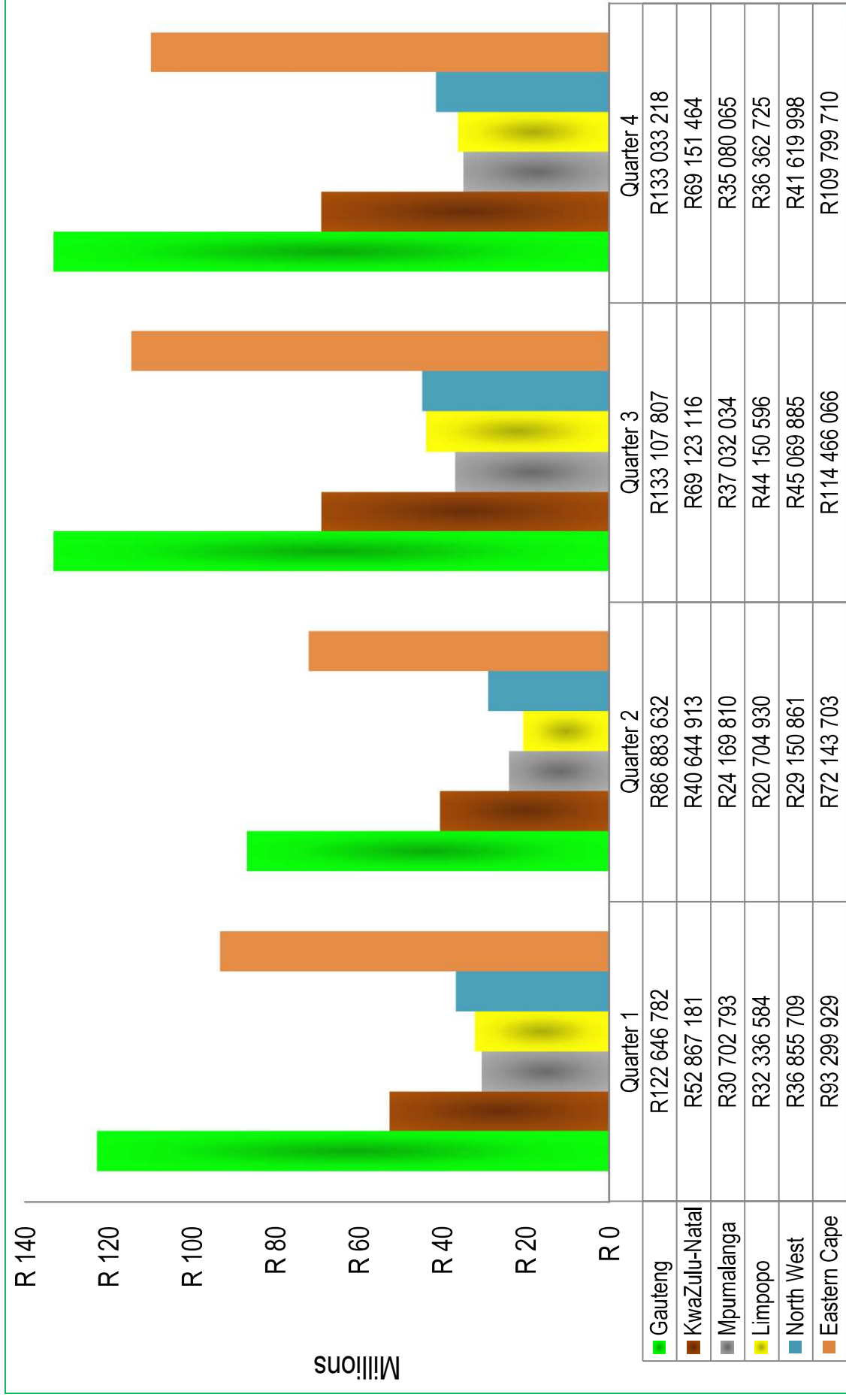


2016 constant prices, Reserve Bank



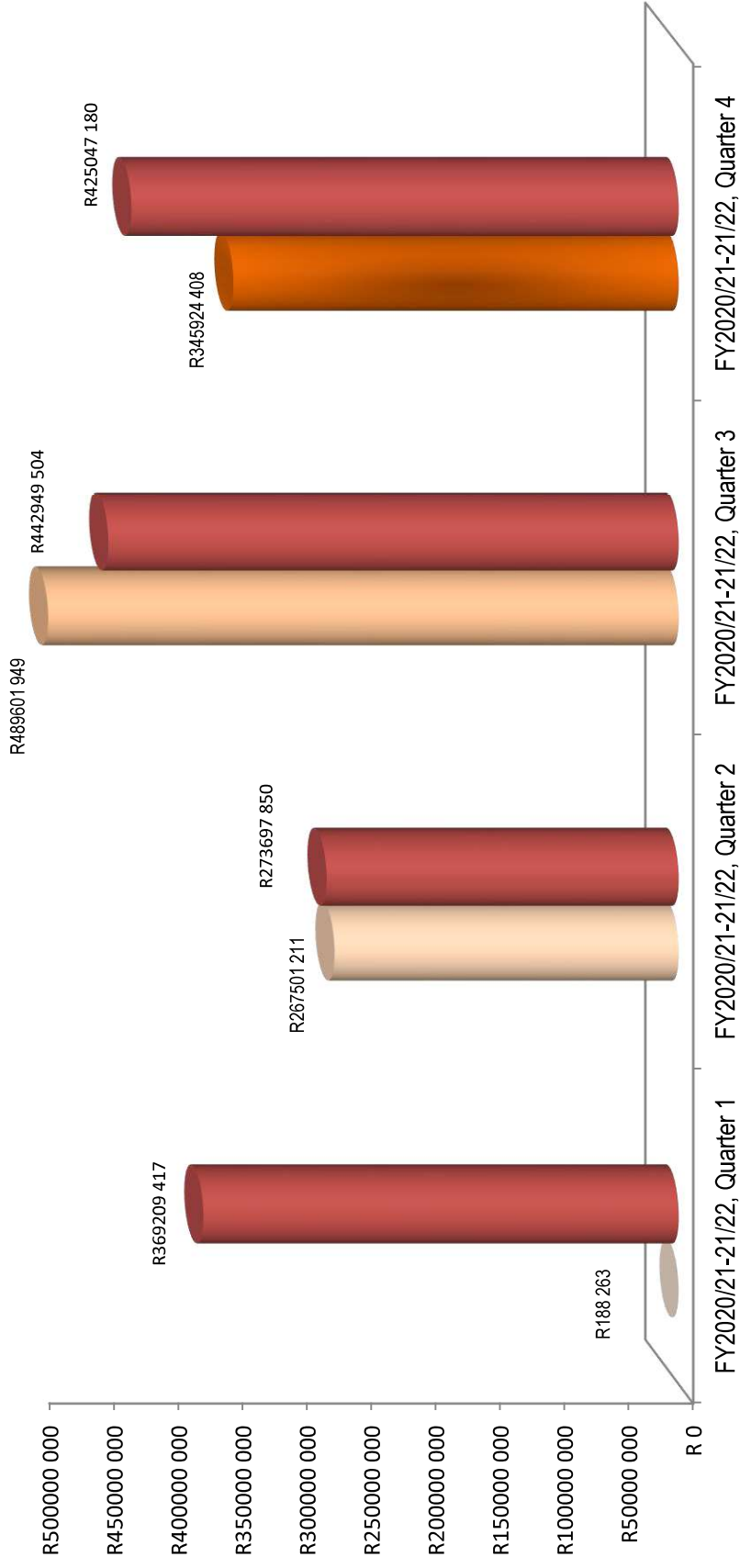
Quarterly bingo GGR - FY2021/22*

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

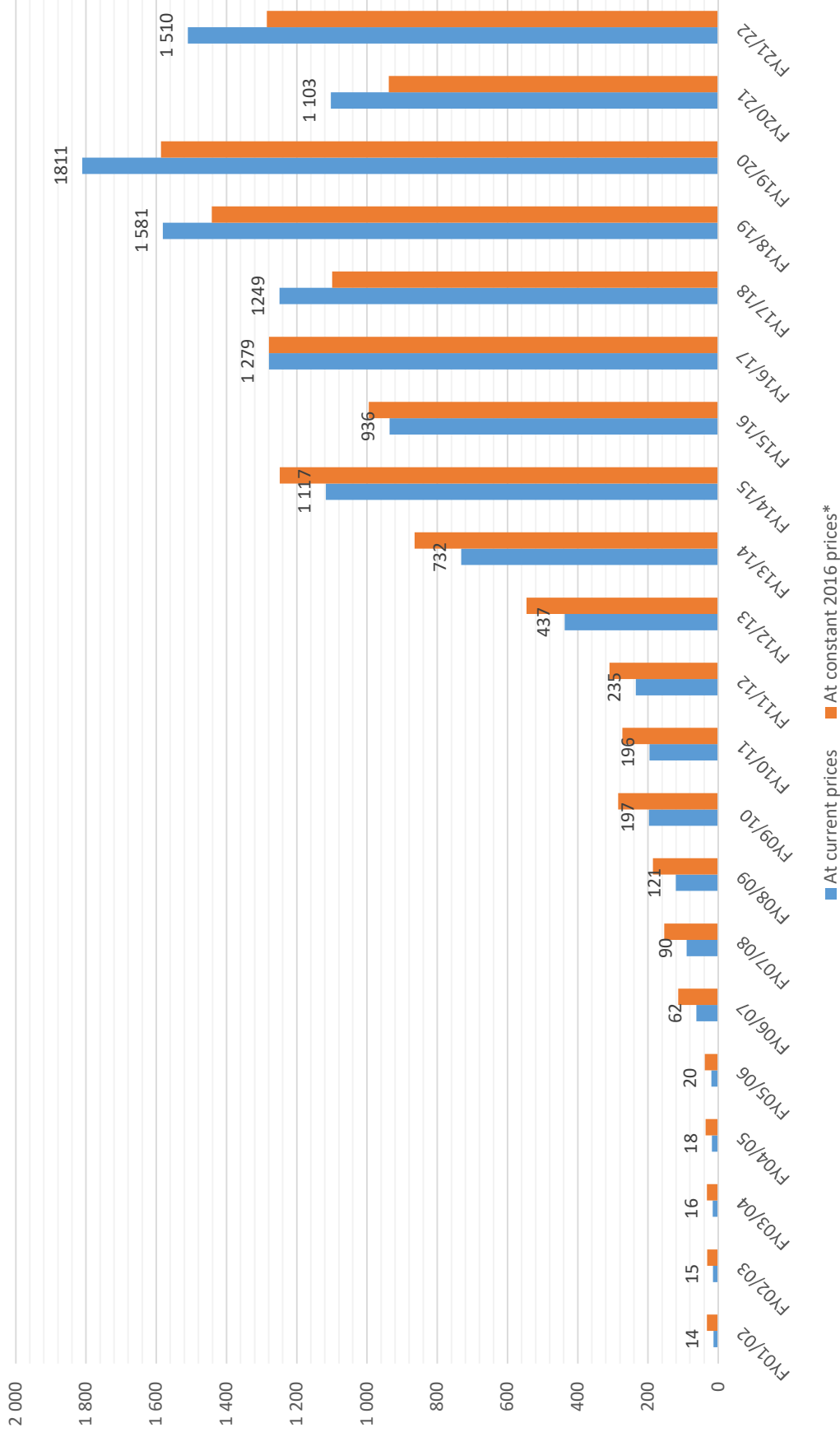
Trend in GGR Bingo – FY2020/21-FY2021/22



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

Trend in GGR bingo – FY2001/02 to FY2021/22

Rand value of the gross revenue of an operator



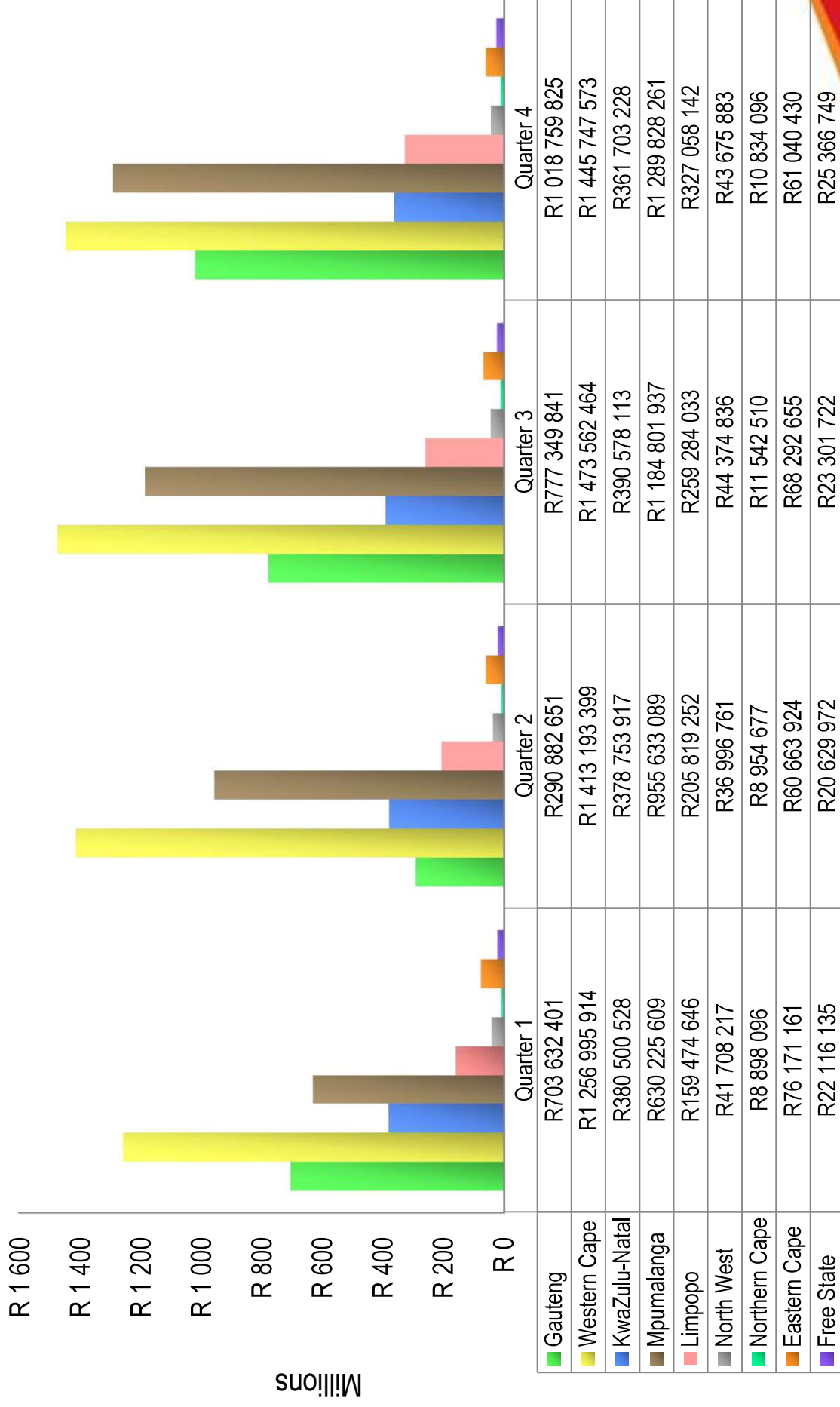
2016 constant prices, Reserve Bank

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

Quarterly betting GGR – FY2021/22

Bookmakers & Totalisators

Rand value of the gross revenue of an operator



Quarterly betting GGR – FY2021/22

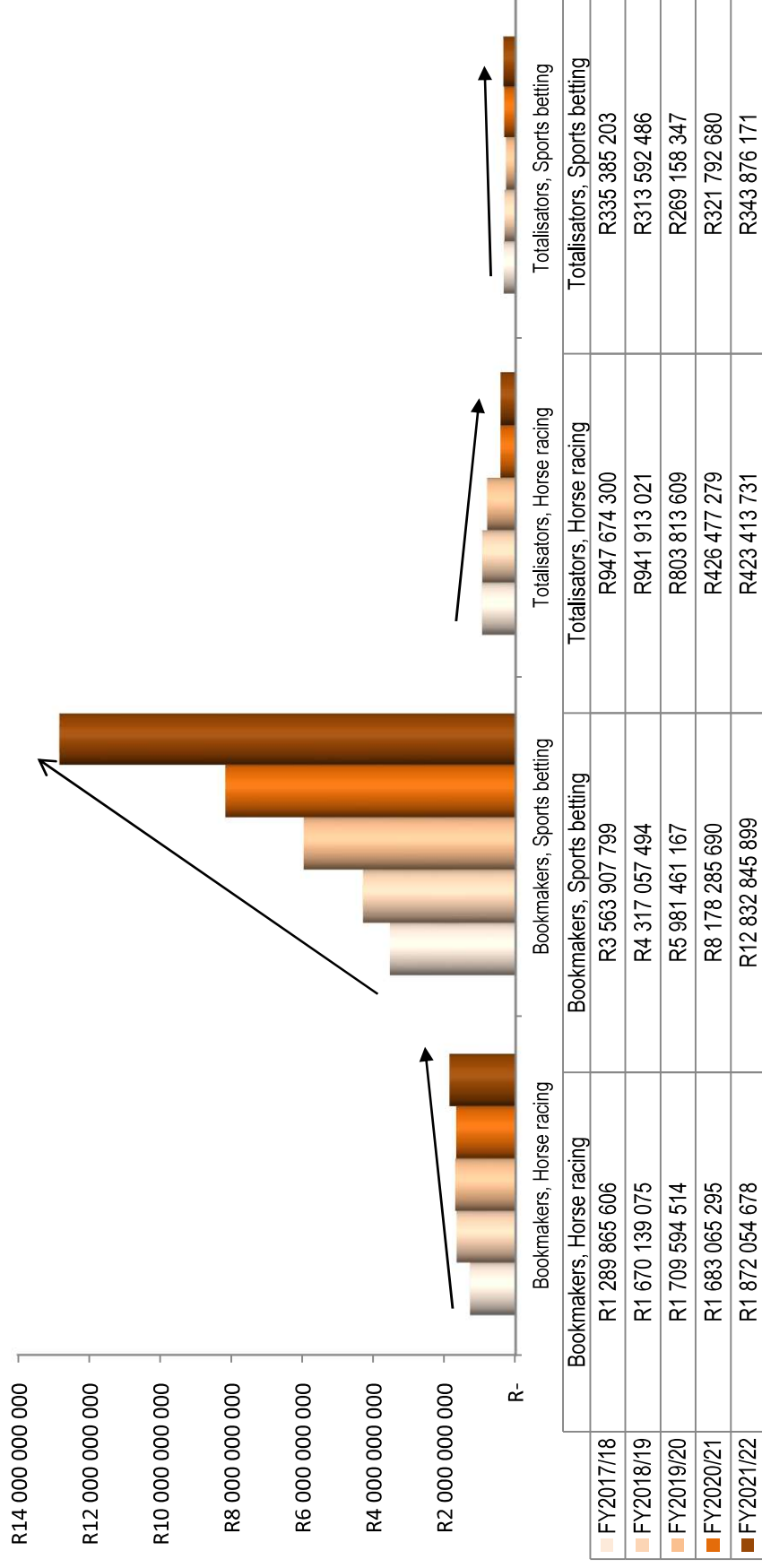
Split between Bookmakers & Totalisators

Betting on horse racing & sport GGR

Rand value of the gross revenue of an operator



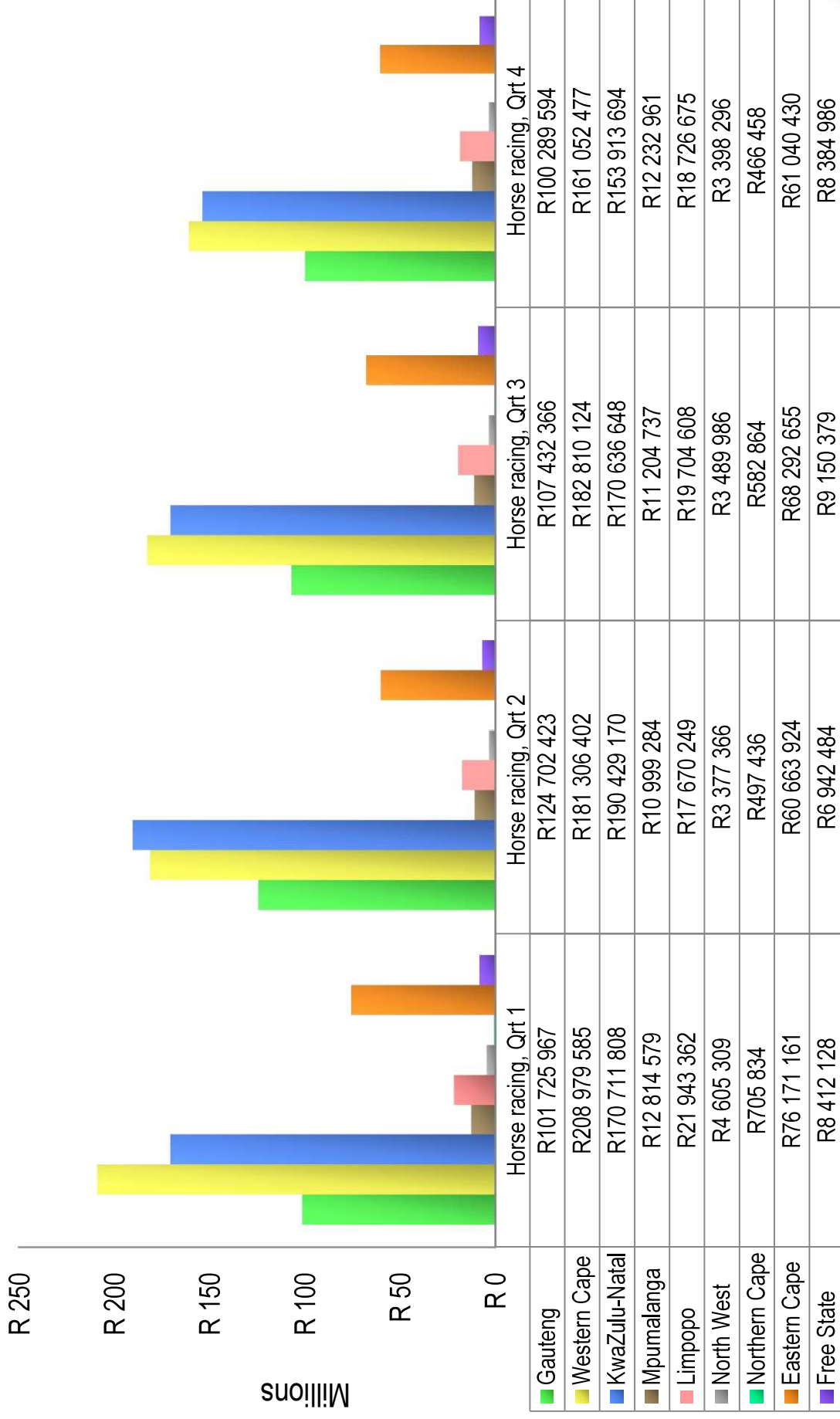
Trend in GGR - betting (totalisators and bookmakers), FY2017/18 - FY2021/22



Quarterly betting GGR – FY2021/22

Betting on horse racing*

Rand value of the gross revenue by an operator

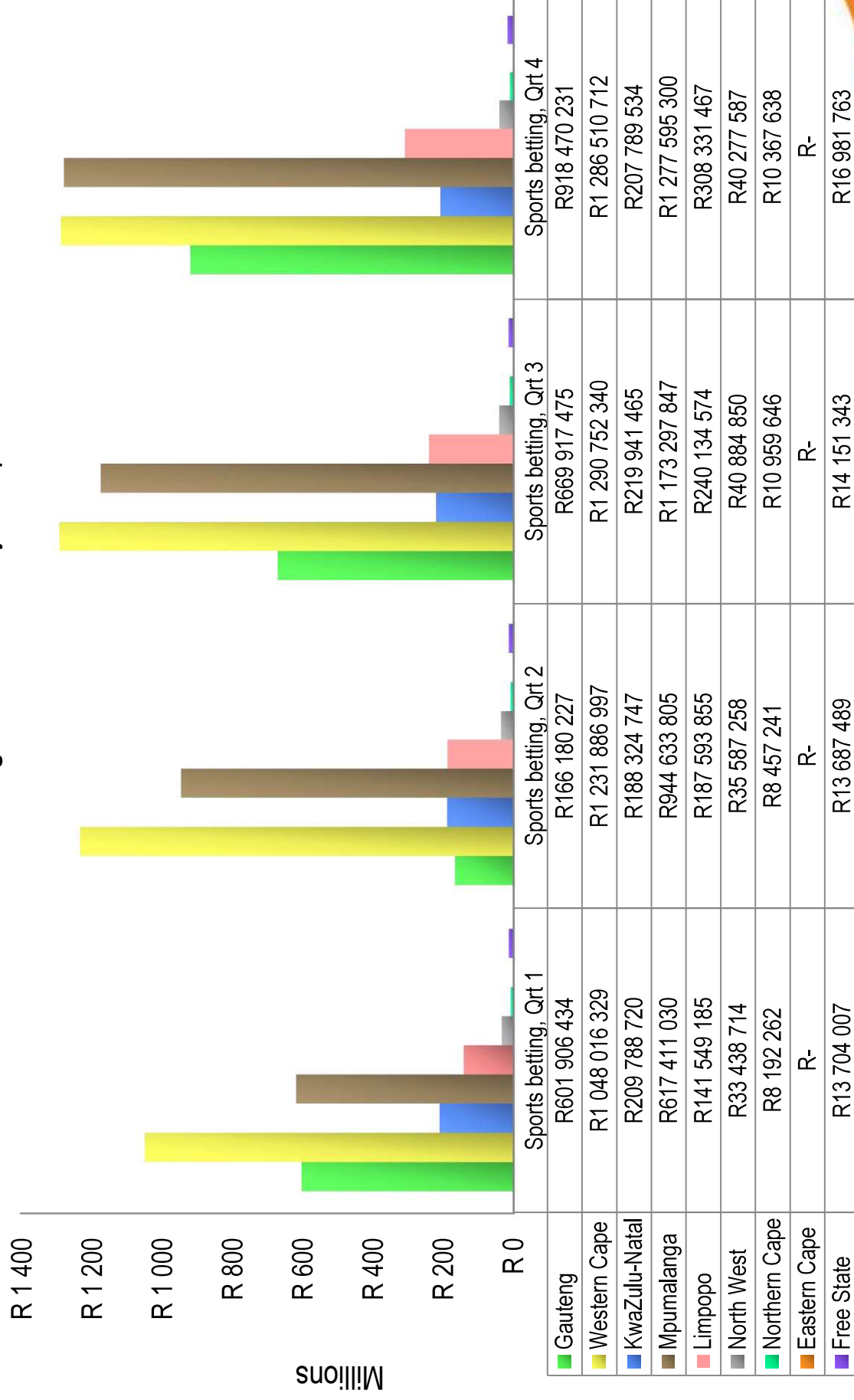


* Eastern Cape: Statistics includes sports betting

Quarterly betting GGR – FY2021/22*

Betting on sport*

Rand value of the gross revenue by an operator

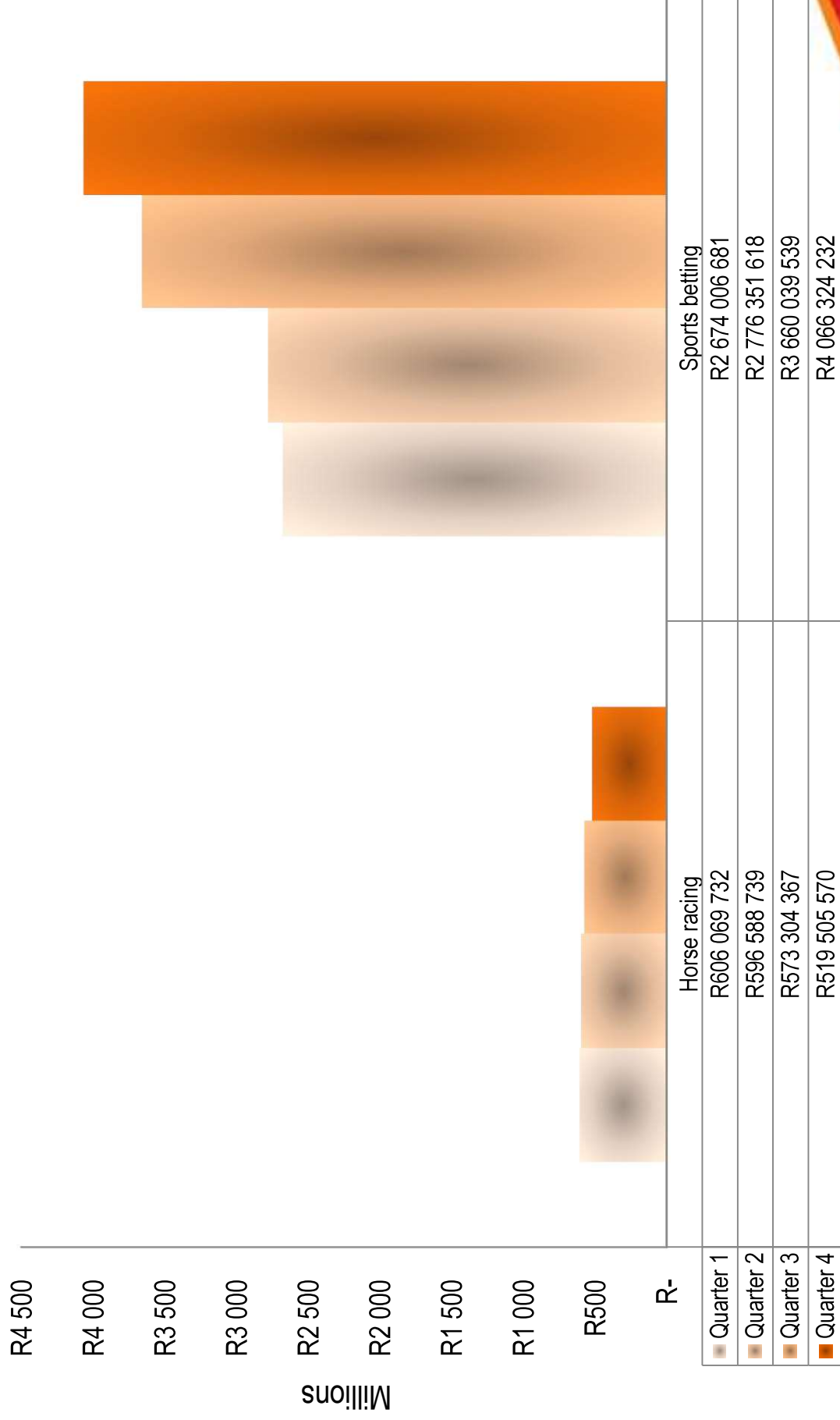


* Eastern Cape: Statistics for sports betting is included in the horse racing statistics

Quarterly betting GGR – FY2021/22*

Split between betting on horse racing & sport*

Rand value of the gross revenue by an operator

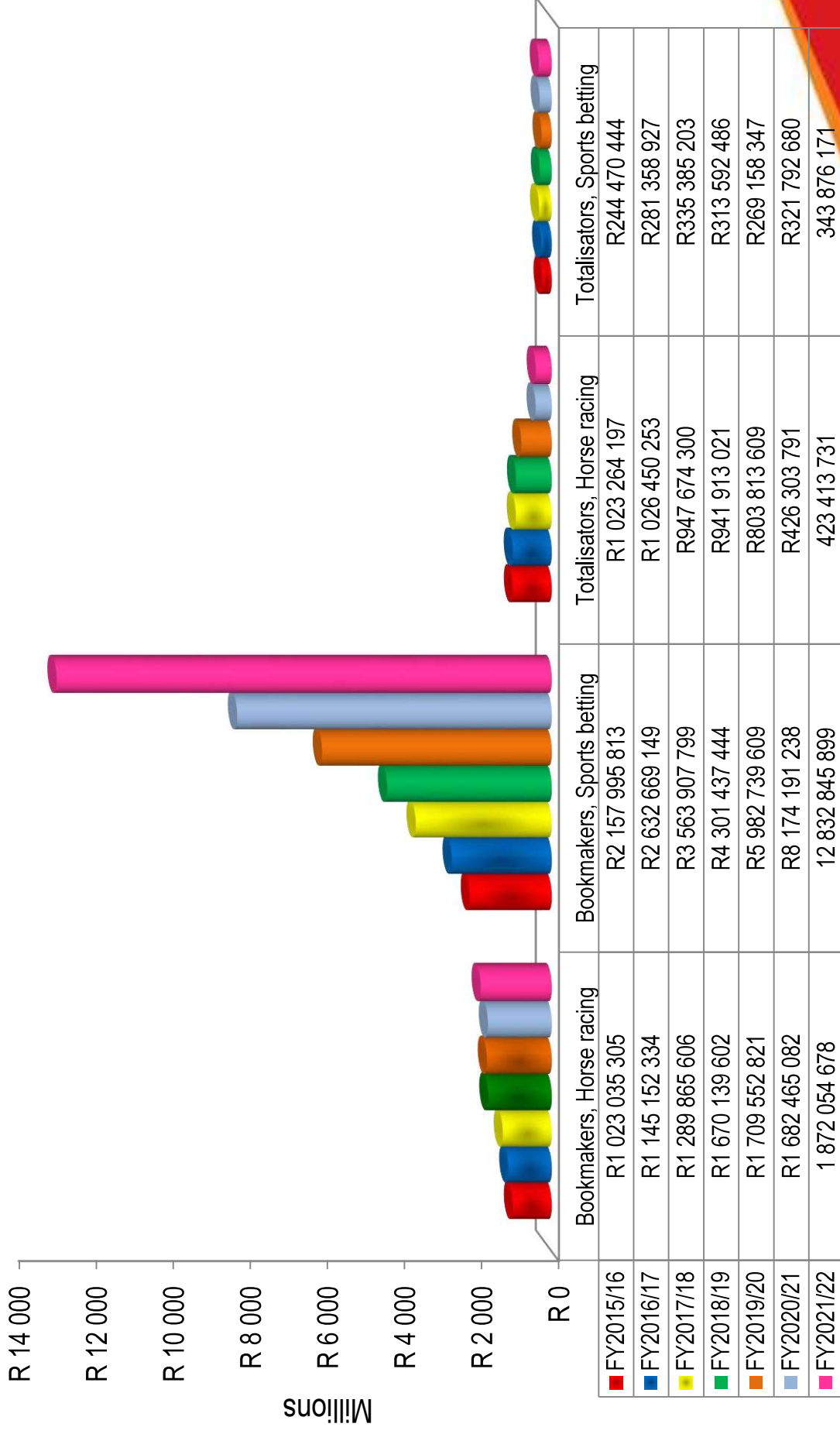


* Eastern Cape: Statistics for sports betting is included in the horse racing statistics

Trend in GGR, bookmakers & totalisators

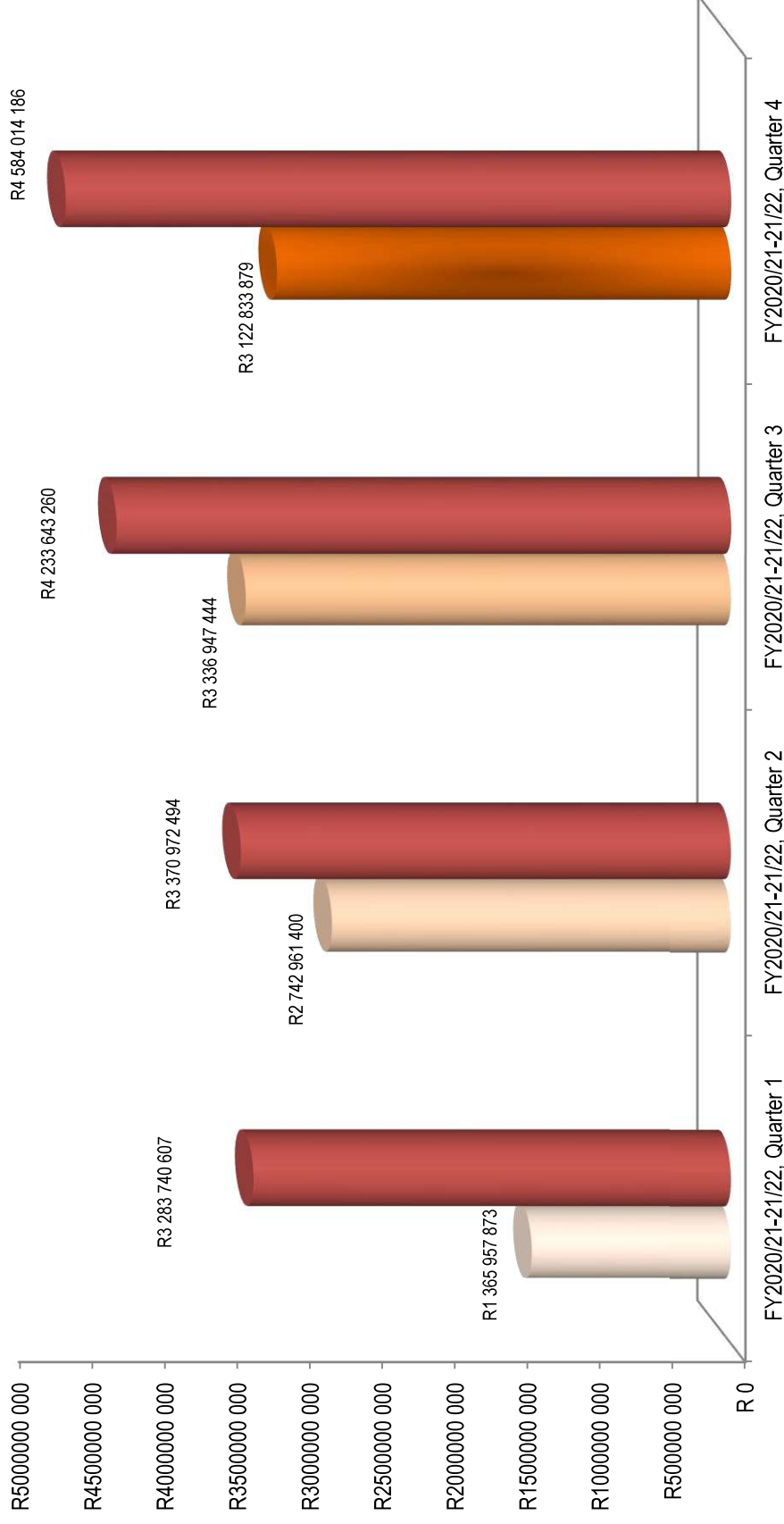
FY2015/16 to FY2021/22

Rand value of the gross revenue by an operator



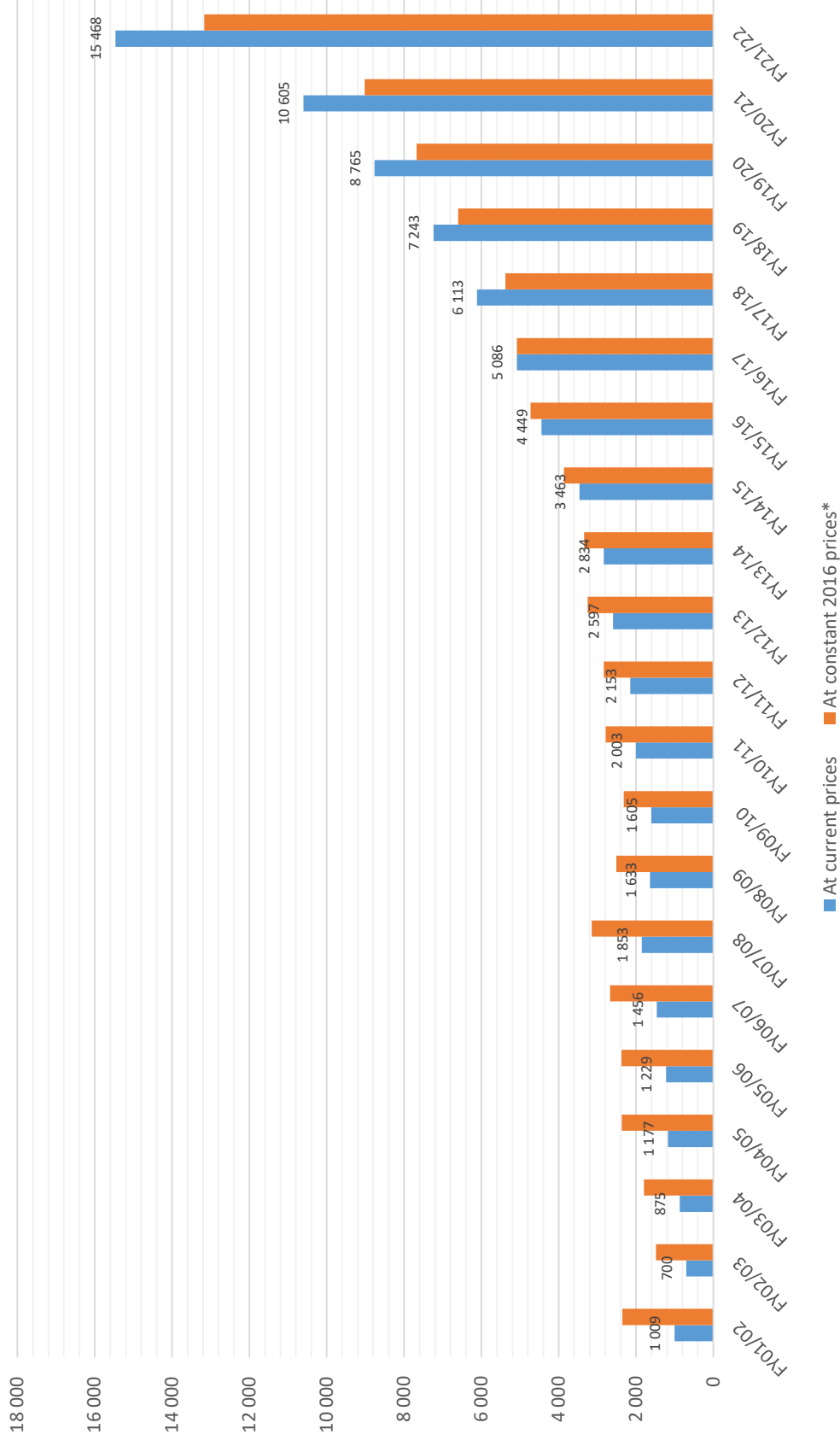
Trend in GGR betting on horse racing & sport – FY2020/21- FY2021/22

Rand value of the gross revenue of an operator



Trend in GGR betting on horse racing & sport – FY2001/02 to FY2021/22

Rand value of the gross revenue by an operator



2016 constant prices, Reserve Bank



Summary : GGR

- ❑ In FY2021/22, gambling industry GGR totalled R34.4 billion, a 48% increase from the previous financial year's value of R23.2 billion.
- ❑ Industry GGR surpassed its pre-pandemic figure of R32.7 billion in FY2019/20, showing that the industry has rebounded.
- ❑ 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, however it has not reached its pre-pandemic figure of R18.4 billion.
- ❑ The betting industry grew by 21.3% between FY2018/19 and FY2019/20, by 21.2% in FY2020/21 and by 45.8% in FY2021/22, generating GGR of R15.5 billion.
- ❑ The betting industry's growth over the past two financial years has led to its revenues surpassing casinos to hold a market share of 44.9% compared to 39.9% for casino sector.
- ❑ The LPM and bingo sectors also grew in FY2021/22 by 51.9% and 37.9% respectively. They hold relatively small shares of the market at 10.7% or R3.7 billion for the LPM sector and 4.4% or R1.5 billion for bingo.
- ❑ Provinces which generated the largest revenues are Gauteng (28.8%), the Western Cape (24.9%) and KZN (15.9%).
- ❑ All provinces experienced positive growth over the past financial year, with Mpumalanga standing out as an outlier at 139.1% growth in GGR.



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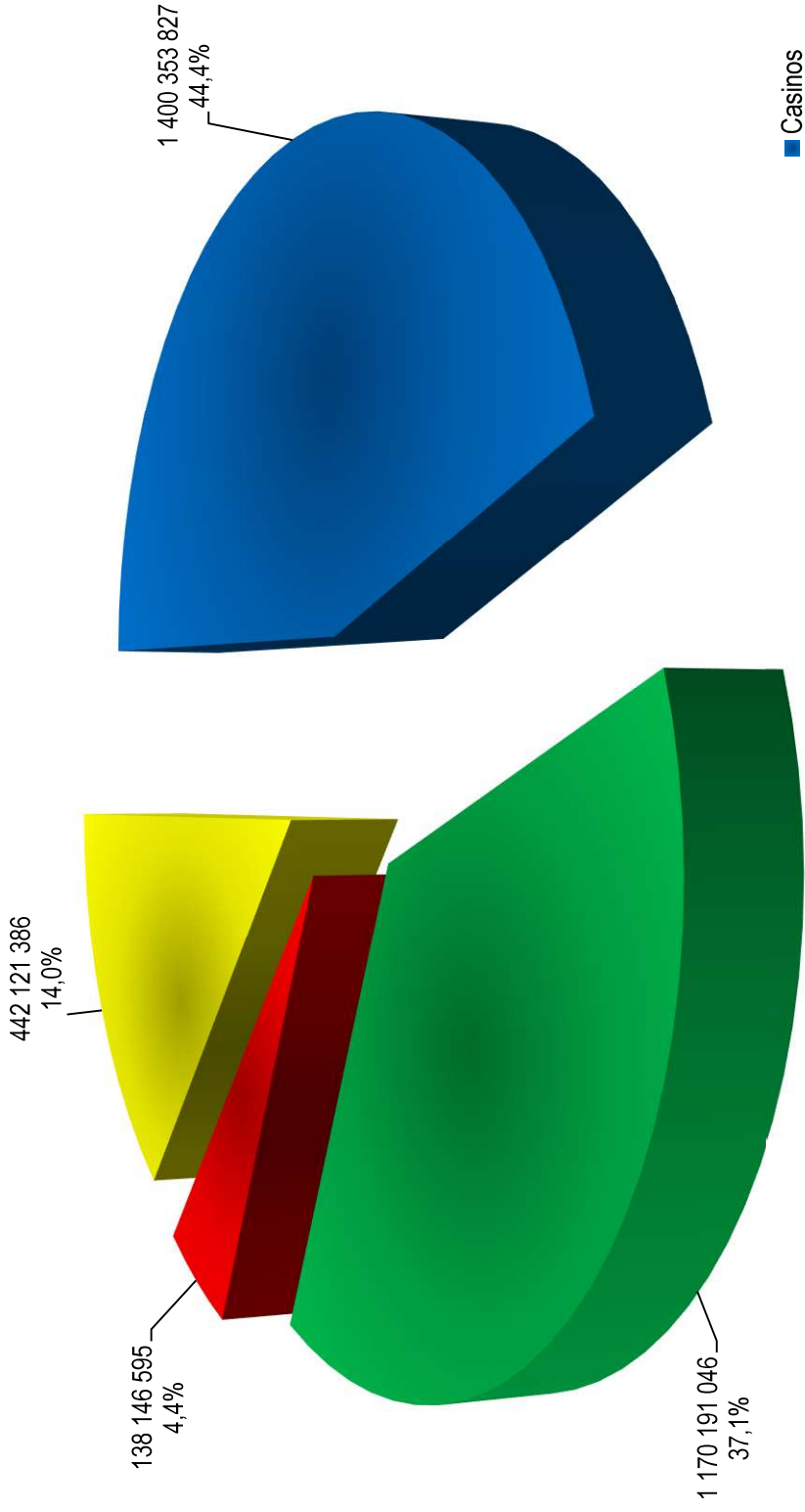
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TAXES/LEVIES FROM GAMBLING



Taxes/levies contribution per gambling mode –

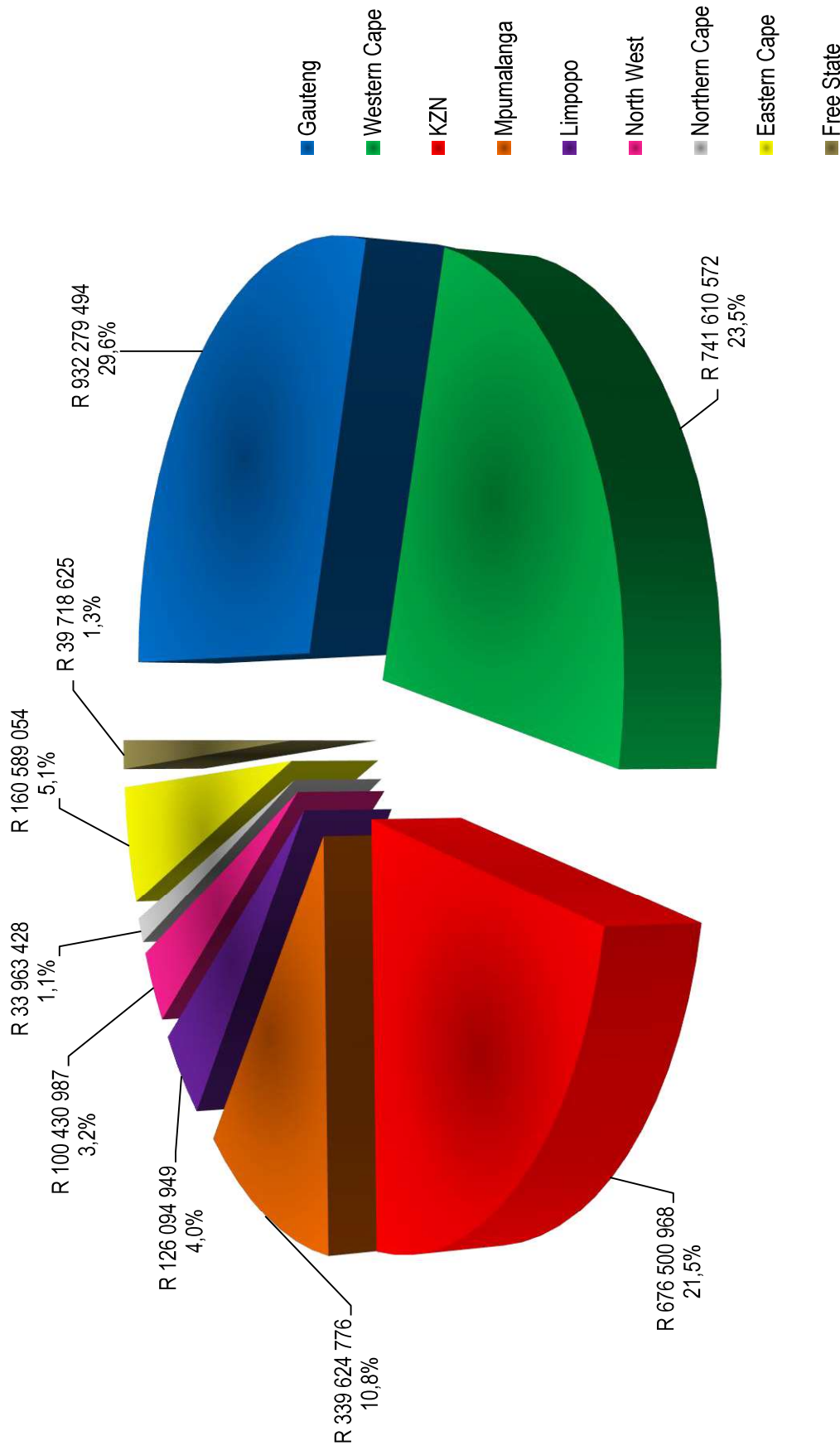
FY2021/22



Total taxes/levies: R3 150 812 854

Taxes/levies contribution per province – FY2021/22

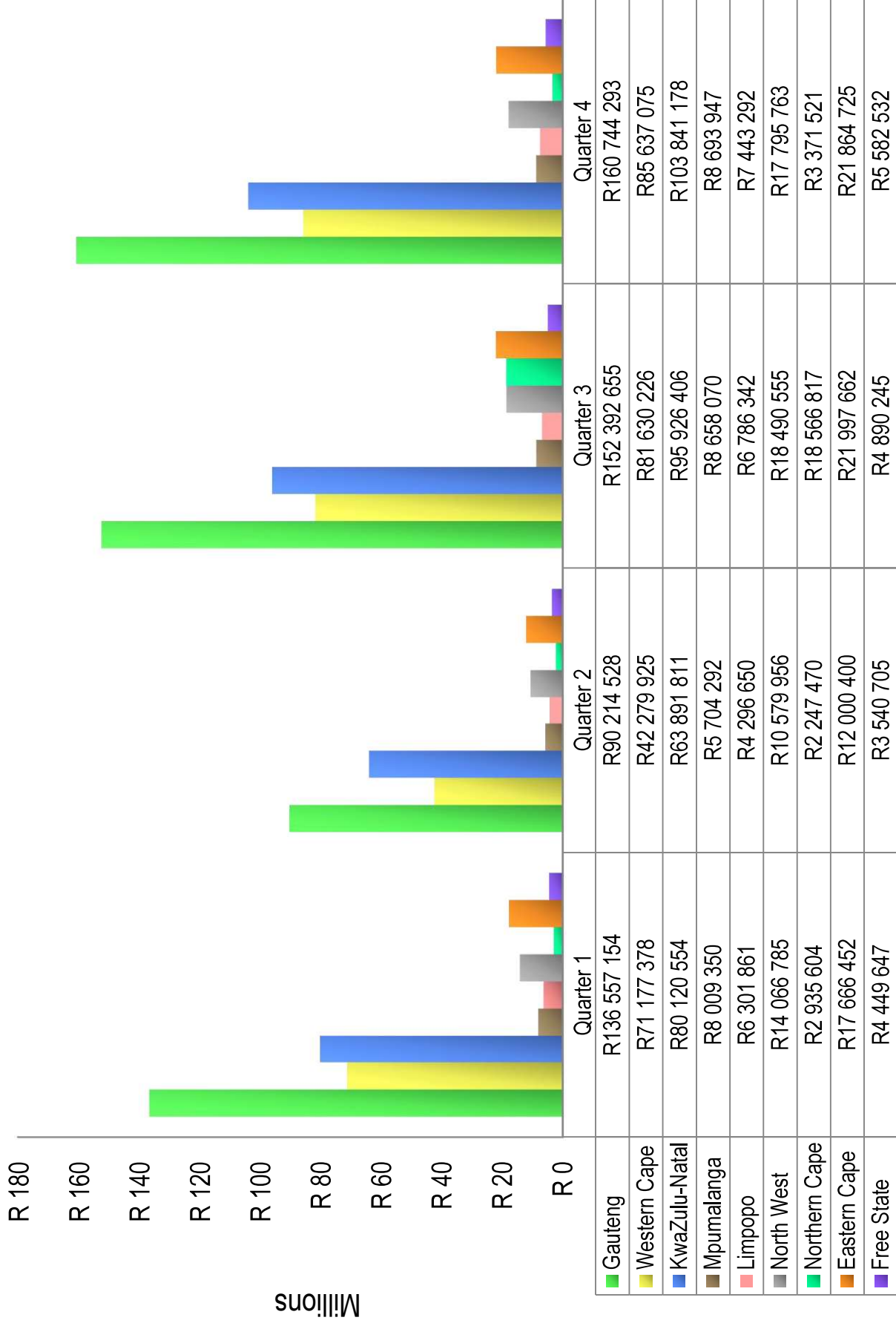
Gambling tax levied and collected by PLAs



Total taxes/levies: R3 150 812 854

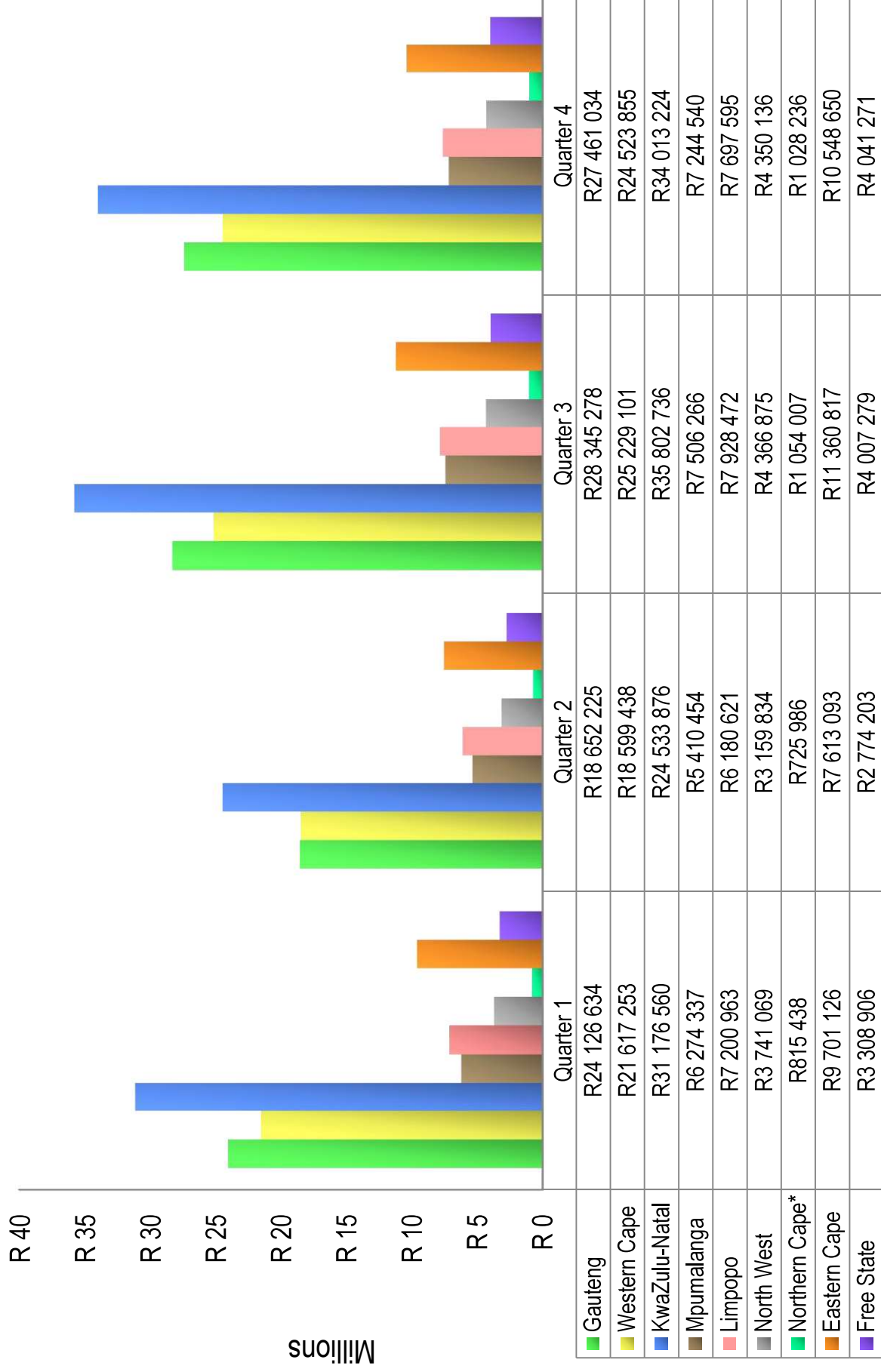
Quarterly casino taxes/levies - FY2021/22

Gambling tax levied and collected by PLAs



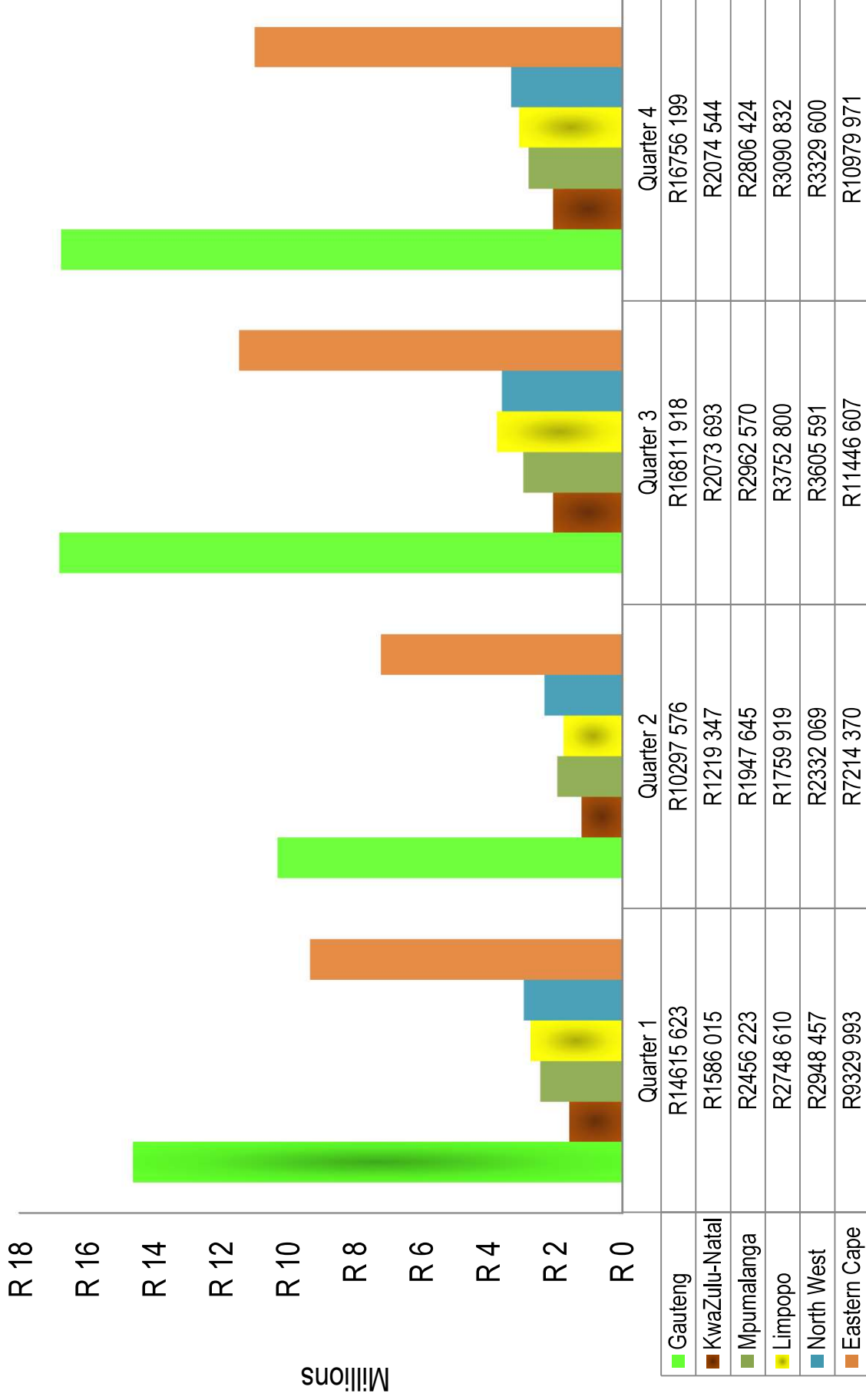
Quarterly LPM taxes/levies - FY2021/22

Gambling tax levied and collected by PLAs



Quarterly bingo taxes/levies - FY2021/22*

Gambling tax levied by and collected by PLAs

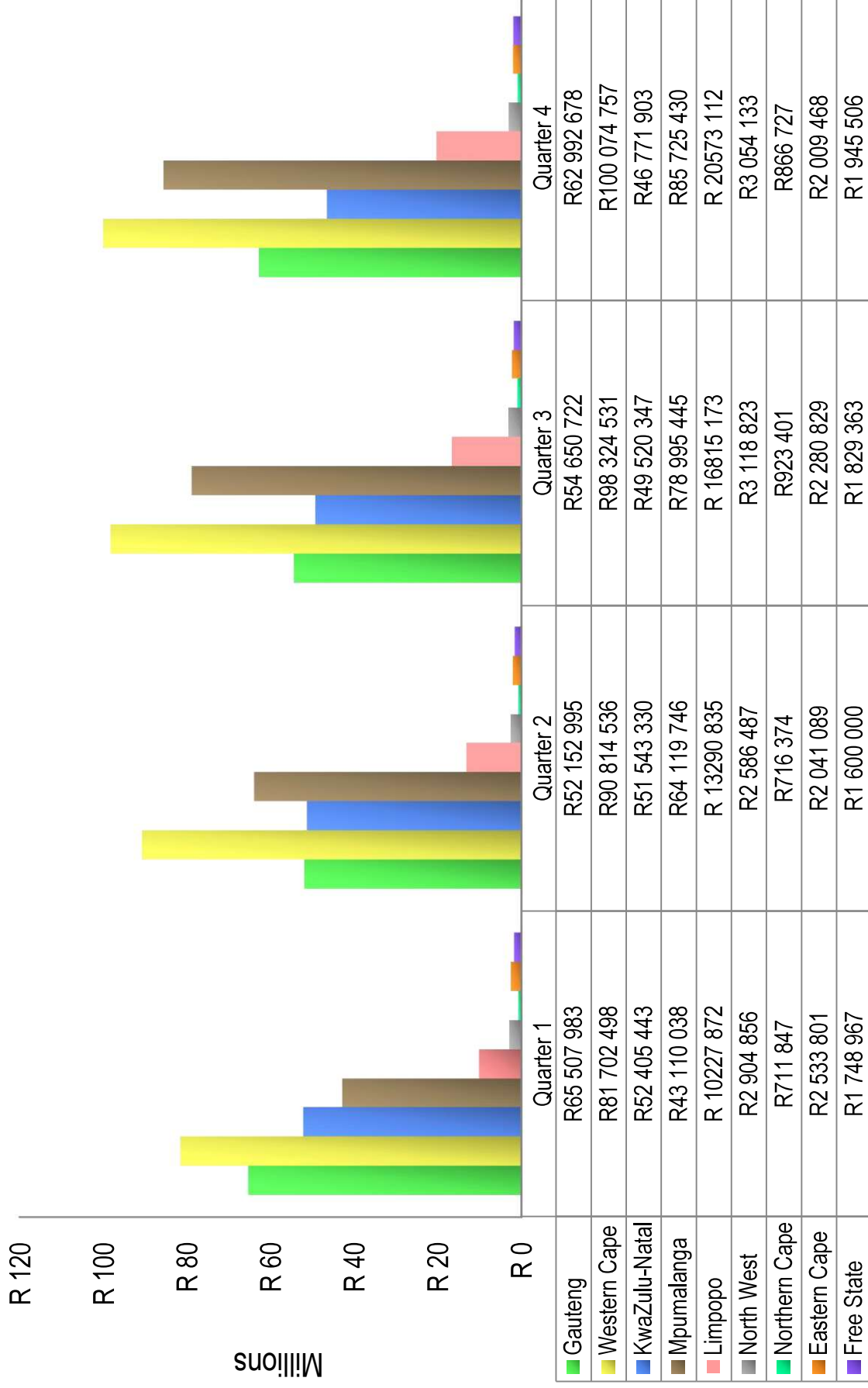


- Bingo offered for play in Gauteng, Mpumalanga, North West, Eastern Cape and KwaZulu-Natal only

Quarterly betting taxes/levies – FY2021/22

Bookmakers & Totalisators

Gambling tax levied and collected by PLAs

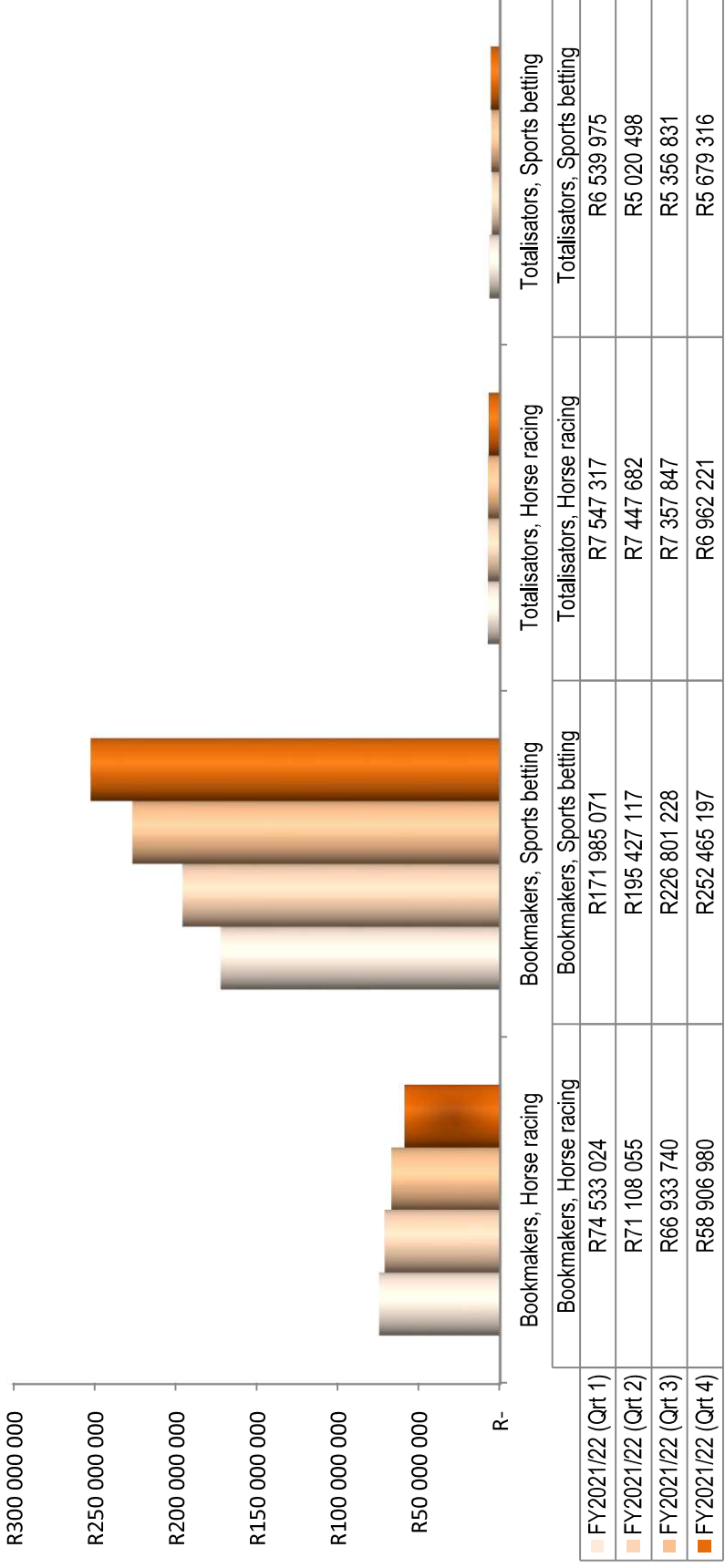


Quarterly betting taxes/levies – FY2021/22

Split between Bookmakers & Totalisators

Betting on horse racing & sport

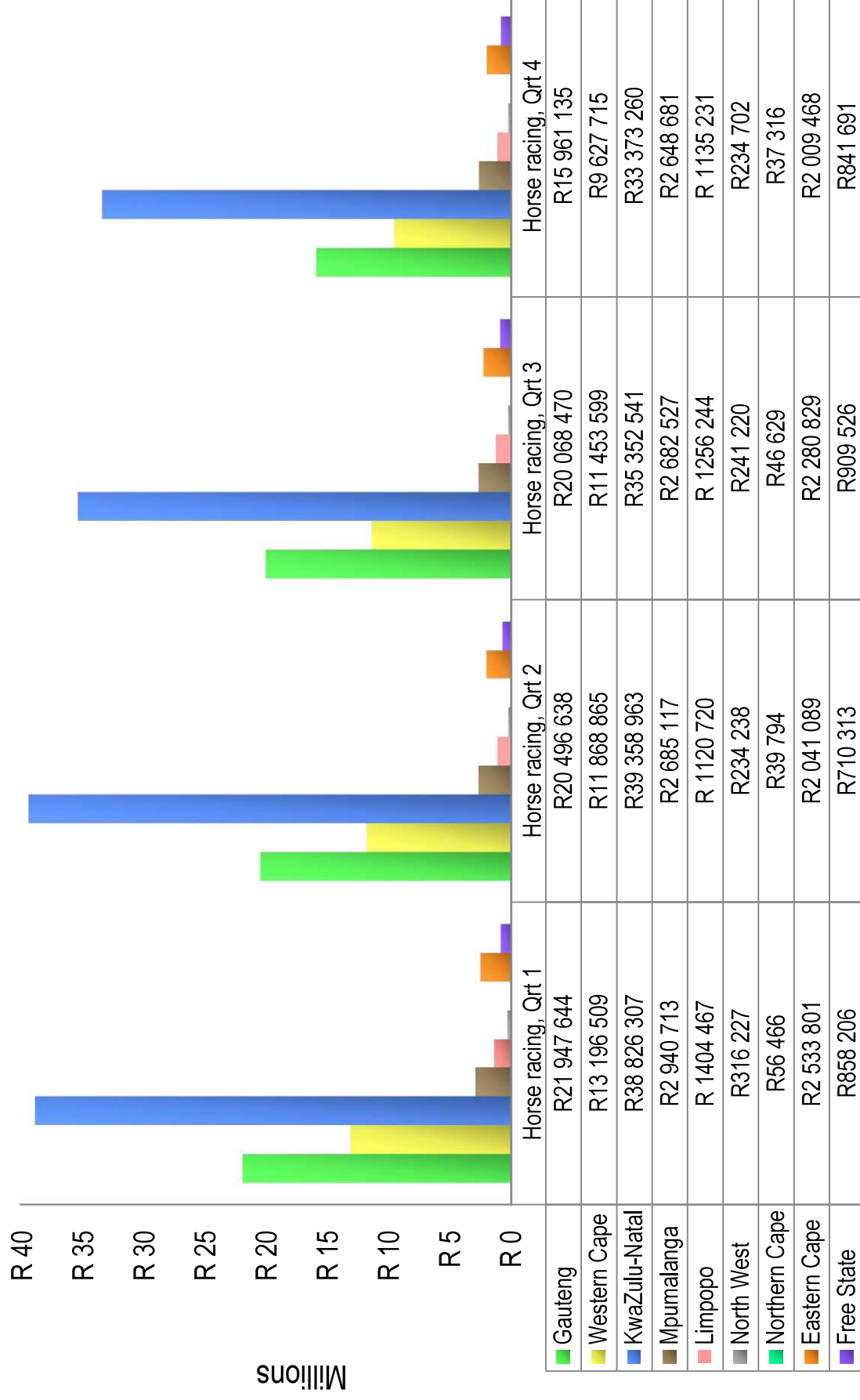
Gambling tax levied and collected by PLAs



Quarterly betting taxes/levies – FY2021/22

Betting on horse racing*

Gambling tax levied by and collected by PLAs

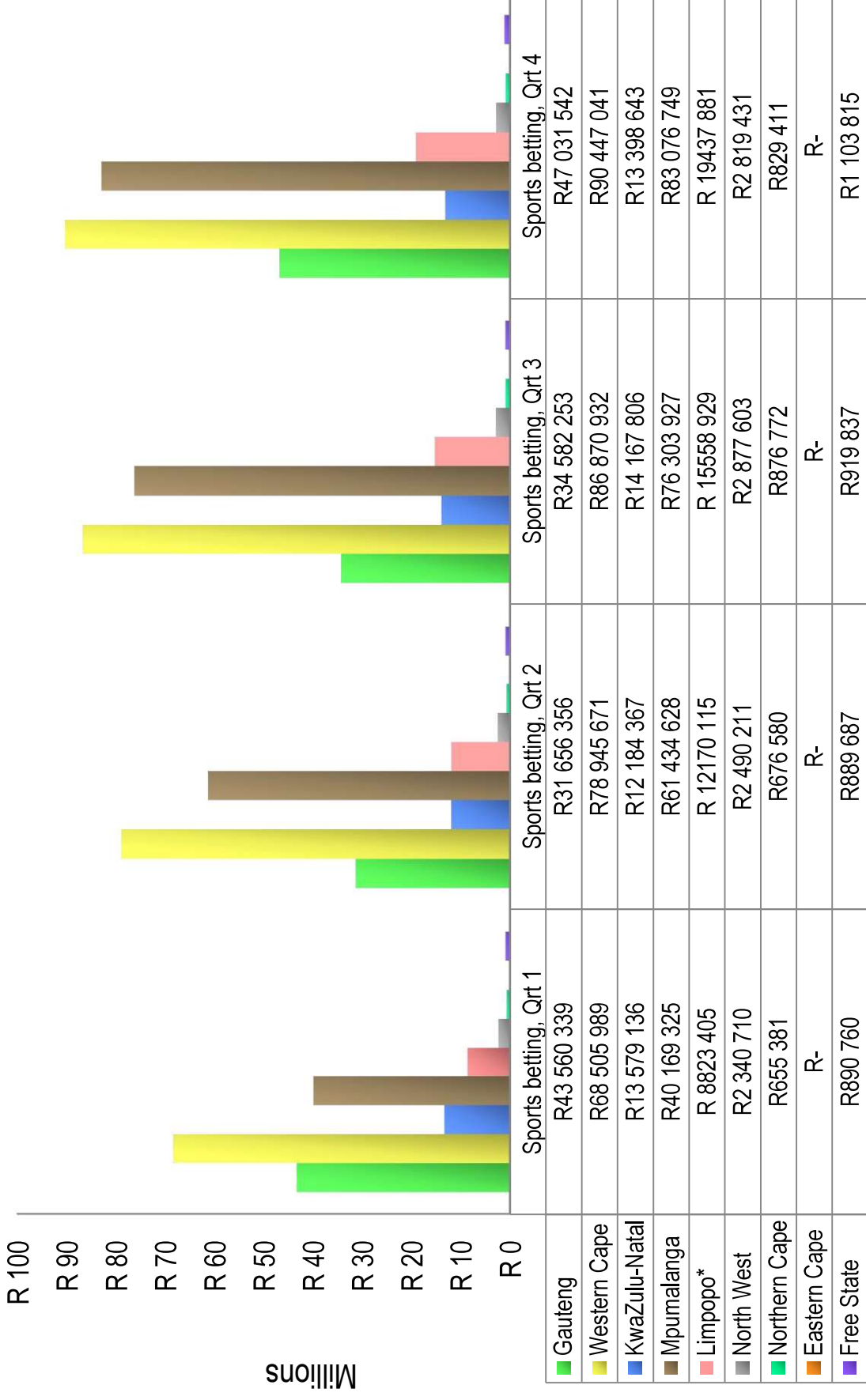


* Eastern Cape: Statistics includes sports betting

Quarterly betting taxes/levies – FY2021/22

Betting on sport*

Gambling tax levied and collected by PLAs

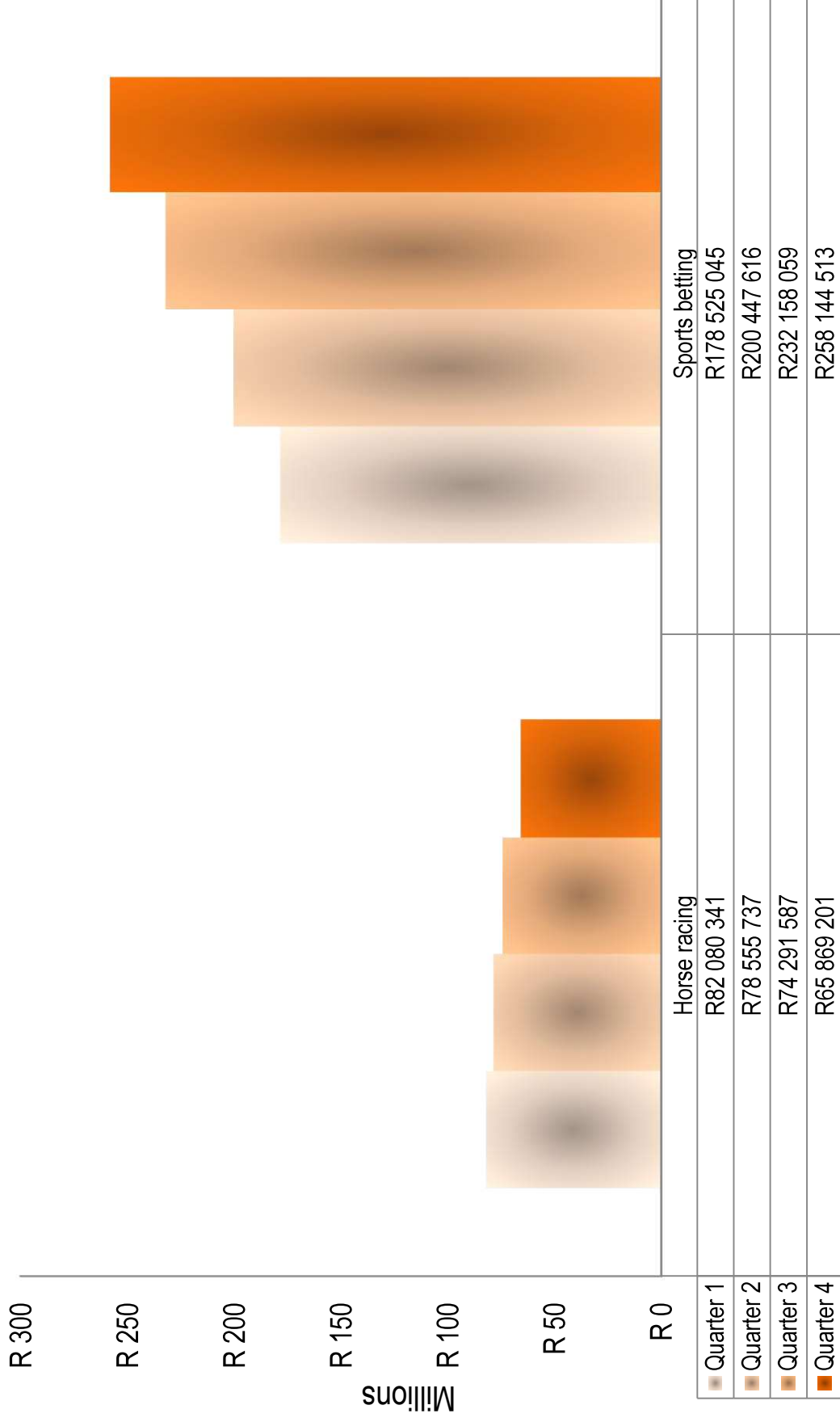


* Eastern Cape: Statistics for sports betting is included in the horse racing statistics

Quarterly betting taxes/levies – FY2021/22

Split between betting on horse racing & sport

Gambling tax levied and collected by PLAs

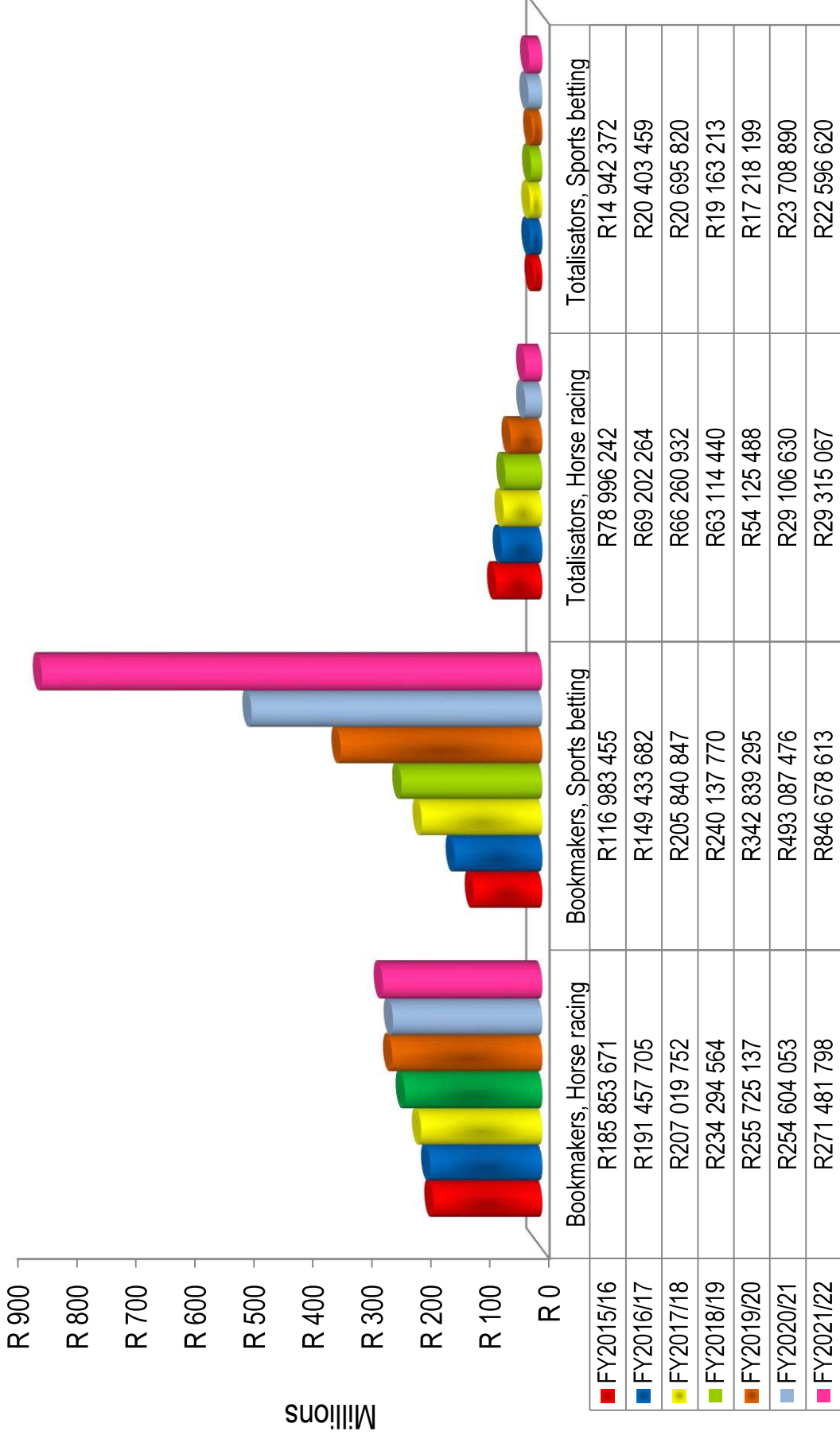


* Eastern Cape: Statistics for sports betting is included in the horse racing statistics

Trend in taxes/levies, bookmakers & totalisators,

FY2015/16 to FY2021/22

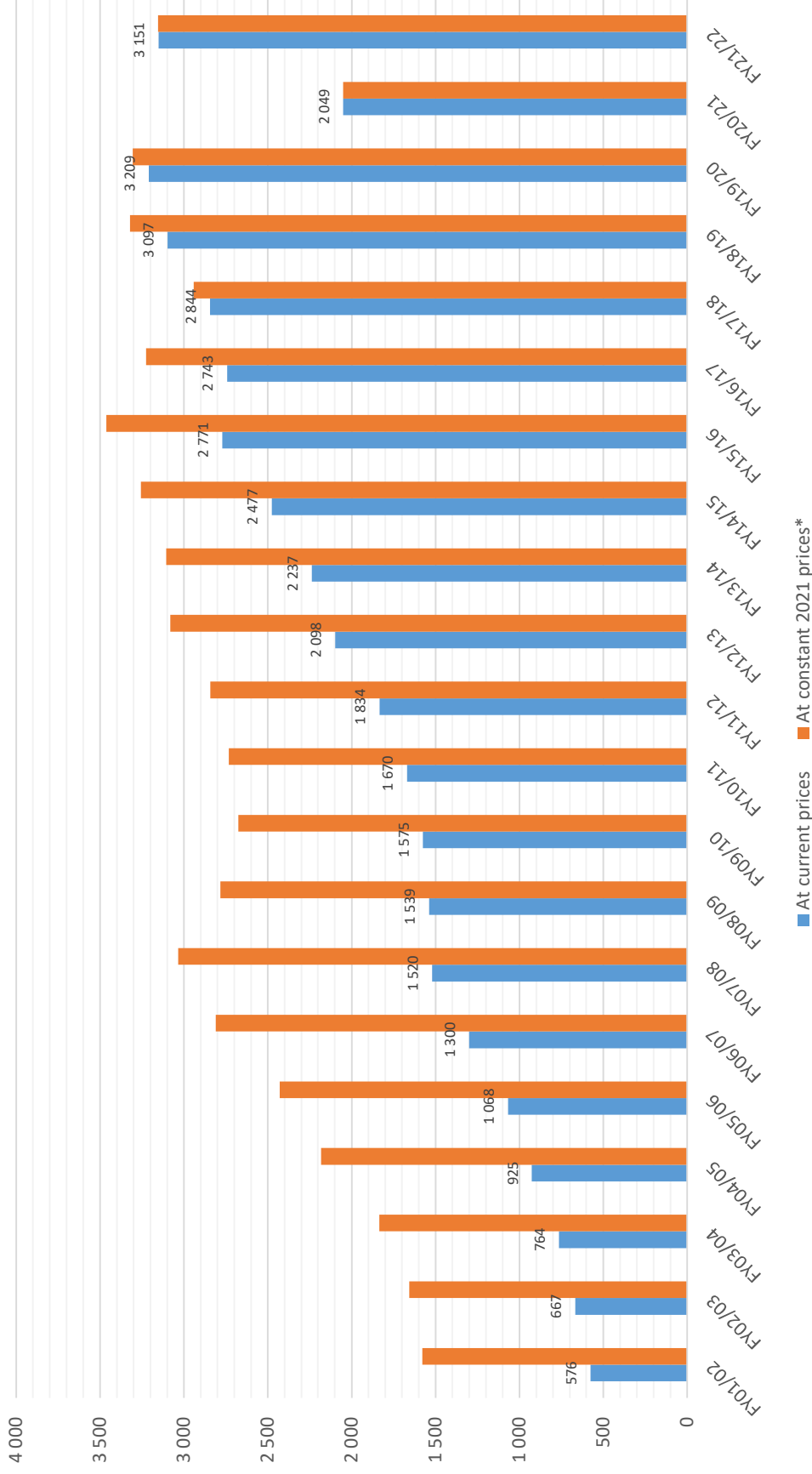
Gambling tax levied and collected by PLAs



Trend in taxes/levies – FY2001/02 to FY2021/22

(all modes and provinces)

Gambling tax levied and collected by PLAs



Summary : Taxes/Levies

- ❑ A total amount of R3 150 812 854 in taxes/levies was collected during FY2021/22.
- ❑ The collection of taxes/levies decreased by 1.0% from R2,8 billion in FY2015/16 to R 2,7 billion in FY2016/17, increased by 5.7% to R2,9 billion in FY2017/18, by 6.8% to R3,1 billion in FY2018/19, by 3.2% to R3.2 billion in FY2019/20 but decreased by more than a third (36.1%) to R2.0 billion in FY2020/21. In FY2021/22, taxes/levies collected increased by 53.8%.
- ❑ During FY2021/22, at 44.4%, casinos contributed the highest amount of taxes/levies paid by comparison with other gambling modes.
- ❑ At 29,6% Gauteng accounted for the highest amount of taxes/levies paid compared to all other provinces.



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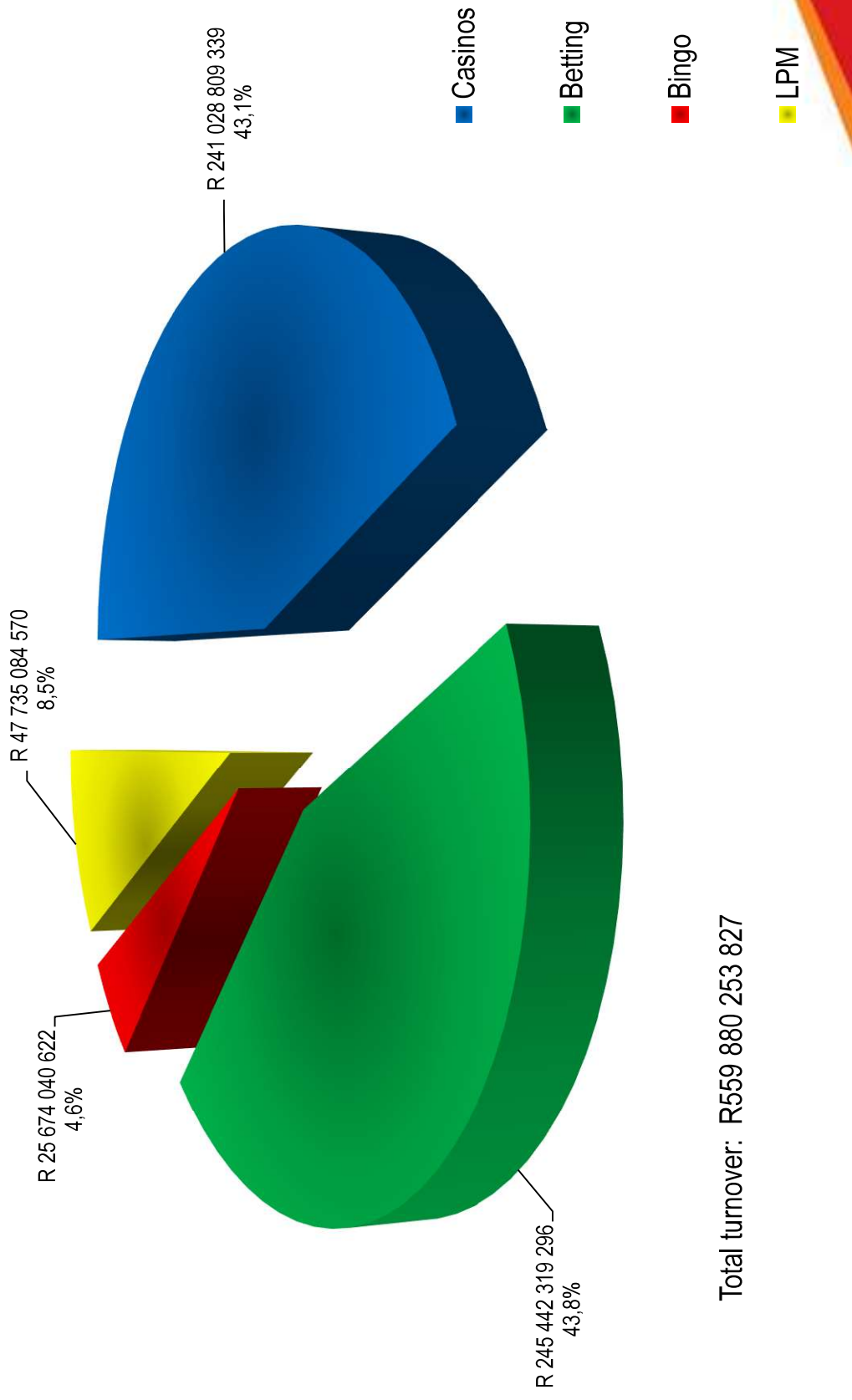
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TURNOVER



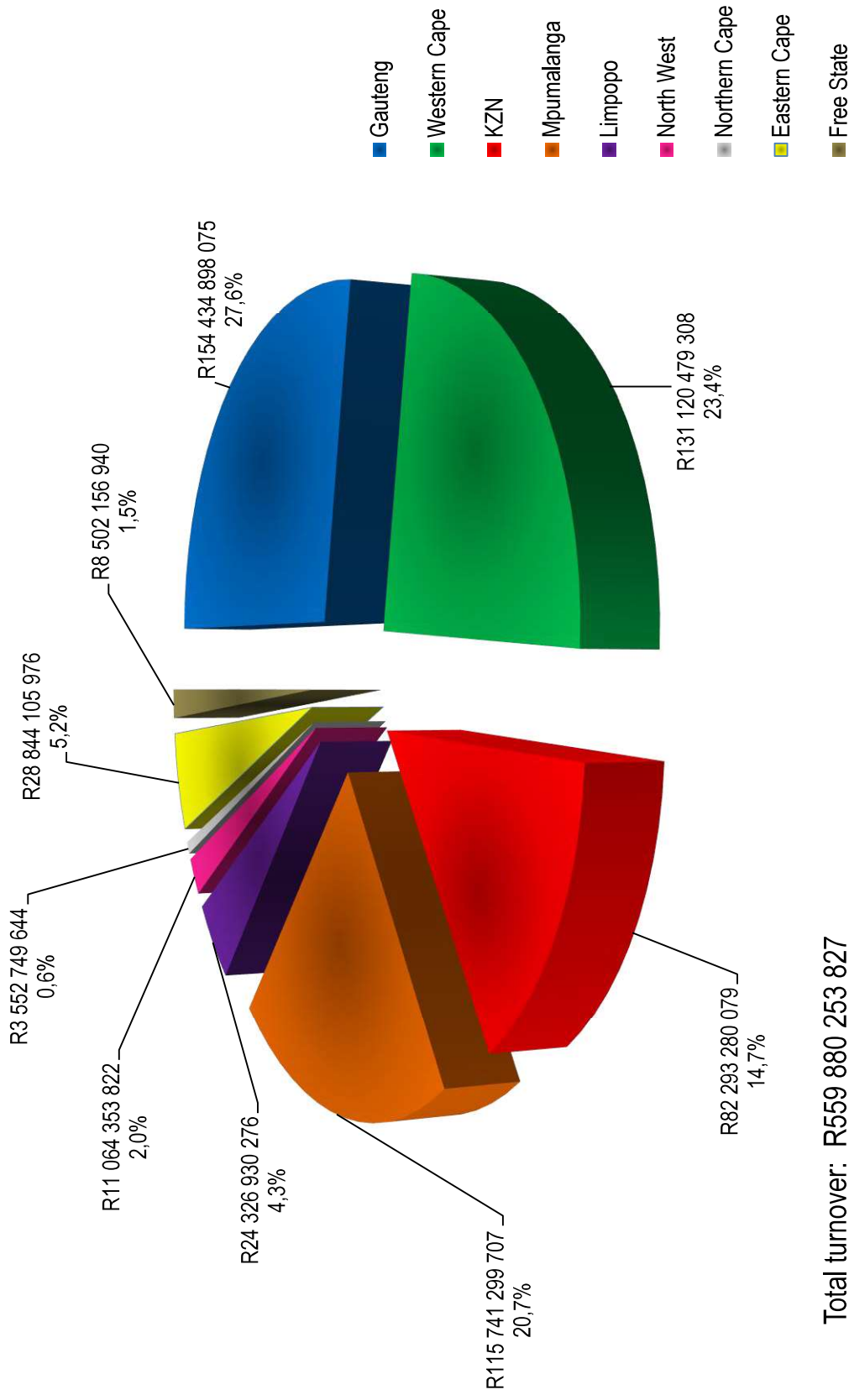
Turnover per gambling mode – FY2021/22

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



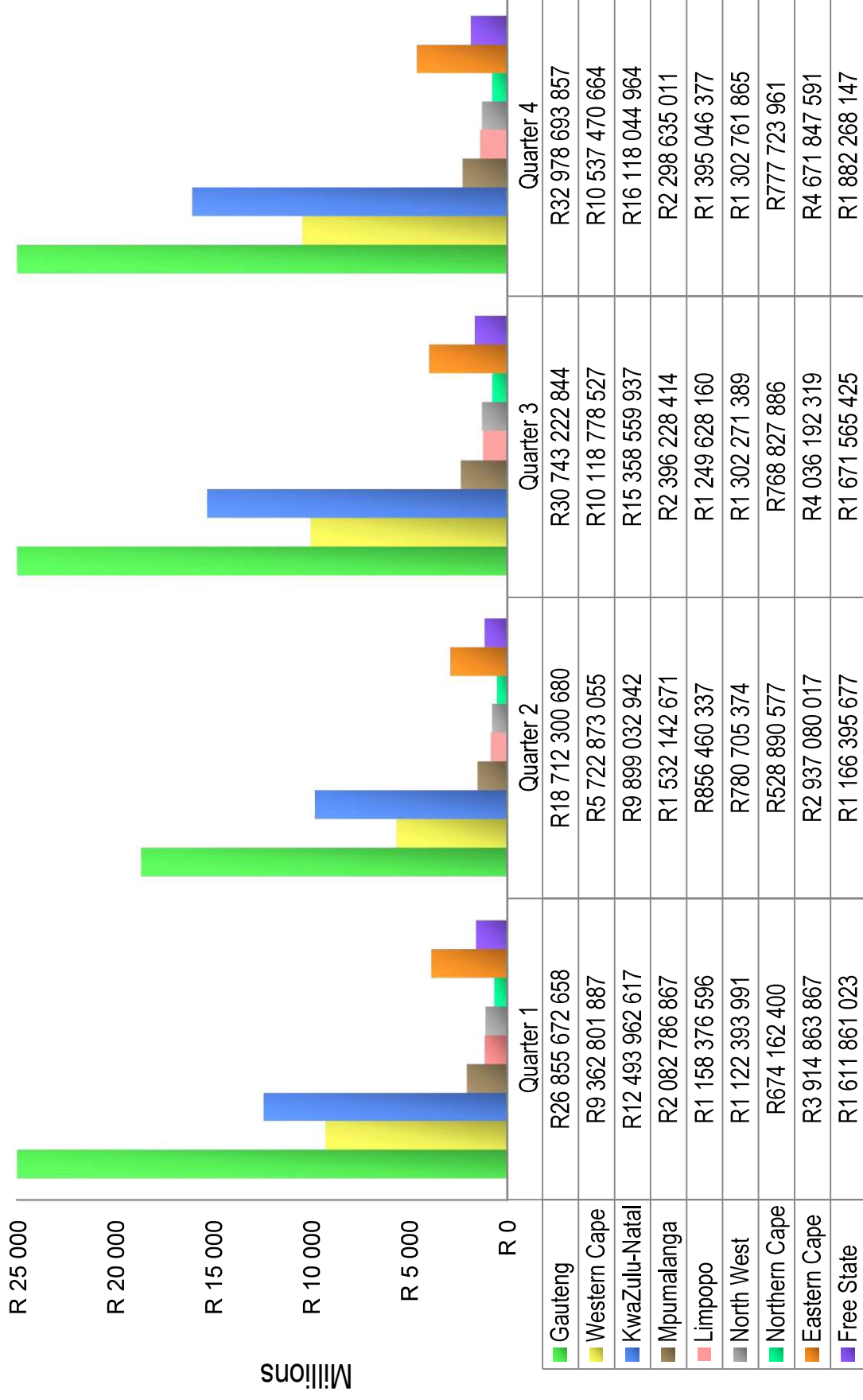
Turnover per province – FY2021/22

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



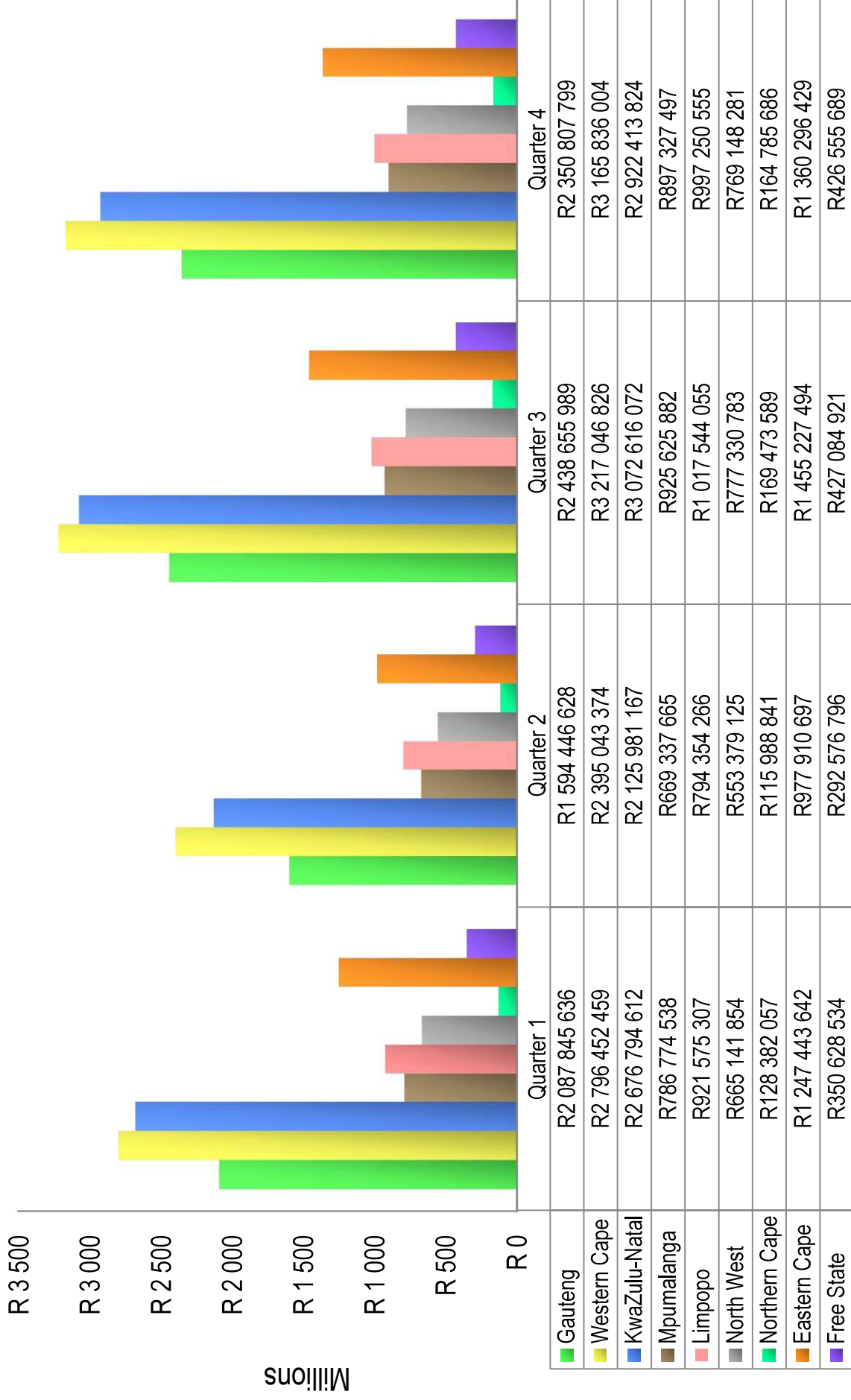
Quarterly casino turnover - FY2021/22

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



Quarterly LPM turnover - FY2021/22

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



Quarterly bingo turnover - FY2021/22*

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

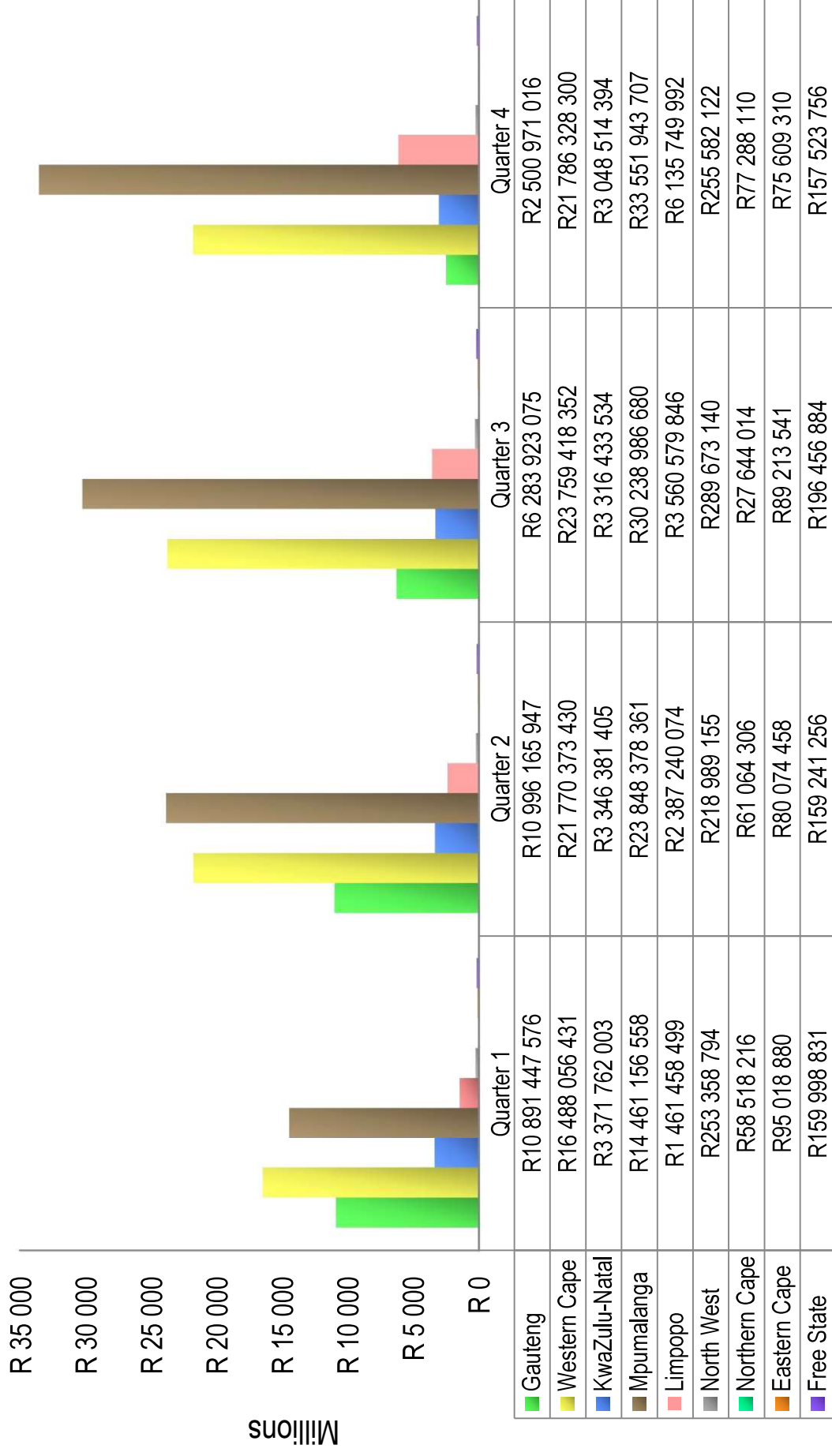


Bingo offered for play in Gauteng, Mpumalanga, North West, Limpopo, KwaZulu-Natal and Eastern Cape only

Quarterly betting turnover – FY2021/22

Bookmakers & Totalisators

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

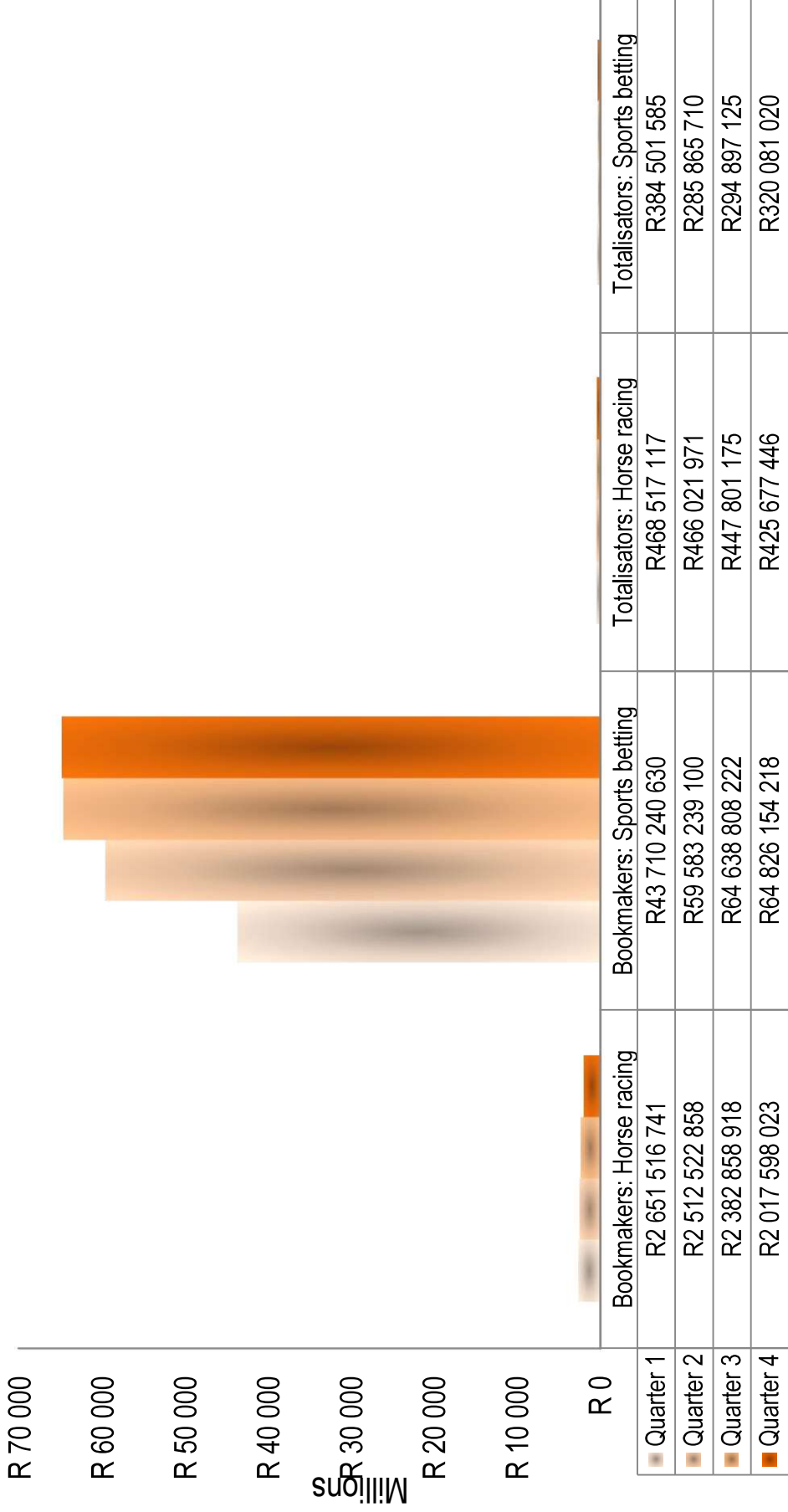


Quarterly betting turnover – FY2021/22

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

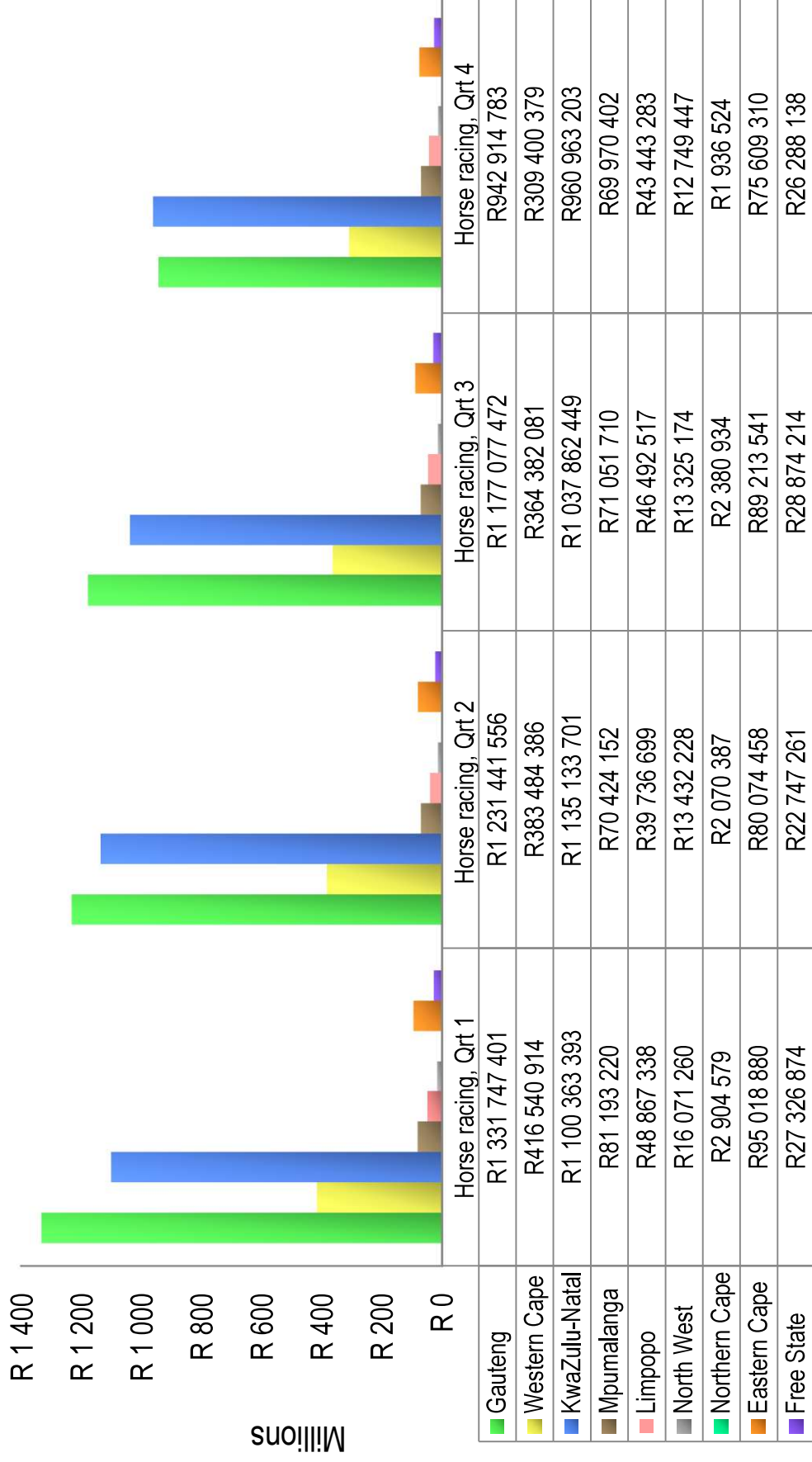


* Eastern Cape: Statistics for sports betting is included in the horse racing statistics

Quarterly betting turnover – FY2021/22

Betting on horse racing*

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

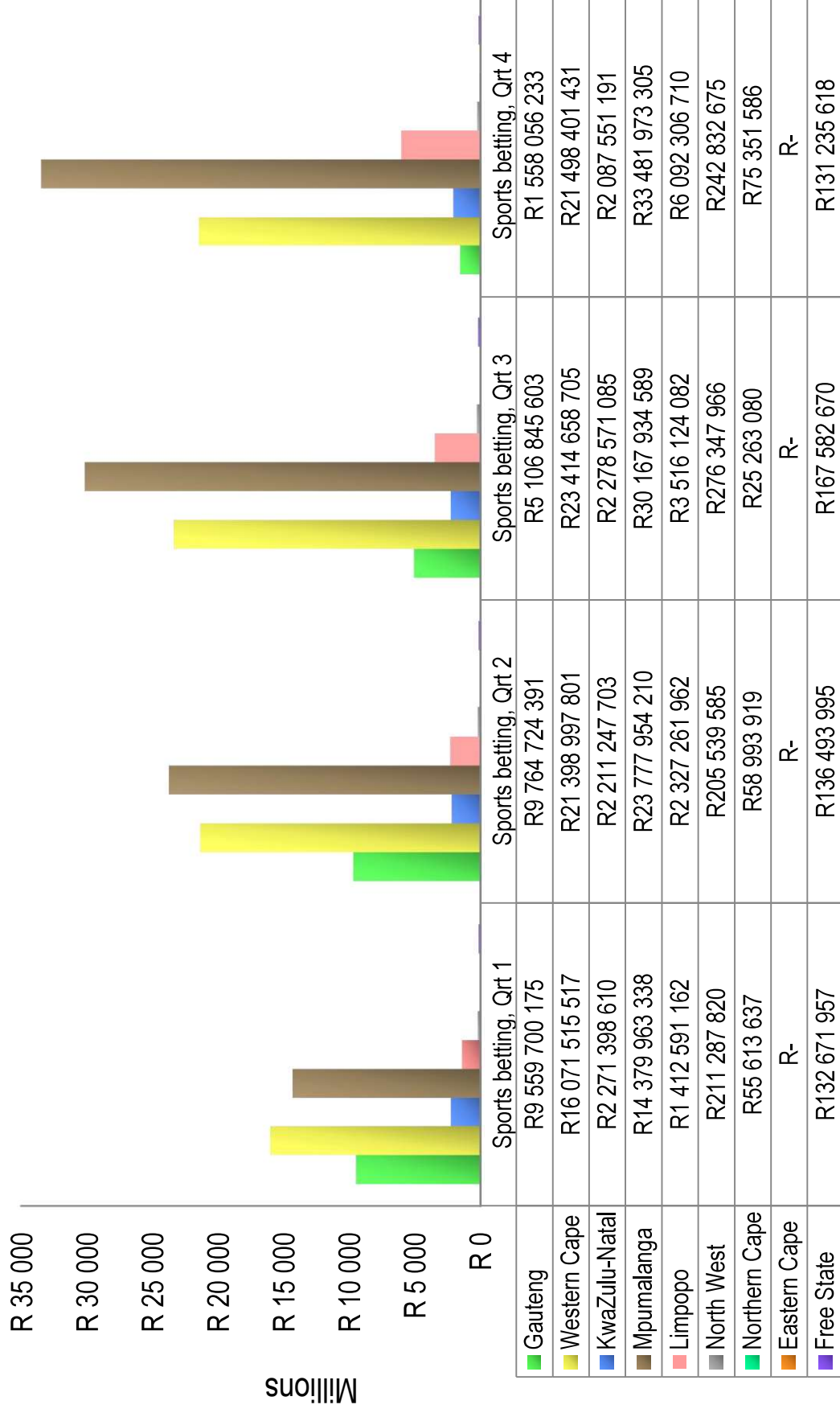


* Eastern Cape: Statistics includes sports betting

Quarterly betting turnover – FY2021/22

Betting on sport*

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

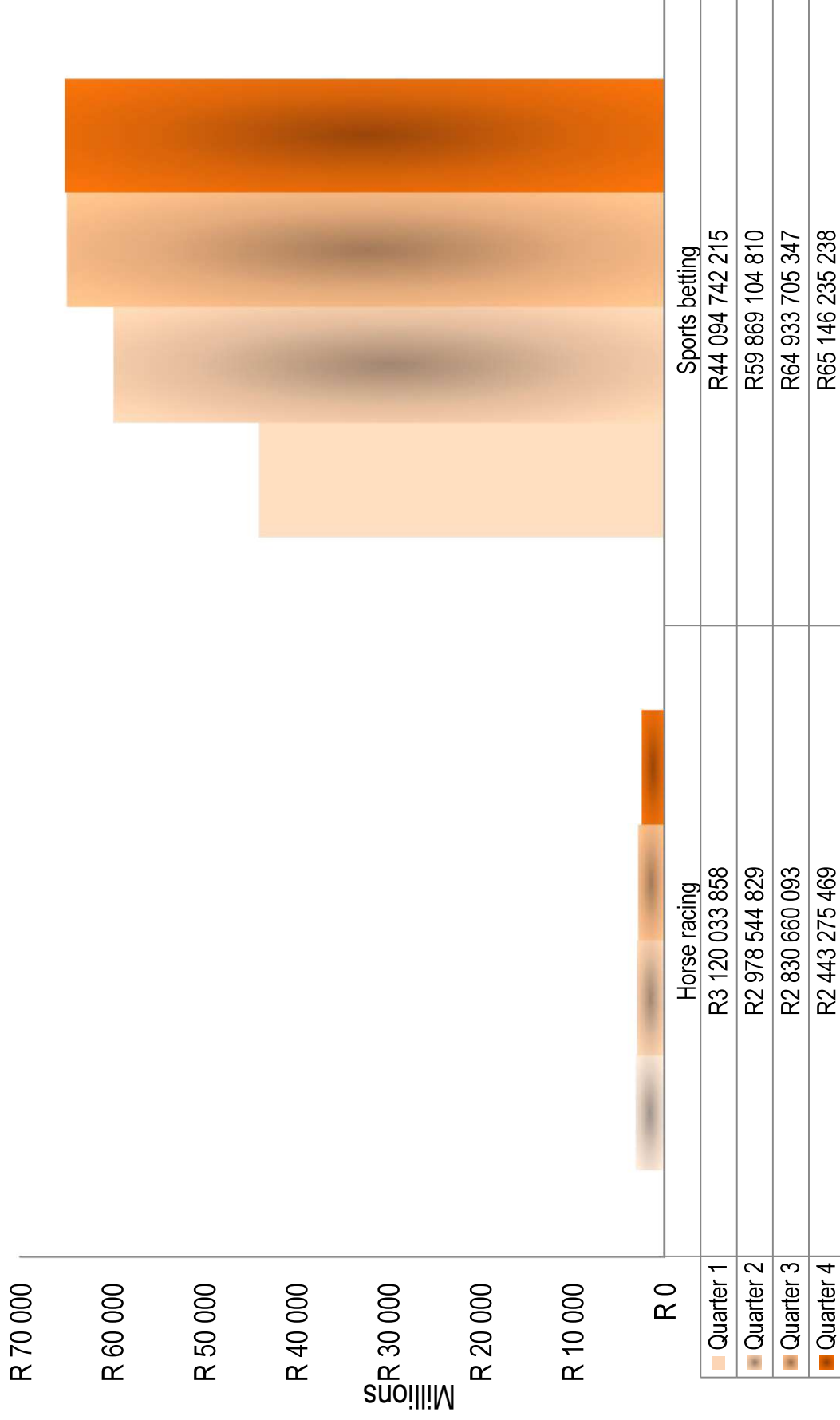


* Eastern Cape: Statistics for sports betting is included in the horse racing statistics

Quarterly betting turnover – FY2021/22

Split between betting on horse racing & sport

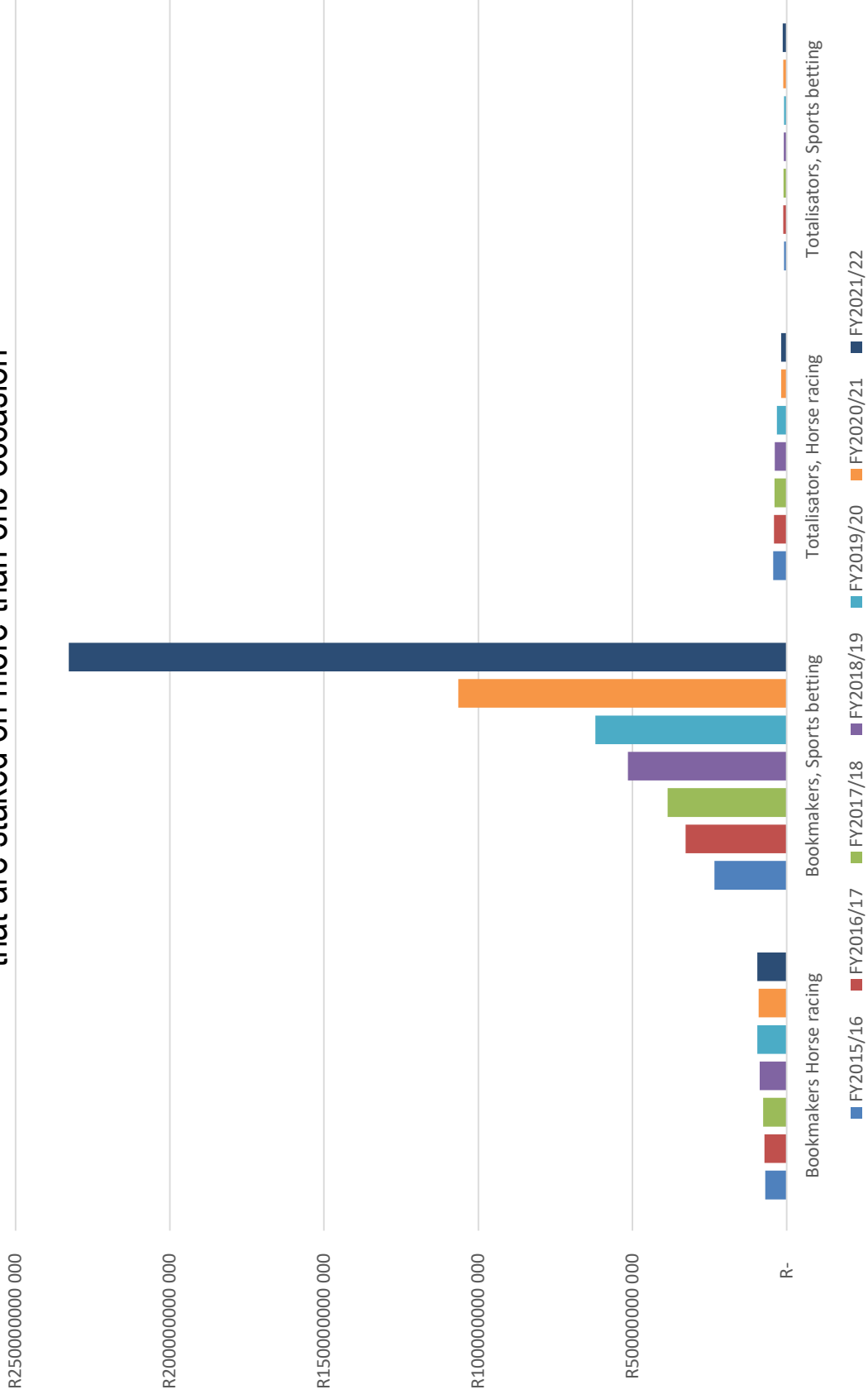
The rand value of money wagered includes "recycling" which refers to amounts that are staked on more than one occasion



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

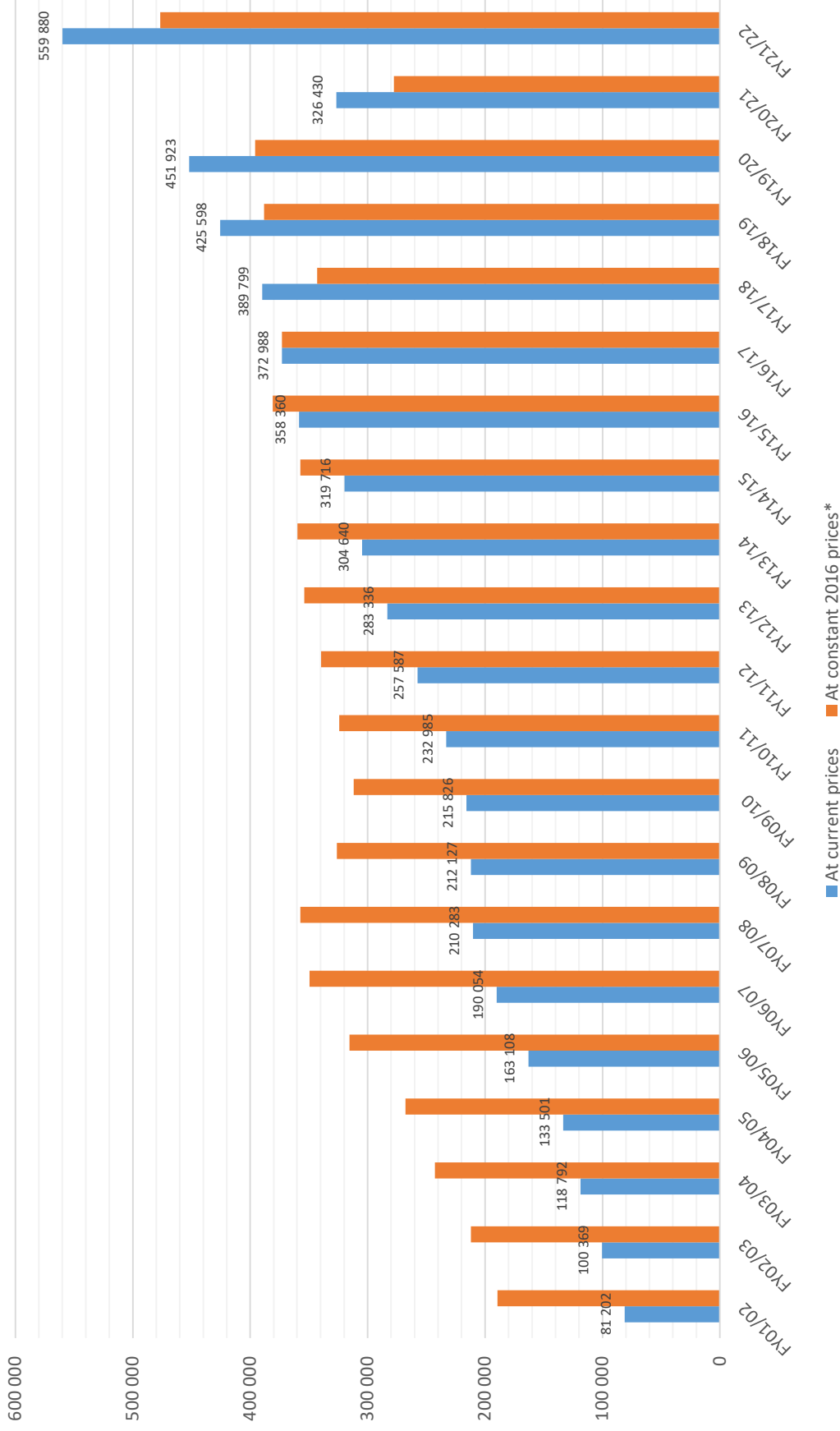
Trend in turnover, bookmakers & totalisators, FY2015/16 to FY2021/22

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



Trend in turnover– FY2001/02 to FY2021/22

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

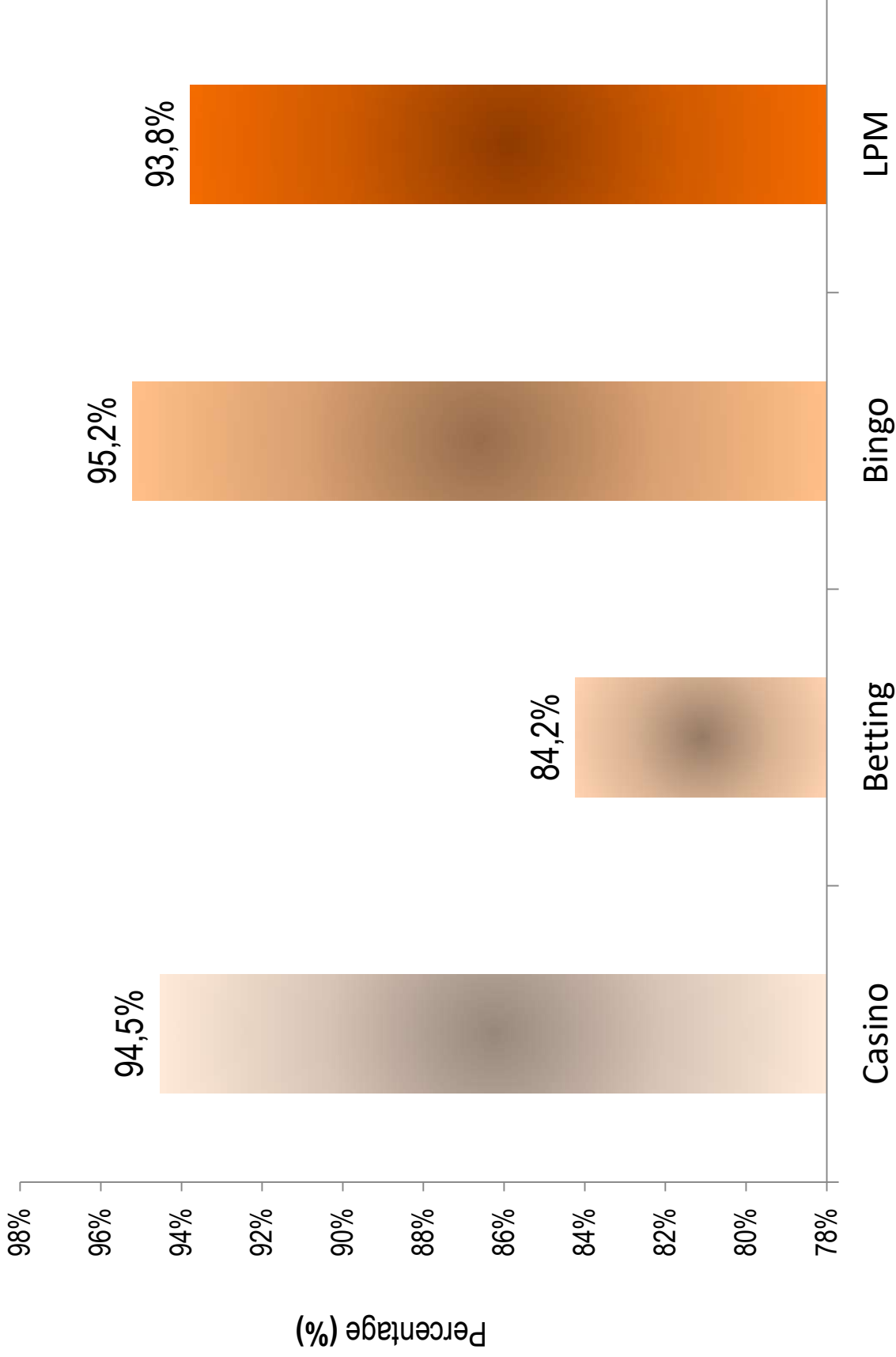


Summary : Turnover

- ❑ A total amount of R559.9 billion was wagered in FY2021/22, an increase of 71.5% from the previous financial year.
- ❑ Total turnover was significantly higher than its pre-pandemic value of R451.9 billion in FY2019/20.
- ❑ Casino industry turnover grew by 51.8% in FY2021/22 relative to the previous year. The casino sector generated R241.0 billion in TO in FY2021/22, which is a 43% share of total TO.
- ❑ The betting industry's turnover saw tremendous growth from R118.5 billion in FY2020/21 to R245.5 billion in FY2021/22. This is a 107.2% increase in TO.
- ❑ The LPM industry experienced positive growth of 49.4%, expanding to R47.7 billion in FY2021/22.
- ❑ The bingo sector generated R25.7 billion, representing a 49.2% increase from the previous year.
- ❑ The largest amounts of money wagered were in Gauteng (27.6%), the Western Cape (23.4%) and Mpumalanga (20.7%).

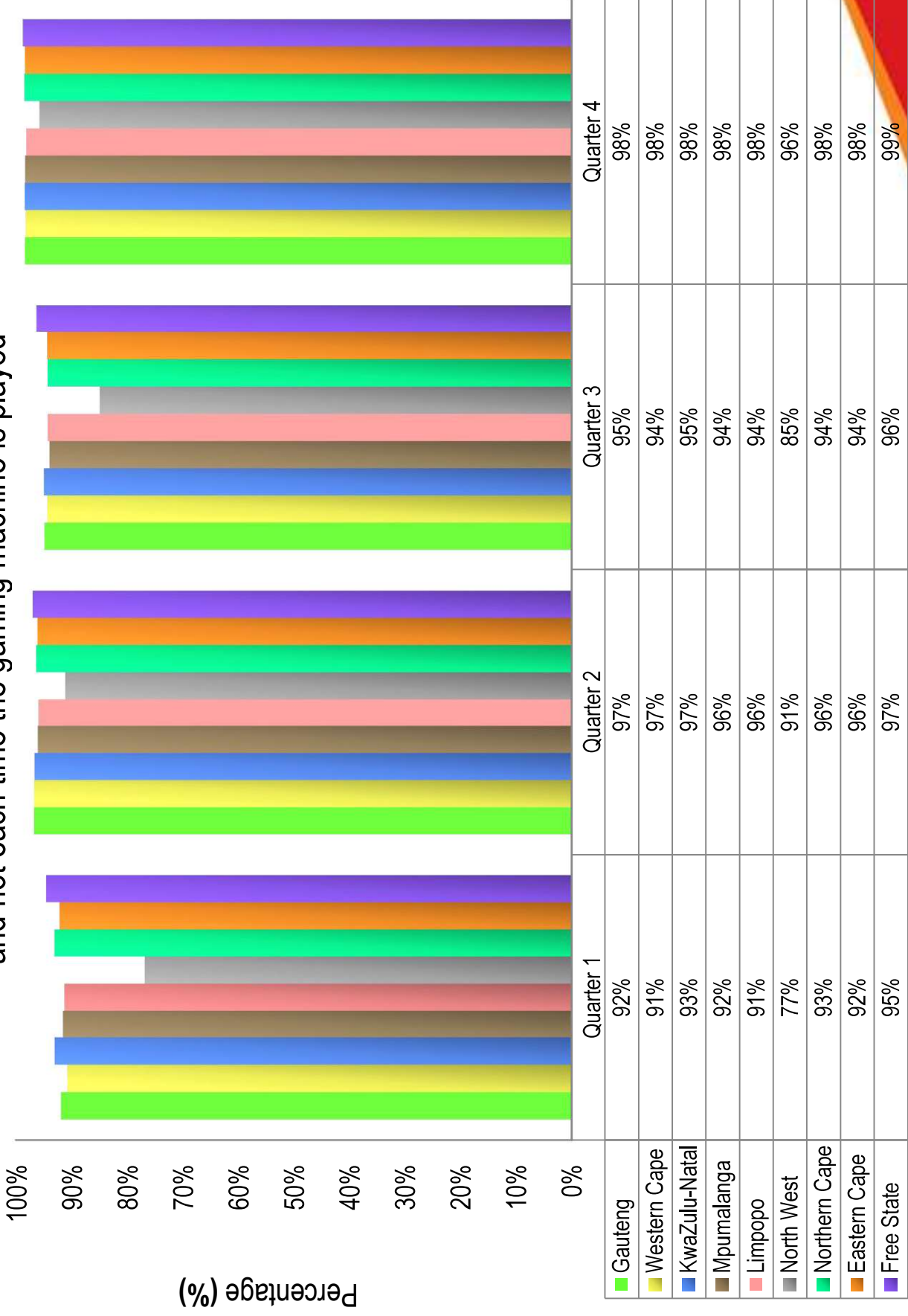
Average RTP % per gambling mode – FY2021/22

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



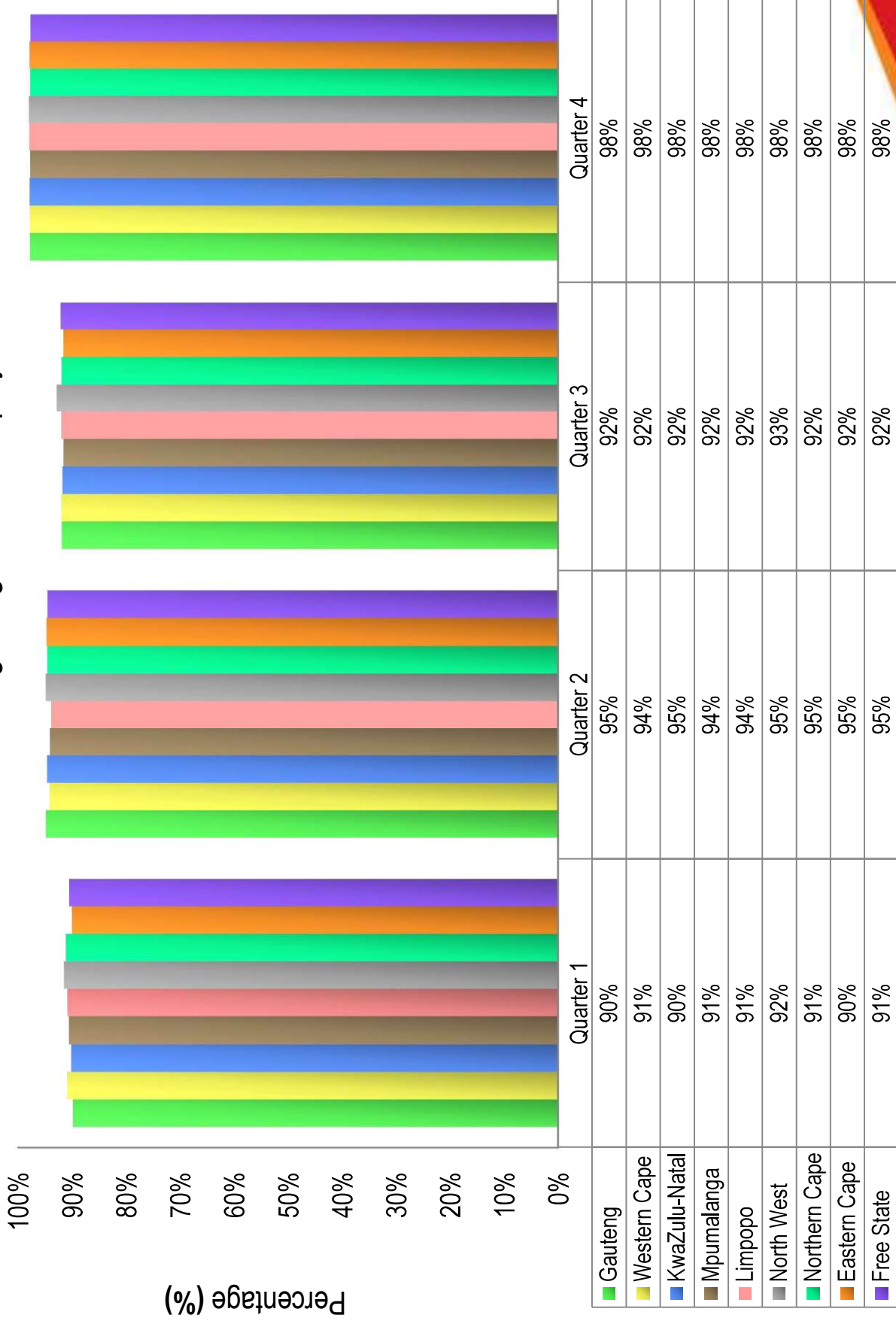
Quarterly casino RTP % - FY2021/22

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 % - FY2021/22

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 % - FY2021/22*

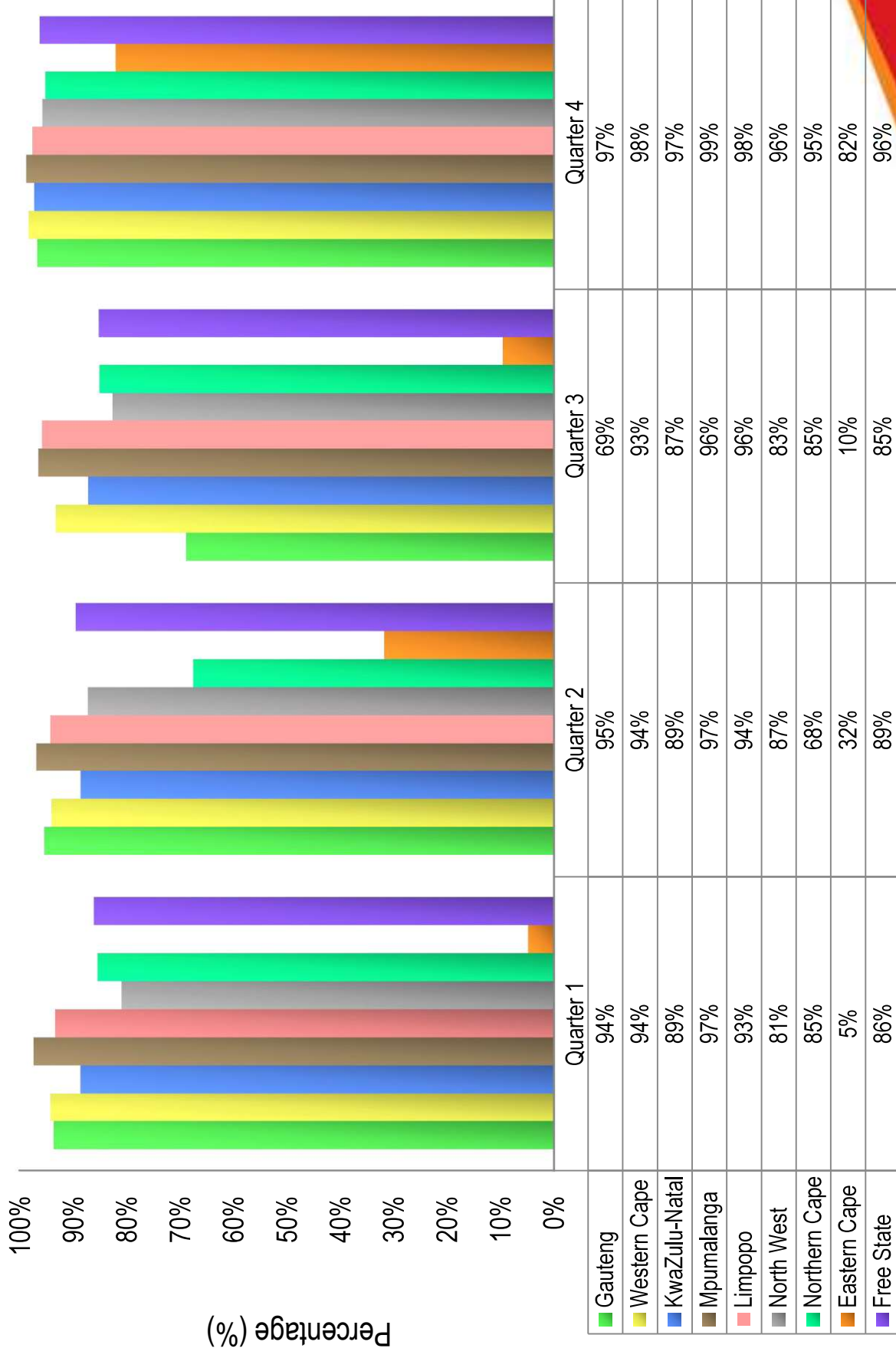
Return to Player is an average achieved over a significant number of game plays* and not each time the gaming machine is played



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

Quarterly betting RTP % - FY2021/22

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 financial year FY2021/22 saw the gambling industry in South Africa rebound.
- ▶ At the provincial level, statistics show that all provinces experienced positive growth in FY2021/22, contrasting with the previous year where only Mpumalanga's growth was positive. Mpumalanga was still an outlier this year, posting growth of 139.1%, significantly higher than growth rates seen in the North West (74.3%) and Limpopo (72.7%). Mpumalanga's growth was driven by the betting sector which grew by 183%. Gauteng and the Western Cape, provinces generating the highest levels of GGR had relatively lower growth rates of 22.9% and 51.5% respectively.
- ▶ The South African gambling industry is largely a land-based fraternity as online gambling is illegal. Betting online is however permitted and its growth over the past two financial years shows that demand for online gambling products has grown, with betting becoming the preferred gambling mode.
- ▶ The NGB continues to monitor market share and market conduct as mandated to provide insight and analysis on gambling sector performance South Africa.

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