

420 Witch-hazel Avenue, Eco Glades 2, Block C, Eco Park Centurion 0144 Tel: +27 (0) 10003 3475 Fax +27 (0) 86 618 5729 E-mail info@ngb.org.za Web www.ngb.org.za

MEDIA RELEASE

FOR IMMEDIATE RELEASE

National Gambling Board calls the Youth to Action: Gamble Responsibly.

Centurion, 13 June 2022. National Youth Day commemorates the spark that ignited a powder keg of protests in apartheid South Africa. The Soweto Uprising of 1976 proved that the youth have the power to initiate social change. Post democracy, young people face a different set of social challenges, however they have the benefit of the hard-won Constitutional rights that this uprising helped create.

The National Gambling Board (NGB) calls on the Youth of South Africa to use their rights wisely when it comes to legal and responsible gambling.

Gambling is viewed as an entertainment activity, and as such the National Gambling Act (NGA), 2004 (Act 7 of 2004) puts regulations in place to keep a leisure activity from escalating into the realm of social harm. While the National Youth Commission Act (1996) defines youth as anyone aged between 14 and 35 years of age, the NGA prohibits anyone under the age of 18 from engaging in gambling activities.

"The potential negative socio-economic impact of irresponsible or illegal gambling cannot be underestimated, especially amongst our young people," says NGB Accounting Authority, Ms. Caroline Kongwa. "They are not exempted from falling into the trap of compulsive or addictive gambling behaviour. Raising awareness of responsible gambling is a crucial service offered by the NGB and our partners in the industry."

A 2017 household survey conducted by the NGB into the socio-economic impact of gambling showed a strong correlation between unemployment, poverty and problem gambling behaviour. Slightly over 42% of unemployed participants surveyed fell within this category, with 67% being less affluent. Pertinently, close to 48% were in the age bracket considered as youth (18 – 35 years). Almost 60% of respondents participated in illegal forms of gambling, placing them outside of the regulatory environment which requires gambling operators to make information and support services available to gamblers.

It is anticipated that the Covid-19 pandemic, which strongly affected the fortunes of many around the world in the years following this study, would have further exacerbated the situation.

Additionally, the pandemic greatly accelerated the adoption of digital technology, as people were confined to their homes and had no access to more traditional leisure activities. This shift towards technology also applies in the case of gambling where technology has been seen as a catalyst for the evolving profile of the punter. Gambling has always been an early adopter of technological changes. Digital

advances have also resulted in competition for punters between brick and mortar gambling operators and virtualised equivalents.

Ms. Kongwa emphasises that the youth might not be aware that online gambling in South Africa (with the exception of betting) is illegal. "Our youth are digital natives, conversant and accepting of all virtual offerings. The convenience and immediacy of online gambling, in the comfort of your home, has the potential to inure you against the compulsive nature of gambling." Punters stand a bigger chance of becoming addicted when the gambling machine is at their fingertips 24 hours, 7 days a week.

Statistics sourced from *DataReportal* indicates that over 41 million South Africans are internet users in 2022 (68.2% of the total population). This internet penetration figure increased by 1.3% between 2020 and 2021 and by 1.2% between 2021 and 2022. While a direct correlation cannot be drawn between an increase in internet usage and instances of online gambling, rankings published by *Semrush* places an online sports betting website in the top 10 most accessed sites in November 2021. Three gambling related operators appear in the top 10 *Google* searches between January and December 2021. The potential for higher exposure of internet users to online gambling can be inferred.

With this increased uptake of technological advances, further propelled by the Covid-19 pandemic, it is vital that the youth exercise responsible choices when it comes to gambling.

The high unemployment rate amongst the youth in South Africa compounds the problem of irresponsible gambling. "For an indigent young person, the lure of making a quick windfall by gambling can be extremely tempting with the potential of the person losing what little money they might have," Ms. Kongwa adds.

Global research into the causes of problem gambling have shown that money is not its only root. Personality traits and the social environment play a role. Excessive gambling behaviour in young adults can have other equally negative consequences such as anxiety, mood swings, poor focus on studies or work, disrupted family and peer group relationships, substance abuse and turning to delinquency or crime.

The gambling sector has taken a firm stance against irresponsible gambling through a corporate social investment initiative aimed at helping problem gamblers. The South African Responsible Gambling Foundation, a key partner of the NGB, can be contacted for assistance on the toll-free counselling line: 0800 006 008.

5 Top Tips for Responsible Gambling

- 1. **Gamble for leisure and entertainment only:** you'll be less likely to become addicted if you are not invested in winning, and if gambling is not seen as a source of income.
- 2. **Use only reputable and legally licensed gambling outlets:** research your gambling operator before you gamble. Legally licensed gambling outlets in South Africa run their operations ethically, and are committed to supporting punters who show signs of problem gambling.
- 3. **Don't use gambling as an outlet for stress, depression or frustration:** when gambling is used as a coping mechanism, it holds the potential to spill over into addiction to find the thrill and release from daily problems. Rather seek help for your daily problems.

- 4. **Never gamble while intoxicated**: Drinking and gambling often go hand-in-hand. However, being intoxicated will impair your judgement. Moderation or not drinking at all is preferable.
- 5. **Set up a budget when gambling:** Setting up perimeters of how much you will spend on a night out at a gambling establishment is a form of responsible gambling. Stop gambling when you have spent the allocated budget, and don't be tempted to recoup losses by pouring in more money than you can afford. Borrowing money is a dangerous decision that will lead you into trouble.

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For media enquiries or interview requests, please contact:

Lynette Kamineth Communications and Stakeholder Engagement Manager The National Gambling Board Switchboard: 01000 33475 Direct: 01000 33487 Mobile: 079 279 5331

E-mail: lkamineth@ngb.org.za

ABOUT THE NATIONAL GAMBLING BOARD

The National Gambling Board (NGB), an agency of the Department of Trade, Industry and Competition (dtic), was established in terms of the National Gambling Act, Act No 33 of 1996 which was repealed on 01 November 2004 by the National Gambling Act, 2004, (Act No 7 of 2004) ('the Act'). The Act makes provision for the oversight of matters relating to casinos, gambling, betting and wagering and promotes uniform norms and standards in relation to gambling throughout South Africa.

The strength of the NGB is informed by the past 14 years of regulating a gambling industry which was fragmented with low credibility from the pre-1994 era. Its performance outcome is an effectively regulated and continuously supervised gambling industry, which is a significant economic sector that upholds national and internationally recognised standards of compliance and consequently national and international industry reputation.

The NGB is a regulator with concurrent competencies with the provincial gambling regulators. Its work is to ensure harmonisation and consistency with the National Gambling Act and its statutes. The NGB provides a stable environment within which the gambling industry can grow its operations for the benefit of all.

Additionally, the NGB prioritises broad-based public education around illegal gambling and responsible gambling in the best interest of the South African public.

Vision

To position South Africa as the pre-eminent jurisdiction with an exemplary and effectively regulated gambling industry.

Mission

Lead the regulation of the gambling industry in the fulfilment of the National Gambling Act, 2004, through an effectively regulated and supervised gambling industry that upholds domestic, continental and internationally recognised standards of compliance.