

PARLIAMENT OF THE PROVINCE OF THE WESTERN CAPE

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

WEDNESDAY, 13 MARCH 2019

COMMITTEE REPORT

(Negotiating mandate stage) Report of the Standing Committee on Finance on the National Gambling Amendment Bill [B 27B–2018] (NCOP), dated 8 March 2019, as follows:

The Standing Committee on Finance, having considered the subject of the National Gambling Amendment Bill [B 27B–2018] (NCOP) referred to the Committee in accordance with Standing Rule 220, confers on the Western Cape's delegation in the NCOP the authority to reject the Amendment Bill for the following reasons:

1. Financial implications

A comprehensive cost analysis in respect of the Amendment Bill was not conducted for the National Central Electronic System by the Department of Trade and Industry to allow the Committee to determine the cost to provinces.

Further hereto, the Committee requested that the Department provide it with the full cost of the establishment of a national regulator, including the cost of the Chief Executive Officer and the support staff.

2. Public consultation

During the committee meetings that took place on 5 and 22 February 2019 the Department admitted that no proper public consultation was done with stakeholders and the public.

3. Replacement of the National Gambling Board with the National Gambling Regulator

The Amendment Bill is following a piecemeal approach to appoint the regulator. Serious matters, such as online gambling, is being ignored and not dealt with; instead the Amendment

Bill focuses on the appointment of staff members. There are no clear distinctions or guidelines or separation of duties between the national and provincial government. The Amendment Bill provides the national Department with extraordinary powers in deciding on fines, potentially taking these revenue streams away from provinces. The functions of a board and regulator is to set norms and standards, thereby giving provinces the authority to implement it.

4. Agency Rationalisation Report

The Department did not provide the Committee with the Agency Rationalisation Report, thereby denying the Committee the opportunity to apply its mind fully to the different models of governance for a regulator. In addition hereto the Department gave no reasons as to why it rejected the report of the consultants.

5. Quorum rule

The Committee is concerned about the proposal to empower the National Policy Council to make decisions on any matter at a second meeting even if a quorum is not present. The purpose of the Council was to involve others in the decision-making process, thereby making it a concurrent function. Policy formulation around gambling matters is complex and multifaceted and should be amended with a provision that provides for a delegate to attend meetings as decided by the various MECs. It should be noted that the proposed quorum rule for the National Policy Council will be undemocratic and was rejected by all stakeholders in the Western Cape.

6. Unlawful winnings

In the case of unlawful winnings, the Committee recommends that such winnings be allocated to the respective provinces. Currently the Western Cape law enforcement agencies defer the function immediately and no duplication from the national government is needed. The proposed amendments will face legal challenges should it be pushed through in its current form.

The African National Congress expressed its minority view to support the Amendment Bill with the exception of clause 63A, which empowers the Council to make decisions on any matter at any second meeting in which there was no quorum.