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Department:
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

THE NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NO. 574

Mr D Bergman (DA) to ask the Minister of Trade, Industry and Competition:

With regard to the National Gambling Board and since the appointment of the Chief Strategic Advisor (CSA) and Accounting Officer, Ms Caroline Kongwa, over a decade ago, what (a) are the reasons that (i) a new board has not been established and (ii) a new Chief Executive Officer not appointed and (b) is the total salary of the current CSA and Accounting Officer per annum? NW677E

REPLY:

I am advised as follows:

The former members of the Board were suspended in August 2014 pending a forensic investigation following allegations of maladministration, wasteful expenditure and corrupt activities reported by the Auditor-General South Africa (AGSA) in the NGB's 2013/14 annual report and financial performance.

The suspended Board members had reportedly contravened the Public Finance Management Act (PFMA) through failing to prevent irregular, fruitless and wasteful expenditure and making overdrafts on the entity's bank account without the approval of the Minister of Finance. Furthermore, the Board's accounting authority, acting either individually or jointly, had allegedly contravened the National Gambling Act by allowing members whose term of office had expired to continue participating in the Board's activities and representing the NGB.

Two Administrators were appointed from September 2014 to continue with the work of the NGB. The current Chief Strategic Advisor (CSA) was appointed in April 2019 following her stint as former administrator to the NGB.

The National Gambling Amendment Bill was introduced to Parliament in August 2018 and passed by the National Assembly in December 2018. The Bill sought to remove the concept of a Board comprising various external members, and replacing this concept with governance led by a Chief Executive Officer, with the assistance of a Deputy CEO. The policy position taken by the Department at the time was that the National Gambling Regulator be established in line with other entities of **the dtic** after considering **the dtic** research on Agency Rationalization which found that maintaining the board system was costly and did not contribute towards internal efficiencies of the NGB. However, the Bill was not adopted by the National Council of Provinces (Council) in 2019 and lapsed to the current Parliament. The Bill was revived and was referred to Mediation in December 2021 after it was not supported by several provinces. The Bill has been in Parliament to date pending the Mediation process.

The delay in the finalisation of the National Gambling Amendment Bill has contributed to the delay in the appointment of the CEO as the appointment needs to be aligned with the Amendment Act.

I am advised that the current total gross salary for the NGB CSA is R2 553 905. As indicated in replies to Questions Number 450, 575 and 745, remuneration matters are now the subject of an investigation commissioned by the Department.

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