

**THE LOCAL COMMUNITY'S COGNITION OF THE
DEVELOPMENT OF GAMING FACILITIES
IN RICHARDS BAY AND ENVIRONS**

BY

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**A dissertation submitted to the Faculty of Arts in partial fulfilment of the
requirements for the degree of Master of Arts in the Department of
Geography and Environmental Studies at the University of Zululand**

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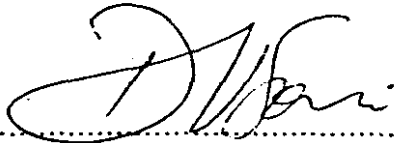
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DECLARATION

I declare that this research study: *The local community's cognition of the development of gaming facilities in Richards Bay and environs*, except where specifically indicated to the contrary in the text, is my own work both in conception and execution. All the sources that have been used or quoted have been duly acknowledged by means of complete references.

Signed: _____
Emmanuel M. Mwandla

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(v)

DEDICATION

This work is written for and dedicated to Thuli, my loving wife, who encouraged me to work all day long. It is also dedicated to Luyanda, my son, for being a sweet little boy.

TABLE OF CONTENTS

CHAPTER	PAGE
APPROVAL	(ii)
DECLARATION	(iii)
ACKNOWLEDGEMENTS	(iv)
DEDICATION	(v)
ABSTRACT	(xiii)
 1. ORIENTATION OF THE STUDY	 1
1.1 Introduction	1
1.2 Background to the problem	1
1.3 Hypotheses	4
1.4 Aims and objectives of the study	5
1.5 Definition of terms	6
1.6 Methodology	10
1.6.1 Delimitation of the study	11
1.6.2 Sample size	11
1.6.3 Data collection	15
1.6.4 Data analysis	15
1.7 The significance of the study	15
1.8 Limitations	16
1.9 Pilot study	17
1.10 Conclusion	17

2.	LITERATURE REVIEW	19
2.1	Introduction	19
2.2	Study of related international literature	20
2.2.1	Recreation, Leisure, Tourism and Gaming	21
2.2.1.1	<i>Gaming in a leisure context</i>	21
2.2.1.2	<i>Gaming in a recreational context</i>	22
2.2.1.3	<i>Gaming in a tourism context</i>	22
2.2.1	Commercial gaming and the economy	23
2.2.3	Perception of social patterns of gambling	25
2.2.3.1	<i>Age-sex group and gambling behaviour</i>	25
2.2.3.2	<i>Level of income and gambling</i>	26
2.2.4	Perceptions of social costs and gambling	27
2.2.4.1	<i>Casino gambling and crime</i>	27
2.2.4.2	<i>Compulsive gamblers</i>	28
2.2.5	Perceptions of the location of casinos	28
2.3	Study of related South African literature	30
2.3.1	Preference patterns of tourists	31
2.3.2	Gaming in a tourism context	31
2.3.3	Historical development of local gaming casinos	32
2.3.4	New developments in casino gaming	33
2.3.5	Commercial gaming and the South African economy	35
2.4	Conclusion	36

3.	PHYSICAL SETTING OF THE STUDY AREA	38
3.1	Introduction	38
3.2	Empangeni-Richards Bay as a tourist destination	38
3.3	Recreation, tourism, gaming and related facilities	40
3.3.1	Recreation facilities	40
3.3.2	The tourism infrastructure	40
3.3.3	Gaming facilities	41
3.4	Behavioural and perceptual patterns	41
3.4.1	Recreation behavioural patterns	43
3.4.2	Tourism perceptual and behavioural patterns	43
3.4.3	Perceptions of gaming	44
3.4.3.1	<i>Tourists as gamblers</i>	44
3.4.3.2	<i>Residents as gamblers</i>	45
3.4.3.3	<i>Physical location of the gaming casino</i>	46
3.4.3.4	<i>Environmental impacts</i>	47
3.5	Conclusion	48
4.	ANALYSIS AND INTERPRETATION OF DATA	49
4.1	Introduction	49
4.2	Demographic characteristics of respondents	49
4.2.1	Gender and age	50
4.2.2	Religion	51
4.2.3	Level of education	52
4.2.4	Employment	53
4.2.5	Income	55

4.2.6	Residential areas	56
4.2.7	Length of stay in the residential town	57
4.2.8	Marital status	57
4.2.9	Respondents' dependants	58
4.2.10	Affiliation to organisations	59
4.2.11	Summary	60
4.3	Tourism awareness among the respondents	61
4.4	Perceptions of a gambling casino	64
4.4.1	Perceived advantages of a gambling resort	66
4.4.2	Perceived disadvantages of a gambling resort	68
4.4.2.1	<i>Crime</i>	70
4.4.2.2	<i>Environmental impacts</i>	71
4.4.2.3	<i>Religious, ethical and moral issues</i>	72
4.4.2.4	<i>Financial gain or loss</i>	73
4.4.2.5	<i>Living cost</i>	74
4.4.2.6	<i>Economic development</i>	74
4.4.2.7	<i>Recreation</i>	75
4.4.2.8	<i>Family life</i>	76
4.4.3	Perception of the site of the casino	76
4.5	Respondents' support for or rejection of gaming casinos	81
4.5.1	Age and casino support	82
4.5.2	Gender and casino support	82
4.5.3	Marital status and casino support	83
4.5.4	Level of income	84
4.5.5	Place of residence	86

4.6	Anticipated spending on gambling	88
4.6.1	Residential area and expenditure on gambling	88
4.6.2	Monthly income and expenditure on gambling	92
4.6.3	Marital status and expenditure on gambling	93
4.7	Conclusion	95
5.	SUMMARY, CONCLUSIONS AND RECOMMENDATIONS	96
5.1	Introduction	96
5.2	Summary and conclusion	96
5.2.1	The first hypothesis	98
5.2.2	The second hypothesis	99
5.2.3	The third hypothesis	100
5.3	Recommendations	102
5.3.1	Location of the casino	102
5.3.2	Eco-tourism promotion	103
5.3.3	Casino site and tourism	104
5.3.4	Recommendations on the environment	105
5.3.5	Recommendations for a gaming studies institute	105
5.4	Conclusion	106
	BIBLIOGRAPHY	108
	APPENDICES	115
	Appendix - A. : Questionnaire	116
	Appendix - B. : Transmittal letters	125
	Appendix - C : Other Documents	127

FIGURES

FIGURE	DESCRIPTION	PAGE
1.1	Map of Richards Bay showing proposed casino	13
1.2	Map of Richards Bay and environs	14
2.1	Map showing existing casino resorts in Southern Africa	34
4.1	Gender of the respondents	50
4.2	Religion of the respondents	52
4.3	Level of education of the respondents	53
4.4	Types of employer of the respondents	54
4.5	Monthly income of the respondents	55
4.6	Length of stay in the town	56
4.7	Marital status of the respondents	58
4.8	Perception of locational distance of casino	79
4.9	Map of residential areas and distance away from casino	80
4.10	Support for or rejection of casino	81
4.11	Expected expenditure on gambling	89
4.12(a)	Expected expenditure by Richards Bay	89
4.12(b)	Expected expenditure by Esikhawini	90
4.12(c)	Expected expenditure by Enseleni	90
4.12(d)	Expected expenditure by Vulindlela	91
4.12(e)	Expected expenditure by Empangeni-Ngwelezane	91
4.13	Marital status and expenditure on gambling	94

TABLES

TABLE	DESCRIPTION	PAGE
2.1	Number of casino licences allocated and expected percentage income	35
4.1	Age-sex distribution of respondents	51
4.2	Length of stay in the area	57
4.3	Number of dependants of the respondents	59
4.4	Affiliations to organisations	60
4.5	Tourism awareness among respondents	61
4.6	Mean and variance in respect of statements on tourism awareness	62
4.7	Responses to casinos and gambling	65
4.8	Statistical responses to statements on the advantages of gambling	67
4.9	Statistical responses to statements on disadvantages of gambling	69
4.10	Respondents' preferred distance away from casino	77
4.11	Preferred distance between residential areas and casino	78
4.12	Age of respondents and casino support	82
4.13	Gender and casino support	83
4.14	Marital status and support for the casino	84
4.15	Monthly income and casino support [%]	85
4.16	Residential area and support for casino	86
4.17	Grouped residential areas and support for the casino	87
4.18	Monthly income and expected expenditure on gambling [%]	93

ABSTRACT

The gaming practice or activity commonly known as gambling has become a major force in the tourism industry and an important money earner in the economy of many countries. It has always been a popular form of recreation yet gambling remains a controversial issue in many societies. The Empangeni-Richards Bay urban environment has been confronted with the emerging debate whether or not to introduce casino gaming or not in the area.

This study examines the local residents' perceptions of the proposed establishment of a casino gambling resort in their locality. The study has revealed two opposing perceptions, the group lobbying for and the group lobbying against the casino. The group in favour of the casino proved to be in the majority, emanating from the poor Black population whose members hope for job opportunities and increased tourism activity. The anti-casino lobbying group was found to be in the minority and comprised the higher income people from the prestigious residential areas of Richards Bay, who fear the disadvantages associated with commercial gaming.

The study makes several recommendations relating to what would be best for both groups in the study area. Some of these include that:

- (a) the gaming casino is to be located away from both prestigious and lower income residential areas;
- (b) the casino should be established for purposes of promoting eco-tourism, where its location assumes a balance between natural

wildlife and modernised African cultural artefacts and facilities for attracting tourists.

- (c) a gaming studies and research institute should be established at a local provincial university, so as to facilitate tourism education among the populace, as well as gaming-based skills and professional training.

In conclusion, the study found that there was significant support for the establishment of the gaming casino, with the hope that its negative social, economic and environmental impacts could be well managed and minimised.

CHAPTER 1

ORIENTATION OF THE STUDY

1.1 INTRODUCTION

Gaming is a world-wide phenomenon practised in many countries as a major source of revenue. The gaming activity or practice, also commonly known as the gambling industry has, become a major force in the tourism industry (Lea, 1988; McIntosh, *et al.* 1995). Gaming has always been a popular form of recreation yet it remains a controversial issue in many societies (Pizam, 1978; Mathieson and Wall, 1982; McIntosh, *et al.* 1995; Savides, 1995). It is this controversy, as well as the intimated establishment of gaming facilities in the Empangeni-Richards Bay urban environment, that has stimulated the researcher to undertake this research project.

1.2 BACKGROUND TO THE PROBLEM

It is clear that from the tourism perspective, gaming has the ability to attract visitors who will not only gamble but who will also engage in other recreational activities. On the other hand, travel leads to the development of various modes of transportation, by road, rail, air and sea. The proposed establishment of gaming facilities in the form of a casino complex in Richards Bay would attract tourists from near and far, argues one school of thought. It is further anticipated that Richards Bay would as a result develop

economically and would provide far more employment than it does today. Job opportunities for many local residents could be created. Agglomeration economies would develop, providing an added advantage.

The strategic location of Richards Bay promises an increased influx of international tourists who would bring in foreign income. Therefore, a casino located at Richards Bay is envisaged to stimulate both domestic and international tourism. Considering the current growth in gaming, one can predict that it will continue to play a role in tourism and economic development. Many international tourism destinations have successfully used the tourism industry to stimulate and benefit other sectors of the economy, as well as generate new and innovative employment opportunities (White Paper on Tourism, 1996a). One could regard the establishment of a casino as another opportunity for tourism growth in South Africa.

In contrast, the other school of thought contends that a tourist facility such as a casino is associated with many social problems and evils (Wall and Maccum Ali, 1977; Stansfield, 1978; Mathieson and Wall, 1982; and Spires, 1995). These negative arguments propose that the host communities would be outraged and beset with fears of the impact of the gaming casino on their locality. Local communities tend to view a gaming outlet as an advancement of destructive forces (Spires, 1995). The concerns of the anti-gaming lobby in the study area include, among others: a drain on family income; family breakdowns; individual male and female delinquency; and the belief that absenteeism from work due to the strain and stress of gambling all night could disturb production in local industries. Other negative concerns are: the rise in accommodation costs; an increase in the

crime rate, prostitution and a decline in moral standards which could corrupt the morals of the youth; an increase in drug trafficking and intake; and an AIDS epidemic (Savides, 1995).

On the environmental side, there would be increased pressure on natural resources, particularly water that is already scarce. The construction of gaming facilities and related structures would disturb the natural environment in the area, which is already affected by the setting up of many industrial plants (Savides, 1995).

Some communities have social and ethical negation of gaming. This practice has been reported in communities that detest gaming on the basis of their religious convictions. There is extensive reporting of psychological induced problems associated with gaming, such as addiction to gambling, which can destroy families (Eadington, 1978; Dombrink and Thompson, 1990; Eadington and Cornelius, 1991a; 1991b; Holloway, 1994). The proposed casino, with all its bright lights and the lure of easy money, could disturb the quiet and prestigious residential areas of Richards Bay. The fears of the local community were in line with those given in the White Paper on Tourism (1996), that argues that if a responsible approach to tourism is not adopted and the industry not adequately planned, then a number of negative impacts may occur. These include environmental degradation; the skewing of job creation towards prostitution in particular and the vice industry in general.

It is the nature of these contradictory notions that have inspired this research inquiry. Other intentions are to set out a clear statement of the problem and

seek to establish solutions based on the general consensus of the local community. The inquiry into the feelings, perceptions and judgements of the local community concerning the development of a proposed casino complex at Richards Bay is therefore a viable and justifiable one.

Furthermore, the White Paper on Tourism (1996b) encourages the granting of casino licences to responsible tourism development agencies that offer good opportunities and potential for tourism development and job creation. It also offers caution about the negative social and cultural impacts that could affect the location of the gaming facility as a tourism destination.

The backbone of this study lies in the arguments presented in the White Paper on Tourism (1996). Some of these stipulations form the key elements of responsible tourism, which include:

- (a) sensitivity to the host culture;
- (b) involvement of the local community in the planning and decision-making process;
- (c) assessment of environmental, social and economic impacts as a prerequisite to developing tourism; and
- (d) giving assurance that local community will be involved in and will benefit from tourism.

1.3 HYPOTHESES

In order to achieve properly focused analyses and effective conclusions, some general hypotheses intended to inform this investigation have been devised, including the following:

- (a) The gaming casino development in Richards Bay is desired and positively accepted by the local community.
- (b) The gaming casino development is mainly favoured on the grounds of job creation and employment for the local community.
- (c) The socio-economic status of the members of the local community would significantly influence their attitudes to gaming in the study area.

1.4 AIMS AND OBJECTIVES OF THE STUDY

In general, the aim of this investigation was to provide scientifically grounded information about the cognition of the gaming industry on the part of the local people in the study area. It seeks to assist local decision-makers and local community leaders in making informed decisions about the establishment of the casino in the study area. To achieve these objectives the community would have to either accept or reject the establishment of the casino in the area. The carrying out of the research project amongst local residents offered a means of consulting the community, as well as informing and educating its members about the operations of the gaming industry and the nature of tourism in general.

Some of the specific objectives of the study therefore are:

- (a) to establish the existing nature of support for the introduction of a gaming casino in the study area;
- (b) to reveal whether the establishment of a gaming casino would have any positive or negative impacts on the natural environment due to increased tourism activity particularly on natural resources,

- (c) to ascertain if there would be any cognised harmful effects on social behaviour and family fabric in the study area, owing to the establishment of the gambling industry;
- (d) to show the manner in which the local community would like to get involved in gaming industry related issues and how they perceive possible benefits;
- (e) to verify the commonly held notion that gambling behaviour could be responsible for poverty and moral degradation amongst the host communities;
- (f) to determine the cognised role of casino gambling in boosting the economic conditions of the local people and its possible impact on tourism; and
- (g) to pinpoint the main demographic variables that influence the cognition of the establishment of gaming facilities in the area.

1.5 DEFINITION OF TERMS

In order to make some of the terms used in this study more comprehensible and unambiguous, the following operational definitions come into play:

1.5.1 Cognition

The term *cognition* can be defined as the process by which an “individual gives mental meaning to information” and his environment (Getis, *et al.* 1996:496). This study adopted a more comprehensive definition of *cognition* as advocated by Magi (1986), which states that *cognition* means the process whereby an individual receives information from the social and

physical environment in which he operates, interprets that information in the light of his experience and attitudes, and then reacts.

1.5.2 Perception

The term *perception* refers to awareness, “as individuals, beliefs and feelings, reasoned or irrational, about the complex of the natural and cultural characteristics of an area” (Getis, *et al.* 1996:268). Whether one view accords with that of others, or truly reflects the ‘real’ world seen in abstract descriptive terms, is not the major concern. People's *perceptions* are thought to be people's reality. The decisions people make about the use of their lives are based not necessarily upon reality, but on their *perceptions* of reality.

Magi (1986) notes that the concepts *cognition* and *perception* can create some confusion for geographers if they are not well defined because they may appear to mean one and the same thing. He therefore distinguishes them by pointing out that *cognition* is recognised as a general term that includes *perception*. *Perception*, on the other hand includes both the various sensations of seeing, feeling, hearing, touching and smelling, and the interpretation of these in the light of previous experience (Magi, 1986).

1.5.3 Community

The term *community* refers to a group of people who live together sharing the same geographical area, in which, to a great degree residents are homogeneous with respect to income, ethnicity or race, (Abrahamson, 1980). In this study, *community* refers to delimited residential areas within

the study area. There are chances that each residential area may comprise homogeneity of residents. To a large extent the communities in the study area would tend to be demarcated along ethnic lines, because to this day communities in South Africa have tended to incorporate the homogeneity or residences on the basis of race and ethnicity.

1.5.4 Local community

The *local community* concept is used in the sense that within a given community or neighbourhood, foreigners or people who do not reside in the neighbourhood may come and have some influence on the host community (Hawley, 1971). Therefore, for the purposes of this study the term *local community* refers to those residents who live in the neighbourhood and are closely familiar with their surroundings.

1.5.5 Tourism

Tourism is deemed to include any activity concerned with the temporary movement of people to destinations outside the places where they normally live and work, and their activities during their stay at these destinations (The Tourism Society, 1979:70). *Tourism* includes the element of travel, but not all travel is tourism. *Tourism* also includes travel for leisure or pleasure, travel for business, social, religious, educational, sports and many other purposes (Middleton, 1988).

For the purpose of our study *tourism* refers to the temporary movement of people to destinations outside their locality for purposes of entertainment

and enjoyment. In this regard, gaming is a component of recreation and tourism.

1.5.6 Gambling

Gambling refers to the intentional act of betting with the sole purpose of winning or gaining, particularly to make financial gain, in which losing is an undesired outcome. For example, betting on horse racing, flipping coins, dice throwing, playing cards, bingo, slot machines are included but, national lotteries run under the auspices of charity, such as Ithuba, Super 5, Zama-zama, Viva are not (Torkildsen, 1983). *Gambling* includes the act of gaming as such. *Gambling* also carries a connotation of playing for entertainment and enjoyment, although this notion is not generally accepted.

1.5.7 Gaming

The term *gaming* refers to all those gambling activities which are purely recreational in nature and are pursued with the sole purpose of achieving recreational pursuit, but which involve the loss of money with the aim of gaining money or some other prize (Downes, *et al*, 1981). *Gaming* refers to the gambling activities pursued by recreationists. It is therefore seen as a less serious form of gambling. For the purpose of this project the terms *gaming* and *gambling* will be used synonymously and interchangeably.

1.5.8 Recreation

Recreation has recently been defined in many ways to include behavioural,

institutional and psychological meanings (Magi, 1986). A more relevant definition by Torkildsen (1983) has been adopted for this study, which states that *recreation* is any activity pursued during leisure, either individual or collective, that is free and pleasurable, having its own immediate appeal, not impelled by a delayed reward beyond itself. It is important to note that people engaged in gambling are not only satisfied by the gaming process but look forward to getting the “delayed reward”. As a result the gambling recreational experience does not have an immediate appeal, as it is not always free and pleasurable. Consequently *recreation* can be seen as an attitude of the mind regarding leisure behaviour which has a direct influence on personality creation (Torkildsen, 1983). The psychological interpretation of recreation suits this study.

1.5.9 Environs

An environs refers to the neighbourhood surrounding a town (De Blij and Muller, 1994). For the purpose of this study *environs* refers to residential areas outside the towns of Richards Bay and Empangeni. These *environs* would include most of the urban settlements falling within both the Richards Bay and Empangeni Transitional Local Councils [TLCs].

1.6 METHODOLOGY

The method of research used in this investigation involves the delimitation of the study area, the demarcation of the sample and sample size; and the techniques for collecting and analysing data. In collecting data three methods were used, namely, a self-administered questionnaire, person-to-

person interviews, and a survey of the relative position of the area proposed for locating the gaming facility.

1.6.1 Delimitation of the Study

The study was conceptually delimited to the cognition held by Richards Bay and environs communities as regards the establishment of a gaming facility in or near their town. The study has sought to reveal their attitudes for or against the proposed casino. The study was spatially delimited to urban areas of Richards Bay (Figure 1.1) which covered Arboretum, Aquadene, Birdwood, Brackenham, Meerensee, Wildenwede, Veldenvlei and the Empangeni area.

Other environs were the Esikhawini, Enseleni and Vulindlela residential areas. The Empangeni environs included Ngwelezana and Felixton (Figure 1.2). When considering the study area with its environs it covers the area bounded by Mthunzini to the south, by Nkwalini to the west, by Mbonambi to the north, and by the Indian Ocean to the east. The general location of the study area is in KwaZulu-Natal, about 200 km north of Durban.

1.6.2 Sample Size

The total population of the area under study was estimated to be about one million people. Generally accepted sample estimation is computed around a ratio of 1:250 for the sample versus the population (Isaac and Michael, 1983). Considering the estimated population of one million people, and using the 1:250 ratio, a sample of 4000 respondents is the ideal number.

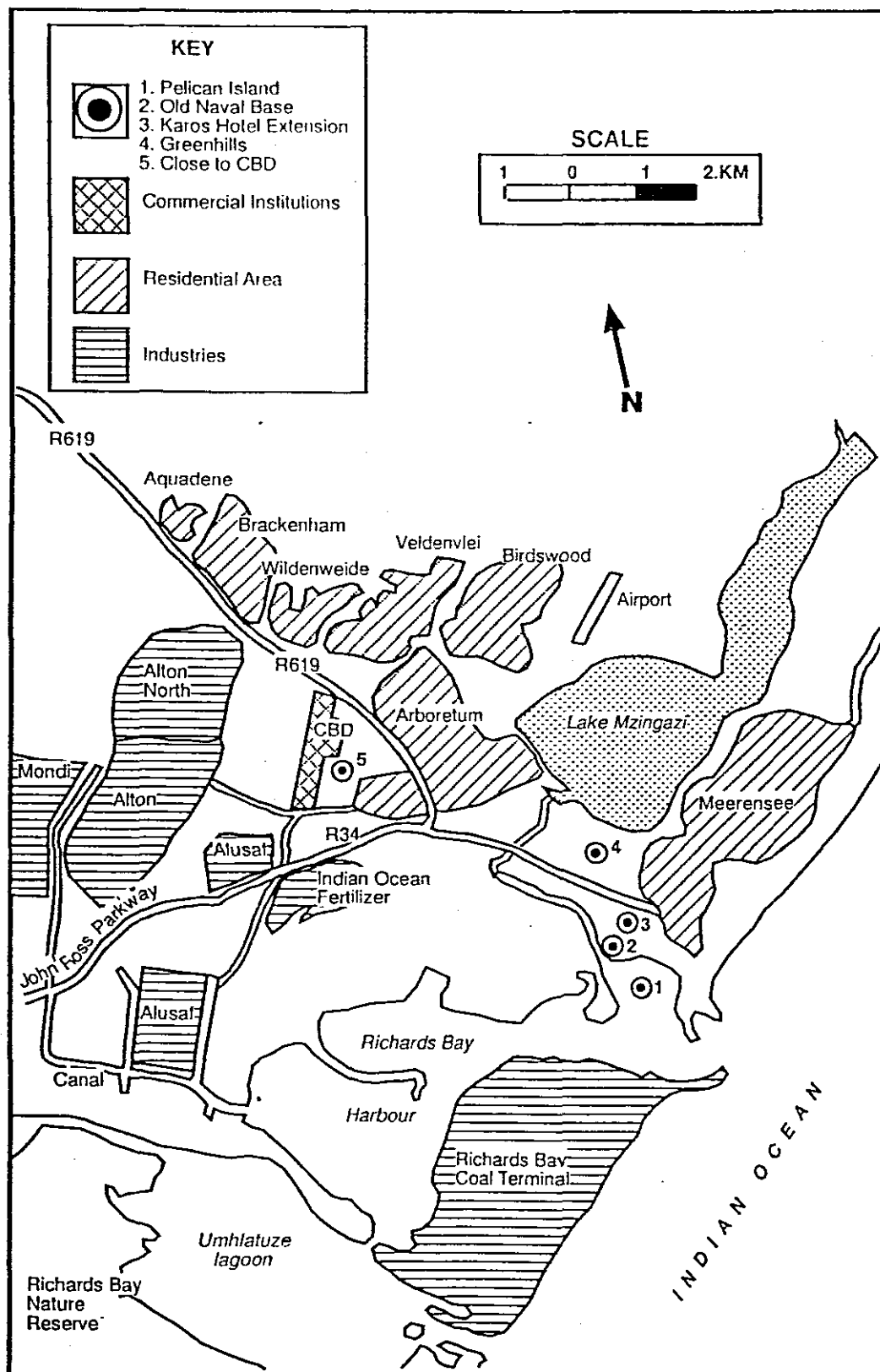
However, in view of financial and logistical constraints the sample size was reduced to 2200. Analysis of questionnaires distributed and returned is as follows:

Total questionnaires distributed	2 200	100%
Unreturned questionnaires	1 128	51.4%
Returned incomplete questionnaires	366	16.6%
Returned completed questionnaires	706	32%

In order that the sample should be considered representative of the various communities, a stratified-random sample was extracted covering the following components or variables: gender, marital status, level of education, religious affiliation, and socio-economic status.

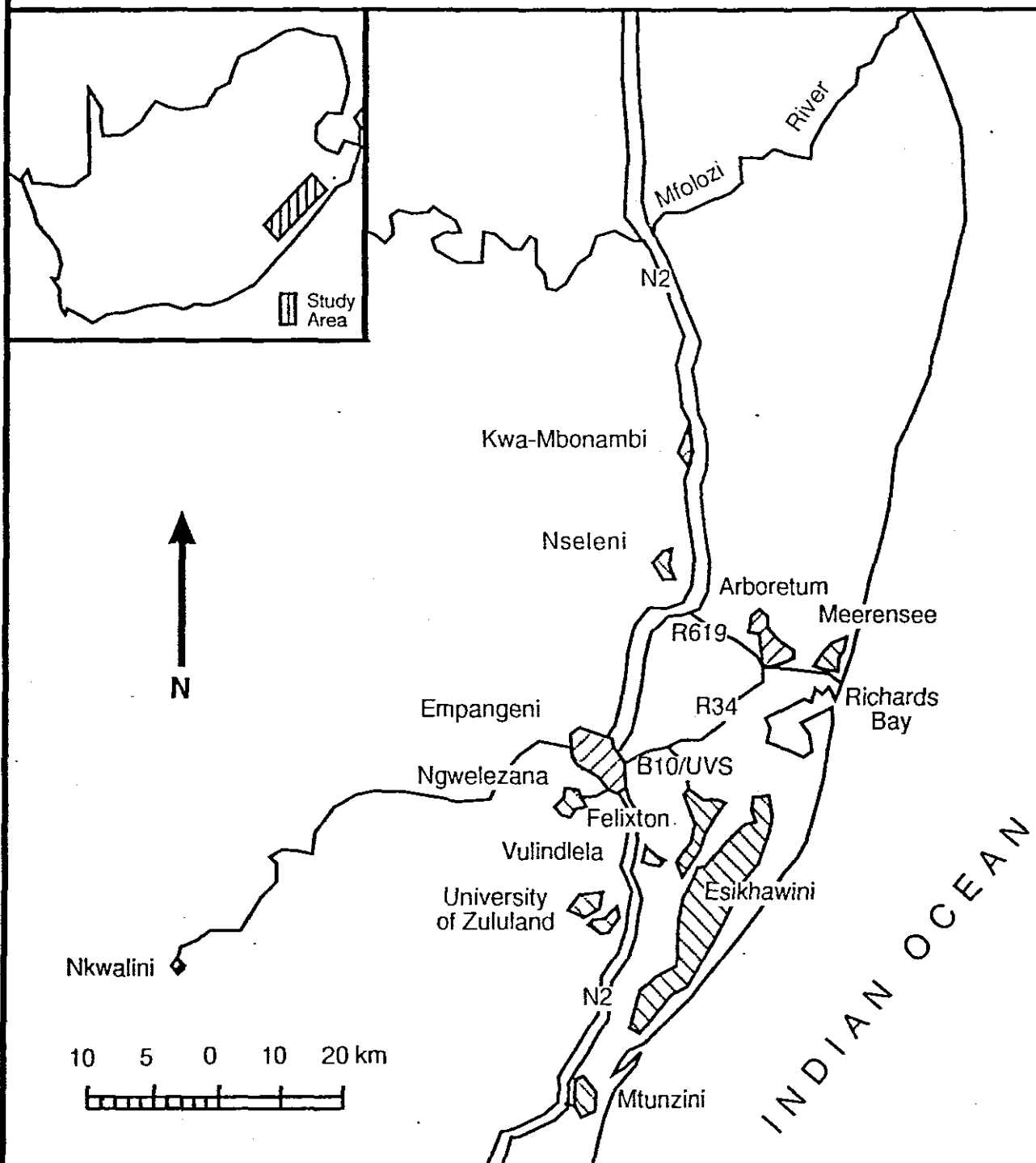
Stratified sampling involves dividing the population into homogeneous groups. Each group containing respondents with similar characteristics. To ensure this sampling procedure the study area was divided into homogeneous residential areas as mentioned earlier. The selected residential areas were Meerensee, Birdswood Veldenvlei and Empangeni that predominantly constituted higher income groups; Aquadene, Wildenweide, Brackenham and Arboretum that mainly constituted of middle income groups, Esikhawini, Enseleni, Vulindlela, and Ngwelezane that mainly constituted of lower income groups. Attempts were made to draw the sample in such a way that it made up of the same proportions of different groups, but due to the varying population density in these different areas unequal numbers of respondents were drawn. Densely populated residential areas yielded bigger samples than less populated areas.

Fig 1.1 Map of Richards Bay showing proposed casino sites



Source : 1:50000 Topographical map of Richards Bay

Fig 1.2 Map Showing Residential Areas



Source: 1:50 000 Topographical map of Empangeni and Richards Bay

1.6.3 Data Collection

As mentioned earlier, the collection of data adhered to three types of methods: the self-administered questionnaire; the person-to-person interviews; and the survey of the relative position of the area proposed for locating the gaming facility. All questionnaires to respondents were designed mainly to constitute the Likert-type scale set of statements. The statements were presented so that the subject had to respond in terms of one of the following five categories; strongly agree, agree, undecided, disagree, strongly disagree. Personal interviews were conducted amongst those who were illiterate. Questionnaires were distributed in person, house-to-house, and were deposited in mailboxes where possible.

1.6.4 Data Analysis

Data was analysed using the *Statistical Analysis System* (SAS) programme available within the Department of Geography and Environmental Studies at the University of Zululand. Non-parametric statistical tests of significance, particularly the chi-square are applied to some of the statistical analyses. The *Corel Quattro Pro* and the *Harvard Graphics* spreadsheets were used to construct the graphs, tables, and other statistical data representation diagrams.

1.7 THE SIGNIFICANCE OF THE STUDY

It is important for the local community to have proper and adequate information about tourism and the gaming industry. The functioning of

casinos, laws and regulations guiding their operations should be made available to all communities. The documents describing gaming policies and regulations should be written in an understandable language, so as to facilitate the community's participation and judgement. Above all, the community has to choose for itself what is right and what it considers most suitable.

The outright rejection of the idea of establishing a casino without proper investigation could be disastrous for the Richards Bay-Empangeni communities. This study is important because it serves as an assessment of impacts of the casino operation on local tourism and economic development. Establishment of a casino in the area is seen by others as an opportunity to promote local tourism. On the other hand, allowing such a major development to go ahead without assessing the possible impact on social life could have detrimental results. It was the intention of this investigation to expose all the necessary facts about the gaming industry and tourism in the study area.

1.8. LIMITATIONS

The main factor that can be cited as restricting the reliability and validity of the study is the limited sample size. Travelling to leave and collect questionnaires was time-consuming and expensive. The relative insufficiency of time within which to undertake this research project and the inherent delays by respondents in returning the questionnaires also constituted a serious research limitation.

1.9 PILOT STUDY

A pilot study was undertaken to assess the validity of the research tool and the study design. The initial pilot findings indicated that there was a strong demand for gaming casinos by the local community. The pilot study revealed that many contemplated social evils were not in the minds of the community. The primary reason for establishing a gaming casino however was not participation in gambling as such but was associated with employment opportunities and increased tourism activity that which could stimulate foreign income. Participation in the gambling activity remained a secondary motive for the community's need of gaming facilities.

Some of the findings of the pilot study were useful in designing the methodology and in setting up study objectives and hypotheses. Some of the adjustments emanating from the results of the pilot study were used in delimiting the study area, demarcating the sample and sample size, and in fine-tuning the techniques for collecting and analysing the data. In data collection the methods of designing and administering the questionnaire were improved.

1.10 CONCLUSION

This chapter has outlined the scope of the study in a very specific manner. The study design and the instruments used in completing the research project have been mentioned and described in detail. Chapter two reviews some related literature associated with gambling prospects and problems. Chapter three gives background information about the physical characteristics of the

study area. In chapter four data is presented and interpreted. The last chapter covers the summary of the findings, the conclusions and the recommendations.

CHAPTER 2

LITERATURE REVIEW

2.1 INTRODUCTION

Gambling is as old as mankind itself. Throughout history gambling has been one of man's most fascinating recreational activities. It has been present in all cultures, all periods of history, and is widely participated in by various societies (Eadington, 1976). Gambling has occurred in the most primitive societies and modern games of chance are merely sophisticated versions of games once played by our forebearers. Today gambling has been highly commercialised to stimulate economic development. It is seen as an industry that could provide employment, tax revenue and foreign income through tourism.

In this chapter an attempt is made to put the whole picture of gambling into its tourism related perspective. To achieve this, an outline of international literature on world commercial casino resorts is given. Local literature on commercial gaming, scarce as it may be, is also given the necessary attention. It should be noted that tourism and recreation issues in South Africa are in the process of transformation, and therefore some of the literature to be used is one associated with new policies, regulations and procedures.

2.2 STUDY OF RELATED INTERNATIONAL LITERATURE

A number of works are available throughout the world that focus on recreation, leisure, tourism and gaming. These studies can be divided into five different categories:

- (a) Literature focusing on recreation and leisure in the context of tourism, and gaming in particular, is hard to come by. Literature emphasising research on recreation and leisure tends to focus on recreation participation patterns of various sorts (Torkildsen, 1986; Kelly, 1987; 1990). There are two main areas of recreation important for the purpose of this study: recreation in natural resource environments, also known as outdoor recreation (Kelly 1987) and cultural or community-based recreation, which includes a number of sports activities, home-based recreation, and social recreation pursuits which would include entertainment and gaming.
- (b) A considerable amount of literature focusing on tourism in South Africa (Wall and Maccum Ali, 1977; Johnson and Thomas, 1992; Holloway, 1994; McIntosh *et al.*, 1995, McIntyre, 1995; Theobald, 1995).
- (c) Literature related to and focusing on gaming practice (Pizam, 1978; Mossenson, 1991) in the recreational and leisure perspective, is scarce. Literature on gaming seems to be more available under the entertainment category in the Las Vegas gambling mode.

- (d) Literature that combines recreation, leisure and tourism (Crossley and Jamieson, 1988) is as scarce as literature that combines recreation, leisure and gaming (Downes *et al*, 1981).
- (e) Literature that includes tourism and gaming (Eadington, 1976, 1995, Eadington and Cornelius, 1991a, 1991b, 1991c, Mathieson and Wall, 1982; Lea, 1988; Dombrink and Thompson, 1990) seems to be available in abundance.

On the whole it may be reiterated that there was no literature available that combines recreation, gaming and tourism. Due to the scarcity of such literature, the study extracts what is relevant from the general works mentioned earlier. The discussion that follows attempts to bridge the existing gap in the literature.

2.2.1 Recreation, Leisure, Tourism and Gaming

There are very few studies that attempt to combine recreation, leisure, tourism and gaming (Eadington, 1976). In some parts of the world gaming has become a respectable glamorous recreational activity (Eadington, 1976). Pressure from societies has transformed gaming from being seen as evil, sinful, criminal, corrupt and illegal to the view that it is legal, recreational and commercial (Downes *et al*, 1981).

2.2.1.1 Gaming in a leisure context

Serious gaming, where money is involved, is not really associated with leisure, but with work. Gaming in a leisure context refers to play without

money being involved. According to Downes *et al*, (1981) leisure gaming is friendly gaming, and is more of a leisure pursuit, for example playing cards, chess or snooker. Leisure gaming entails the pursuit of interest and skill, social interaction and fun rather than emphasising gambling for money.

2.2.1.2 Gaming in a recreational context

Recreation has been defined as any activity pursued during leisure and is seen as an attitude of mind regarding leisure behaviour (Torkildsen, 1983). Gaming, as in the past, is a recreational activity regardless of its moral aspect.

2.2.1.3 Gaming in a tourism context

Gaming as a recreational activity has led to the establishment of resorts that are usually large isolated entities. Casino-hotels are well known for their slot-machines, lucky-wheels, and pornographic films. In many countries these casino-hotels are not numerous because of governmental or societal opposition to their establishment.

The scarcity of this type of entertainment has led to a great deal of travel. Interested people travel from faraway places to gaming resort destinations in places like Bangkok, Las Vegas, Hollywood, Atlantic City, New Jersey, Monte Carlo, Tijuana, Baden Baden, Australia's Gold Coast, South Africa's Sun City and others. Many gambling casinos have served as great tourist attractions and have therefore stimulated tourism.

The 1990s have seen the emergence of a number of casino resorts in many parts of the world. Casino legalisation and authorisation have become part of broader tourism development strategies. Development is due to a renewed social acceptance of gambling and commercial gaming. In support of the above notion Eadington (1995) argues that from the consumer's perspective, gambling has transformed itself over the last thirty years from an inappropriate and sinful endeavour to a mainstream participatory activity. From the perspective of governments, gaming seemed to hold the potential to create economic and fiscal benefits that otherwise would remain elusive.

The type of emerging commercial gaming activity which has the greatest relevance to tourism is casino gaming. The change in the attitude in society has led to the development of destination resort casinos all over the world. The newly found gaming destinations include: Sydney, Australia; Biloxi Gulfport and Tunica County; Mississippi; Windsor; Athens, Greece; Auckland, New Zealand; and Amsterdam, Holland (Eadington, 1995; Eadington and Cornelius, 1991a).

2.2.2 Commercial gaming and the economy

The contribution of commercial gaming to the world's economy depends upon the success or the failure of the casinos to meet the expectations of the respective government. Countries that have experienced success in commercial gaming include Australia and Thailand and one example of failure is the State of New Jersey in the United States of America. (Crossely and Jamieson, 1988; Dombrink and Thompson, 1990).

In many countries, casinos have been legalised in the hope of stimulating local and regional economies, and revitalising or bolstering existing tourist industries. In some cases commercial gaming has failed to meet its purposes. The 'Boardwalk shattered dreams' story as told by Crossely and Jamieson (1988) sets a good example of casino failure to address local economic problems. It was in 1977 when the State of New Jersey passed the Casino Control Act, legalising gambling for Atlantic City. It is reported that the poor people of Atlantic City literally danced in the streets that night. They expected the influx of casino construction and tourist trade to bring instant prosperity to their city, to rejuvenate the deteriorating 'Grande Dame' of eastern seaside resorts (Crossely and Jamieson, 1988). Instead, within a few years, the people of Atlantic City were bemoaning their fate. The reasons were as follows:

- (a) property taxes and water, sewerage and utility bills soared;
- (b) street crime increased;
- (c) prostitution and drug abuse spread;
- (d) education remained poor;
- (e) there were no movie theatres, no shopping facilities, and an inadequate airport; and
- (f) sky-rocketing land prices made the construction of low to middle income housing virtually impossible (Crossley and Jamieson, 1988).

Thousands of people were forced out of their homes and some out of town. The question that needs to be asked is, what really went wrong in Atlantic City? Evidently it was not the number of visitors. Atlantic City has become the number one tourist destination in the country, attracting 30 million visitors a year, seven million more than Disney World. The main problems were:

- (a) a low to a middle income market;
 - (b) a deficient infrastructure; and
 - (c) a conflict between the casinos and the local government
- (Crossely and Jamieson, 1988).

In the case of the casino in Melbourne Australia, in its first 12 months it made an after-tax profit of more than 33 million Australian dollars. The amount was 16 times as much as was hoped for. It is reported that the casino paid \$110 million in taxes, more than twice as much as forecast (Sunday Tribune, 1996).

2.2.3 Perception of social patterns of gambling

Social concern about gambling centres on the proneness and vulnerability of certain social groups which are regarded as especially 'at risk' with regard to inducement to gamble (Downes, *et al*, 1981). This section has to answer some questions such as: Are the young more prone to gambling? Do men gamble more than women? Are the poor more prone to gambling?

2.2.3.1 Age-sex group and gambling behaviour

The age and sex of people tend to contribute to gambling behaviour. Findings by Downes, *et al*, (1981) reveal that young men are more prone to gambling than young women. The study also reveals that elderly men gamble far less frequently than young men. It is noted that the young are not uniformly more prone to gambling than their elders. Young women gamble less than their elders except the very elderly who are the least prone to gambling.

Finally the study by Downes, *et al*, (1981) concludes that the proportion of men who gamble far exceed that of women; the overall mean for the frequency of women who gamble per year is about a third to a quarter of that of men. In other words a typical woman gambler may gamble 35 sessions whereas a typical man would gamble 123 sessions per year.

2.2.3.2 Level of income and gambling

Disposable income has also been seen as a contributing factor in gambling behaviour. Steyn and Uken (1989) found that in South Africa about 73 percent of the respondents who earned more than R2 000 per month (the middle and higher income groups) were gamblers, whereas only about 23 percent of those earning less than R2 000 (the lower income group) and those earning less than R700 per month (the poorest) were gamblers. These findings show that only people with a higher level of income could afford to visit faraway casino resorts such as Sun City, the Marula Sun and the Wild Coast in order to gamble.

People with lower incomes could not afford this luxury. These findings however do not conclude that richer people are more prone to gambling than the poor. Instead distance plays a major role in restraining the lower income group from gambling. Eadington (1976:48) has similar findings. He states that "it is commonly felt that Nevada residents who frequent casinos are new either to the state or to its gambling, or they tend to be from lower middle or lower income groups".

On a similar note, Downes , *et al*, (1981:91) confirm that the poorest have a slightly higher mean gambling frequency than members of the more affluent income groups. Although at this point one cannot conclude with

confidence that the lower income groups are more prone to gambling, it can be agreed with some certainty that generally when given equal access to gambling facilities, the young, single, skilled and working class men gamble more frequently than anyone else.

2.2.4 Perceptions of social costs and gambling

Social costs linked to gambling are usually intangible and difficult to measure. Eadington (1995) warns that there may be a systematic bias that overemphasises benefits and underestimates costs. Guidelines according to which casino gaming is operated and controlled are created by a political process rather than by moral and social considerations. An evaluation process is always useful to decide whether or not to authorise casinos. It is always the case that many people will choose to gamble if offered the opportunity. Eadington (1995) confirms that there is a strong latent demand for gambling in many societies.

2.2.4.1 Casino gambling and crime

Gambling is usually associated with crime. Gambling has been legalised and regulated in some parts of the world so as to avoid illegal practices. On the other hand, the practice of gambling itself has the tendency to attract criminals. Pizam (1978) reports that because of its side-effects, gambling was perceived as one of the most undesirable consequences of tourism by residents of Cape Cod. Wall and Maccum Ali, (1977:47) report that casinos are operational in some countries where the social and psychological effects of gambling remain unresolved.

In many parts of the world where gambling casinos have developed, the host countries have had to undergo a transformation of attitudes towards gambling. Mathieson and Wall (1982) report that in 1978, 44 of the 50 American states permitted legal gambling in one form or another. One justification for the legalising of gambling is the belief that the gambling industry, if illegal, will operate anyway. Legislation was seen as a means of diverting revenue from illegal operations to the state (Mathieson and Wall, 1982).

2.2.4.2 Compulsive gamblers

Compulsive gambling is reported in different parts of the world. In some countries compulsive gambling has grown in such a way that compulsive gambling centres have been established by governments to treat the sufferers. Compulsive gambling is closely associated with alcoholism. Studies from the United States and elsewhere indicate an incidence of compulsive gambling of between 1 percent and 5 percent of the adult population (Eadington 1995:172). In support on this viewpoint, Rose (1988) argues that common perceptions of compulsive or pathological gambling suggest the individual has little or no control over his or her actions while gambling, and therefore cannot be held fully responsible for the consequences.

2.2.5 Perceptions of the location of casinos

The location of a casino is important for its success. Its effects on the social and cultural milieu and its impact on the natural environment are largely determined by its location relative to other societal structures.

Casinos can be categorised in terms of their spatial location. Eadington (1995) identifies the following four categories:

- (a) distant from urban population concentrations in areas with natural tourist attractions. Examples are: Monte Carlo, Deanville, the Gold Coast, The Bahamas, Lake Tahoe, Baden Baden.
- (b) outside urban population concentrations in settings that may or may not have natural tourist attractions, but which are conveniently located relative to urban concentrations. Examples are: Las Vegas, Reno, Atlantic City, Sun City, Malaysia.
- (c) in major urban centres, but established in such a manner that access by the local population is discouraged, constrained or prohibited. For example, London, Berlin, Seoul, Cairo, Istanbul.
- (d) in major urban centres, which are openly accessible to local and regional populations. For example, Adelaide, Perth, Melbourne, Sydney, Montreal, Windsor/Detroit, Kansas City, St. Louis.

Isolation of casinos from urban population concentrations has been a historical pattern. This was based on the belief that casinos by their very nature are predatory and therefore dangerous to the indigenous working-class population. As early as 1907, France prohibited the offering of casino games within 100 km of Paris. It was believed that it would be

impossible for the poor to travel 100 km in a day in order to gamble in a casino, and return home the same day (Eadington, 1995). The aim was to make casino gaming available to those who can afford it, during their leisure time away from their working lives. Such a policy would save the local people of low income from living ambitious and 'unreal' lives.

The 1980s saw the emergence of urban casinos located in the centre of major population concentrations. These casinos are highly restrictive in terms of who may enter them. Only members of the casino club could visit the gaming casino and then only if the gambler has indicated his intention to gamble 48 hours prior to his visit.

2.3 STUDY OF RELATED SOUTH AFRICAN LITERATURE

Few works are available in South Africa that focus on recreation, leisure, tourism and gaming. The few which have been identified can be divided into the following categories:

- (a) literature focusing on behavioural patterns of outdoor recreation (Magi, 1986; 1989; 1990; Hugo and Hattingh 1988, Schlemmer 1988; Sutcliffe, 1981; Butler-Adam, 1984; Steyn, 1979);
- (b) literature focusing on the supply and demand of recreation facilities (Butler-Adam, 1981; Kies, 1982; Moller, 1991; Van der Wal and Steyn 1981; Steyn, 1979; Lamont, 1983);

- (c) some literature focuses on tourism and other related recreational patterns, (Ferrario, 1981, Korsman and van Wyk, 1993);
- (d) literature on user patterns for South African casinos, and the problems and potential of gaming facilities in boosting the South African economy (Pizam, 1978; Steyn and Uken 1989; Ferrario, 1981; Lea, 1988; Klein, 1996; Savides 1995; 1996; Spires, 1995; Woods 1996).

2.3.1 Preference patterns of tourists

There is a common understanding that most foreign tourists prefer wildlife viewing to any other attractions. Ferrario (1981) found that about 81 percent of foreign visitors to South Africa preferred wildlife, 68% scenery, 60% sun and beaches, 56% African culture and only 17% preferred casinos. According to Ferrario (1981), younger respondents, however, showed a keener interest in casinos (26%) than in cultural attractions. Notably tourists from African countries showed a stronger interest in casinos (36%) as compared to overseas visitors to South Africa. In the New South Africa it has been noticed that foreign tourists are showing an increasing interest in cultural attractions (Seymour, 1997, of the KwaZulu-Natal Tourism Authority).

2.3.2 Gaming in tourism context

In South Africa casino gaming has been viewed as specifically encouraging tourism. Existing and future casinos have only been studied in terms of tourist destinations (Steyn and Uken, 1989; Ferrario, 1981).

None of the existing studies seem to address the recreational aspects of gaming. Many of the studies, as mentioned earlier, concentrated on sports, outdoor recreation, the supply and demand of recreation facilities, and the behavioural patterns of users. The main reason for the scarcity of literature could be the attitude of society at large about casino gaming, as well as that of some of the writers. Savides (1995, 1996), Spires (1995) and Woods (1996), all view casino gaming as an evil activity and therefore one not desired.

2.3.3 Historical development of local gaming casinos

In Southern Africa, the first casino hotel, the Swazi Spa, was opened in 1965 in Swaziland. Shortly afterwards similar hotels in the capital cities of Botswana and Lesotho were established. The idea behind the establishment of these casino hotels in the BSL, (Botswana, Swaziland, Lesotho) countries was to foster international tourism so as to earn foreign exchange and create local jobs (Lea, 1988). Accordingly, Lea (1988) reports that there was a tourist boom in the late 1960s and mid-1970s in these BSL countries. Most of the tourists visiting these casinos were South Africans because they were denied by legislation the opportunity to operate or experience casinos within their country.

By 1981 South Africa had granted "independence" to four out of its ten black homeland states. With Pretoria's encouragement (Lea, 1988), the transnationals built new casino hotels in the homelands, effectively diverting many tourists from the BSL countries to attractions closer to home. The South African casino industry restructured itself in 1983 to maximise the benefits arising out of developments in the homelands.

A single giant corporation called Sun International took over all the casinos except for the Maseru Hilton in Lesotho (Lea, 1988).

It is interesting to note that prior to 1990, during the period of National Party government, which claimed to be Christian-oriented, no casino gaming activities were allowed within the former "white areas". Meanwhile the very same government encouraged casino developments in black homelands. The reasons for allowing this sinful act in black areas could include the political and economic, as well as the more obvious religious reason. The presently existing casinos in Southern Africa are listed in Figure 2.1. This list excludes the proposed new casinos in South Africa.

2.3.4 New developments in casino gaming

Currently the South African Government is planning to issue 40 Casino licences to its nine provinces once legislation is in place to regulate the industry. The licences will be allocated as shown in Table 2.1. Five casino resorts are expected to be located in KwaZulu-Natal and one of them is likely to be located in Richards Bay or nearby.

KwaZulu-Natal is expected to derive about 13 percent of the country's commercial gaming income once the five casinos are functional. Commercial gaming in Richards Bay is also expected to contribute a substantial part of the 13 percent anticipated for the entire province.

TABLE 2.1: NUMBER OF CASINO LICENCES ALLOCATED
AND EXPECTED PERCENTAGE INCOME

PROVINCE	LICENCES ALLOCATED	EXPECTED INCOME [%]
GAUTENG	6	47
WESTERN CAPE	5	16
KWAZULU-NATAL	5	13
EASTERN CAPE	5	6
FREE STATE	4	5
MPUMALANGA	4	5
NORTH WEST	5	4
NORTHERN PROVINCE	3	3
NORTHERN CAPE	3	1
TOTAL	40	100

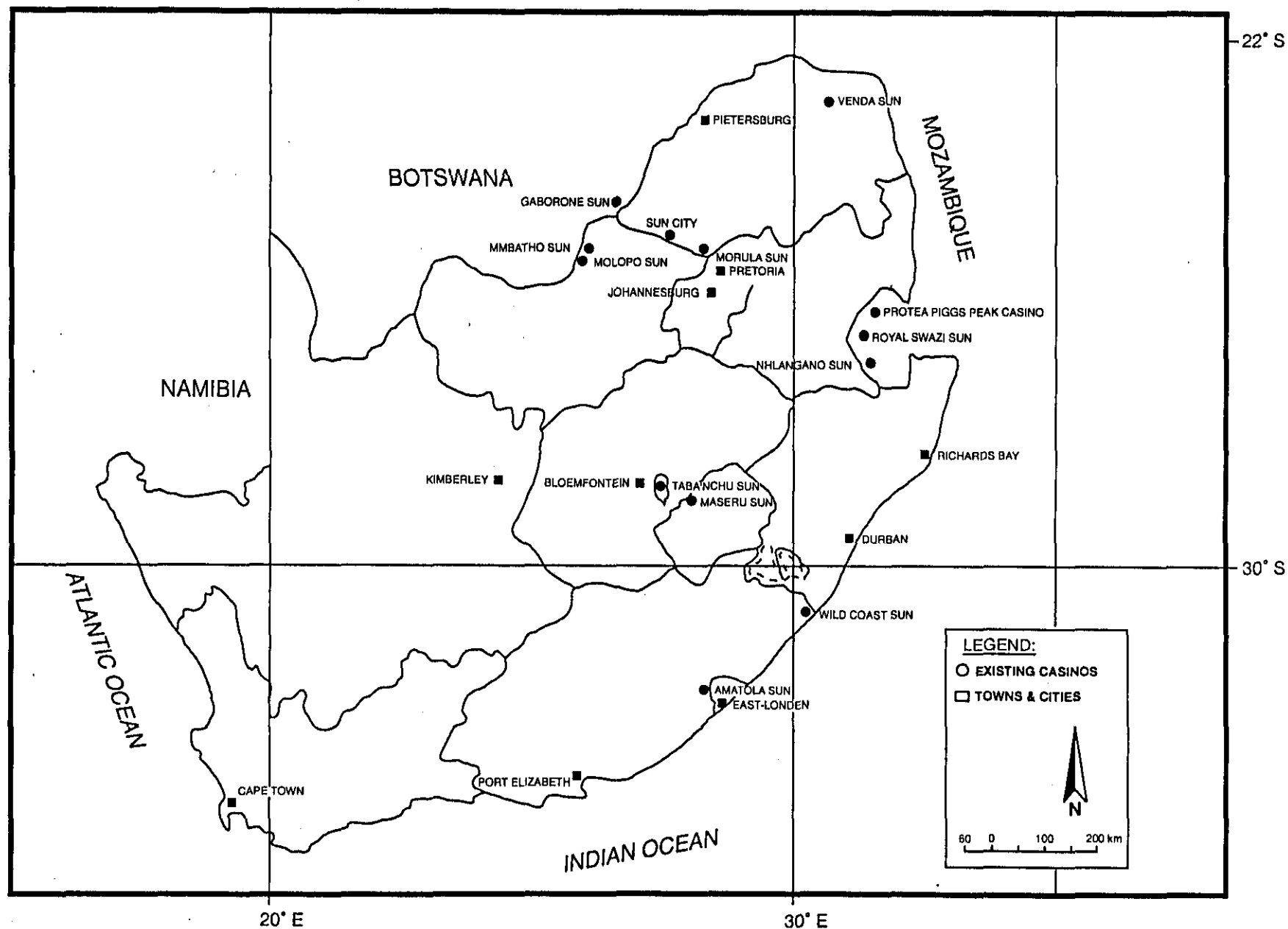
SOURCE: Adapted from Sunday Times 1996 May 26

2.3.5 Commercial gaming and the South African economy

It is envisaged that once the casino gaming facilities are in place, more than 20 billion rand per year will be generated by the industry. This amount is about 50 percent of the money that would be generated by the tourism industry as a whole. However, research carried out by Ernst and Young in 1996 reveals that the 20 billion rand is an overstatement and that this figure far exceeds the carrying capacity of the market, even when linked to tourism development. After considering all the key factors, Ernst and Young conclude that the total expenditure on casino gaming in South Africa is unlikely to exceed 4 billion rand a year (Klein, 1996).

Commercial gaming currently plays a relatively small role in the economy of South Africa, and so does the tourism industry. Improving commercial gaming contributions will also boost the tourism industry's contribution to

FIGURE: 2.1 EXISTING CASINO RESORTS IN SOUTHERN AFRICA



the GDP. Presently, the added value of tourism in South Africa is estimated to be no more than 4 percent of GDP, which is very low (White Paper on Tourism, 1996b). The World Travel and Tourism Council estimated that in 1995, tourism contributed 10.9 percent to the GDP of the world economy; 10.5 percent to the United States economy, 13.4 percent to the European economy, 12.3 percent to the British economy and 31.5 percent to the Caribbean economy (White Paper on Tourism, 1996b).

South Africa has a great opportunity to raise its tourism industry income from 4 to 10 percent of GDP. The White Paper on Tourism, (1996b) also forecasts that the tourism industry would generate about 40 billion rand annually and create 2 million jobs by the year 2 000.

Woods (1996), in the Sunday Times, writes that more than 2 billion rand has been lost in gaming taxes in the last five years because the government has been dragging its heels over the allocation of gaming licences. Approximately 400 million rand a year has been lost. In addition to this loss, if one considers that illegal casinos have been operating since 1990, the government has probably lost about 2.6 billion rand a year in taxes. These estimates are based on the gaming revenue produced by illegal casinos in South Africa. The amount comes from more than 3 000 illegal casinos in South Africa, with 40 000 illegal slot machines running at R5000 a month and 500 gaming tables producing 180 million rand a year (The Natal Mercury, 1996 and Woods, 1996).

2.4 CONCLUSION

Surveying related literature on the subject of commercial gaming appeared to be difficult. The reason being that gaming is not yet an established

field of study throughout the world. In South Africa, because gaming is not yet legal little documentation and few formal studies are available.

CHAPTER 3

PHYSICAL SETTING OF THE STUDY AREA

3.1 INTRODUCTION

The purpose of this chapter is to give relevant background information about the study area in terms of its physical characteristics in relation to the tourism infrastructure. Behavioural and perceptual patterns of the local community towards recreation, tourism and gambling-related matters are also outlined. The chapter takes a look at the perceptions of the community towards environmental impacts due to increased tourism activity.

The study area falls within the Lower Zululand Coastal Belt as identified by Korsman and van Wyk (1993). Presently the area is commonly known as the uThungulu region which formerly fell under the Joint Service Board boundary (JSB). It is necessary at this point to discuss the study area as a tourist destination.

3.2 EMPANGENI-RICHARDS BAY AS A TOURIST DESTINATION

Empangeni is the commercial, industrial and communication centre for the Lower Zululand Coastal Belt, where large quantities of sugar cane and timber are produced in ideal agricultural conditions. In the dormitory towns around Empangeni such as Ngwelezane, Esikhawini and Nseleni

reside a number of workers employed in industries at Richards Bay. The surrounding sugar cane and citrus fruit grown along the Nkwalini valley provide a suitable asset for agri-tourism. The campus of the University of Zululand is about 12 kilometres south-west of Empangeni and it boosts the area with educational tourism. The surrounding rural communities of Ongoye provide a relevant rural tourism attraction. The Enseleni Nature Reserve lies 14 kilometres north-east of Empangeni and is a host to a variety of fauna, including several antelopes species, while the flora includes mangroves and papyrus.

Richards Bay has South Africa's largest harbour, is 20 kilometres east of Empangeni, and was once at the mouth of the Mhlatuze river. The harbour was designed specifically for the handling of bulk cargoes such as coal. The harbour's development has attracted several heavy industries to the town, including; an Alusaf smelter, the Mondi pulp mill and Richards Bay Minerals (RBM). The port was completed in 1976 and linked by a railway to the coalfields of what is now Mpumalanga Province. An oil pipeline was built from the tanker berth to Gauteng Province.

In the past a salt water lagoon had attracted prodigious numbers of aquatic birds as well as hippos and crocodiles (Erasmus 1995). Richards Bay Game Reserve was proclaimed as early as 1935, followed by Richards Bay Park in 1943. The lagoon and the surroundings began to draw a growing number of holidaymakers who preferred the genuine bush experience without the luxury of an urban environment. The Empangeni-Richards Bay region has a good overall tourism potential, offering scenic beauty, a good climate, wildlife and culture. Both domestic and emerging international tourists prefer a seaside holiday and the eco-tourism and entertainment which the region has a great potential to offer.

3.3 RECREATION, TOURISM, GAMING AND RELATED FACILITIES

The Richards Bay-Empangeni area is naturally endowed with many recreation and tourism facilities. The region has a well-distributed infrastructure for recreation and tourism activities, such as game reserves and parks, rivers, beaches, natural forests, and cultural facilities, which can be found all over the area. At the time of writing, legal gaming infrastructures were in the process of development, whilst other forms of gambling, such as betting on horses may occur in isolated areas.

3.3.1 Recreation facilities

Recreation facilities found in the area range from; sport fields; soccer pitches, golf-courses, tennis courts, entertainment centres; cinemas, hotels, restaurants, halls, natural resource areas; game reserves, beaches, and seaside resorts. Although there are a number of recreation facilities, very few of these are geared towards tourism. Many sports fields only serve the local schools and some of the entertainment centres cater only for local needs.

3.3.2 The tourism infrastructure

The tourism infrastructure can be regarded as a set of attractions and amenities that are geared to the satisfaction of the needs of tourists. Mkhize (1995) argues that the attractions and facilities should be acceptable to the tourists. Tourism infrastructure includes accommodation, communications, transport, recreation facilities, roads, restaurants and souvenir shops.

Recreation facilities mentioned above, as already stated are not really geared towards tourism needs. It can be seen in Figure 3.1 that very few tourism facilities are available in the study area. It appears that there is a lot to be done by the local authorities to transform some of the amenities to meet tourists' requirements. The area provides as an agri-tourist attraction, coastal dunes, game parks, museums, historical sites, eco-tourism, educational tourism, Zulu culture and seaside resorts. A study undertaken by Korsman and van Wyk (1993) indicates that the international and domestic tourism markets prioritised the Lower Zululand Coastal Belt as the number one entertainment area in northern KwaZulu-Natal. It is for this reason that it is appropriate for entertainment centres to be further established in the area. Tourism Publicity Associations serve to market the area locally, nationally and internationally. The Richards Bay Tourism Association and the Greater Empangeni Tourism Association are prominent structures that promote tourism in the area.

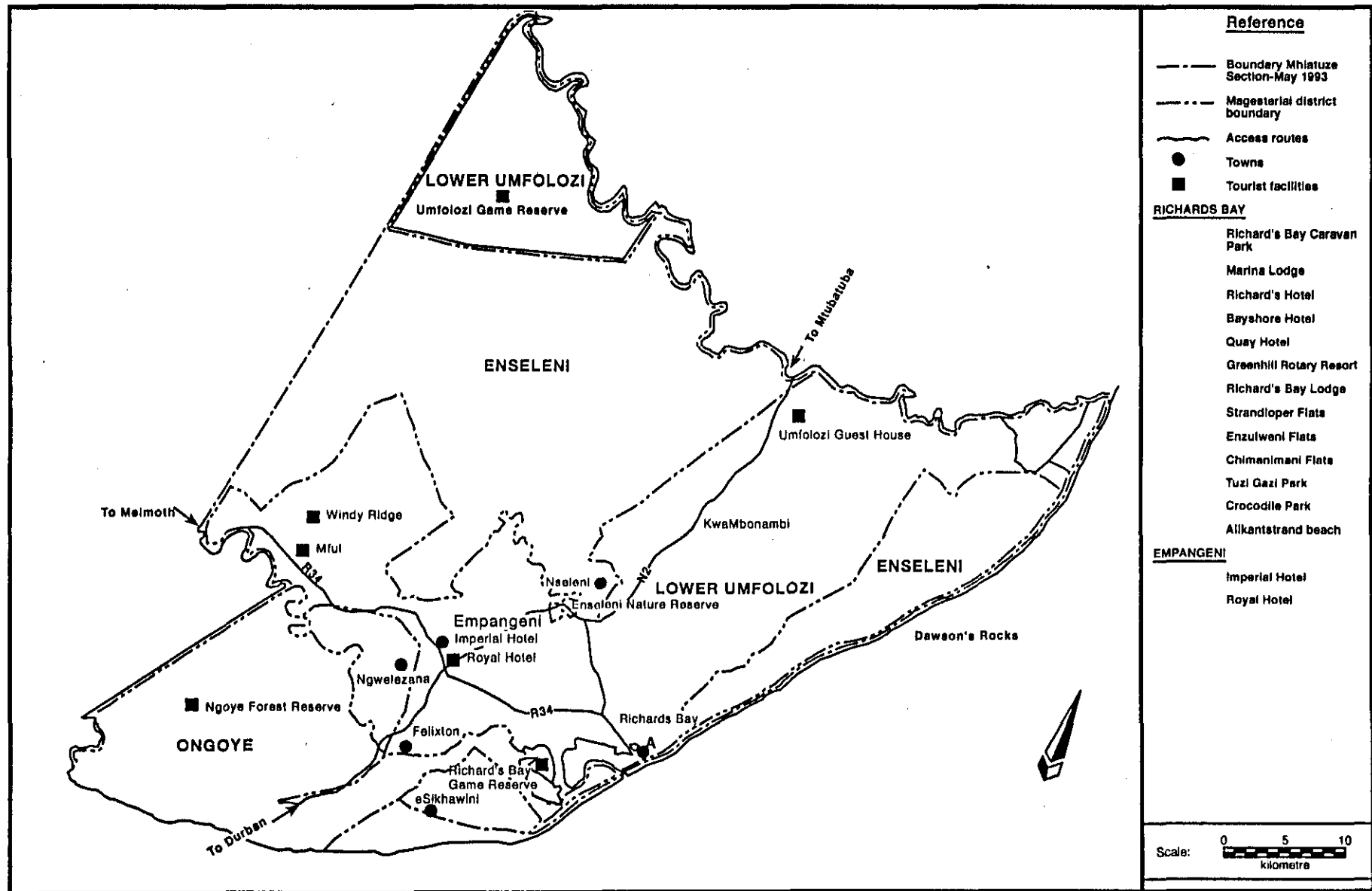
3.3.3 Gaming facilities

At the present moment there are no casino gaming facilities in the area. The illegal operations that existed between 1994 and 1996 have been closed down by the government. The only gaming facilities in place are those based on horse racing and associated lottery schemes.

3.4 BEHAVIOURAL AND PERCEPTUAL PATTERNS

The study of recreation, tourism and gaming behavioural patterns reported in this section emanate mainly from on the spot observations, and from the results of the pilot research project undertaken. Members of the local

FIGURE: 3.1 EXISTING TOURISM FACILITIES AT RICHARDS BAY AND EMPANGENI



communities in the study area hold different perceptions towards recreation, tourism and particularly gaming. Members of the community also exhibit different recreational behavioural patterns.

3.4.1 Recreational behavioural patterns

A number of recreational behavioural studies undertaken in this area show that all communities participate in recreational activities (Magi, 1986;1989). There are factors that tend to encourage or lead to different behavioural patterns, such as gender, age, educational level, racial/cultural orientation, level of income, and others. These factors lead to different people cognising recreation resources and facilities differently (Magi, 1986;1989, Sutcliffe, 1981; Butler-Adam, 1984). The people of Empangeni-Richards Bay are no exception to these findings.

3.4.2 Tourism perceptual and behavioural patterns

Richards Bay is renowned as a growing city within a game reserve. Eco-tourism is therefore seen as a particular attraction. Tourists visiting the area are interested in the natural environment and in African culture, particularly Zulu culture. The host community displays great hospitality in accommodating tourists. The existence of tourism associations in the area shows the concern and awareness of the local community about tourism. Tourism is viewed as an emerging industry that can create jobs for millions of unemployed local people.

3.4.3 Perceptions of gaming

Perceptions of gaming can be viewed in two ways: the perception of local people of tourists as gamblers, and the perception of local people of their own gambling co-residents and family as gamblers.

3.4.3.1 Tourists as gamblers

Any influx of tourism, however small, will make some impact on a region, but the extent of the impact is dependent not only upon numbers but also on the kind of tourists which the region attracts (Hollaway, 1994). What kind of tourists does a gambling casino attract? Hollaway (1994) observes that the explorer or tourist whose main interest is to meet and understand people from different cultures and backgrounds, will fully accept and acclimatise to the foreign culture, and therefore will not be a threat to the host community.

In many cases tourist gamblers are wealthy people. Hollaway (1994) argues that wealthy tourists bring with them their own value systems, either expecting or demanding the life-style and facilities to which they are accustomed in their own countries. Their behaviour could therefore conflict with the host community. Hollaway (1994) further argues that the flow of comparatively wealthy tourists to a particular region will attract petty criminals, as evidenced by increases in theft and mugging, a problem that has become serious in some areas of the world. Tourists may be seen as easy prey for the criminals. Where gambling is a corner-stone of tourism growth, prostitution and organised crime often follow (Mathieson and Wall, 1982; Hollaway, 1994).

Hollaway (1994) observes that the comparative wealth of tourists may be resented or envied by the locals. Their influx can be seen as a form of neo-colonialism. Locals may experience dissatisfaction with their own standard of living or way of life, and seek to emulate that of the tourists. The desire to emulate the tourists can threaten deep-seated traditions in the community. A general feeling among local people that tourists are an irritant rather than a benefit, with the recognition of the way in which tourism is changing their community and their cultural norms.

The situation might not be as serious as described here because tourism is still in its infancy. Instead, at the moment tourists of all varieties are still warmly welcomed by the local community in the spirit of stimulating tourism for economic gain. Many local research surveys concentrate only on the potential of the environment to attract tourists. There are basically no studies that attempt to explore the perceptions of the people themselves about tourists.

3.4.3.2 Residents as gamblers

Residents of Richards Bay in particular have raised serious concerns about the establishment of gambling facilities in their locality. Most objections were of a moral nature and were raised by local churches, welfare and residents' organisations. Their fears were, as Savides (1995) states:

- (a) disruption of the environment, particularly because of the proposed Greenhill site, widely adored for its natural habitat;
- (b) the effect on families, especially youth who would be attracted to a large casino;

- (c) the flood of street children and prostitutes which would drain the resources of the family care society;
- (d) an increase in poverty and crime levels - an island of wealth surrounded by squalor;
- (e) exacerbation of an already severe traffic congestion problem.

It is important for any democratically elected government, not to override the wishes of the local communities.

The gaming legislation released by the government however does not even attempt to address the fears of these local residents. Their concerns are totally overlooked because their fears are not common to the majority of poor South Africans, whose main concern is the eradication of poverty. The general perception held by many people is that commercial gaming would bring job opportunities, tourism, revenue and business growth to local towns and the country as a whole.

3.4.3.3 Physical location of the gaming casino

Some members of the local community in places where casino sites are proposed reject the creation of this attraction in their neighbourhood on religious and moral grounds. The local authorities had either to force their way through in allowing the establishment of casinos, or negotiate with the communities concerned, or look for alternative sites inhabited by less sensitive communities. In the process local government has to weigh up the commercial viability of the site and the interests of the entrepreneurs who are willing to establish and operate this controversial industry.

In many parts of the country few problems were experienced by local governments in selecting locations for the proposed casinos. Mpumalanga, Eastern Cape, Gauteng and Western Cape provinces had less opposition from their local communities than Richards Bay in KwaZulu-Natal.

3.4.3.4 Environmental impacts

The White paper (1996b) on tourism stipulates that only responsible tourism that can promote a sense of responsibility to the environment through its sustainable use, and commitment responsibility to involve local communities in the tourism industry should be encouraged. Natural resources and the cultural heritage are of major concern to any development. Existing natural resources have a carrying capacity which has to be considered when planning for a major tourism facility. The tourism carrying capacity includes the physical, biological, social and psychological or perceptual aspects of the tourism environment (McIntyre, 1995). Biophysical or ecological aspects relate to the natural environment. Carrying capacity varies according to season and time. Factors affecting the carrying capacity of the environment are; tourists' behaviour patterns, facility design and management, the dynamic character of the environment itself, and the changing attitudes of the host community (McIntyre, 1995:23).

In developing tourism destinations or attractions as big as a mega-casino resort, respecting carrying capacity is necessary for maintaining the quality of the environment and visitor satisfaction. Richards Bay is a coastal area characterised by its particular patterns of environmental sensitivity. The place boasts of its magnificent beaches, marine areas and

wetlands as already mentioned earlier. The area is an especially fragile ecosystem that needs to be protected at all costs. It appears that mass tourism activity that could be generated by facilities such as mega-casino resorts can pose a threat to these ecological systems. A well-planned and controlled development of tourism is therefore necessary.

3.5 CONCLUSION

Chapter three has outlined the physical setting of the study area. The social setting has been included since it forms part of the environment. The natural environment has been found to be conducive to tourism developments. Recreation and tourism facilities have been found to be inadequate and in need of further development. Gaming facilities were shown to be scarce or rather non-existent, particularly casino gaming. The perceptions of the local people were found to be positive towards tourism development but critical of gambling facilities.

CHAPTER 4

ANALYSIS AND INTERPRETATION OF DATA

4.1 INTRODUCTION

On the basis of what has been discussed in the preceding chapters, this chapter not only gives a presentation and analysis of data collected, but also gives some interpretative comments. The scope of the chapter covers the demographic characteristics of the respondents and the establishment of the level of knowledge of the respondents regarding their awareness of tourism. Further on, the perceptions of the respondents of gambling are discussed in greater detail. Finally, the perceptions of the local residents towards gaming, which could determine or influence the location of the proposed casino, are presented.

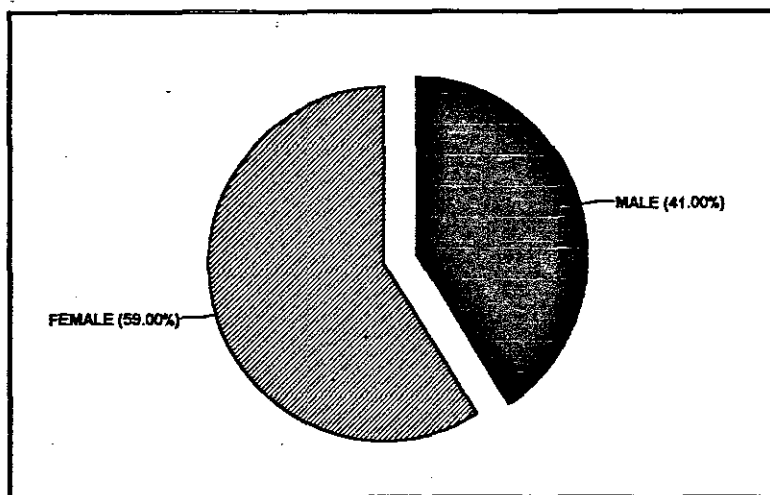
4.2 DEMOGRAPHIC CHARACTERISTICS OF RESPONDENTS

The characteristics which are considered for analysis include sex, age, religion, level of education, employment status, level of income, residential area, marital status and number of dependent children. These demographic particulars are not only discussed in detail initially, but are later crossed with other variables. Another intention of this section is to reveal the characteristics of the sample so as to establish if the sample can be relied on for purposes of drawing conclusions and some generalisations.

4.2.1 Gender and age

As indicated earlier, the respondents were categorised in terms of gender and age. The sample consisted of 290 males and 416 females, totalling 706 respondents, as shown in Figure 4.1. More females were eager to respond to the questionnaires than males. The reason could be that females were readily available at home whilst males were probably at work when this survey was undertaken. Females seemed to be bored and welcomed being surveyed. This does not imply that females are not engaged in productive work. The sample reflects the sex composition of the population, with a ratio of two males to three females.

FIGURE 4.1 GENDER OF THE RESPONDENTS



The contributory reasons for this skewedness could also be the random sampling method used in this study and the fact that generally females outnumber males in the study area. Figure 4.1 shows that 41 percent of

the respondents were males and 59 were females. Table 4.1 gives the frequencies and percentages of respondents in terms of age and sex.

It was noted that about 78 percent of male respondents were between 22 and 55 years, and 81 percent of female respondents were in the same age group. There was a preponderance of this age group because it consisted of the main decision-makers. The high frequency of this age group also suggests that the respondents surveyed were mature adults likely to give reliable and informed opinions.

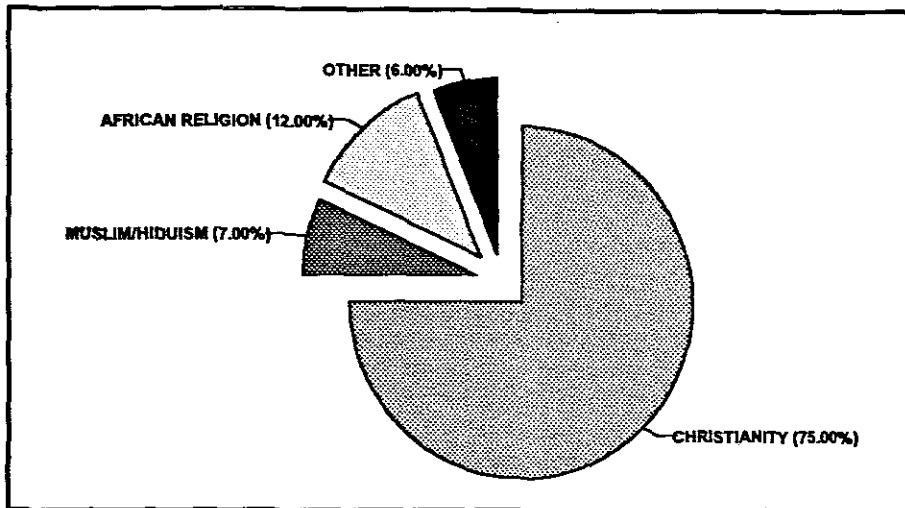
TABLE 4.1: AGE -SEX DISTRIBUTION OF THE RESPONDENTS

AGE-GROUP	MALE		FEMALE	
	FREQUENCY	PERCENT	FREQUENCY	PERCENT
16-21 YEARS	44	15	59	14
22-35 YEARS	135	46	192	46
36-55 YEARS	89	31	144	35
56+	22	8	21	5
TOTAL	290	100	416	100

4.2.2 Religion

Religion was considered an important factor in influencing opinions about gambling. About 94 percent of the sample indicated that they were affiliated to a religious sect. As shown in Figure 4.2 they indicated the

FIGURE 4.2: RELIGION OF RESPONDENTS

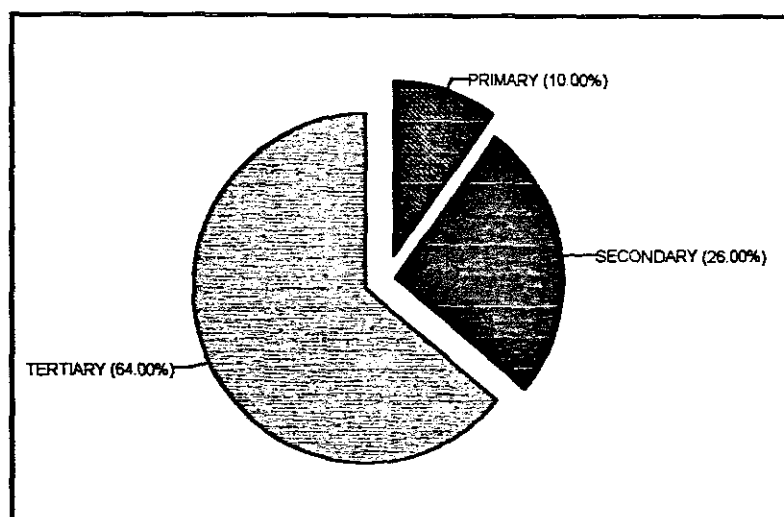


following distribution: Christianity 75%, Islam/Hinduism 7% and African indigenous religion 12%. About six percent of the respondents reported not belonging to any of the religious groups mentioned. Seemingly the latter group did not want to reveal their religious convictions, perhaps because they felt their religious group would contradict their willingness to gamble. The other related reasons could be that they regarded religion as a private matter or simply they were not religious at all.

4.2.3 Level of education

It is generally accepted that level of education has a significant influence on perceptions. The perception of gambling activity is no exception in this regard. About 64 percent of the respondents indicated having tertiary

FIGURE 4.3: LEVELS OF EDUCATION OF THE RESPONDENTS



educational qualifications, 26 percent secondary and only 10 percent had only primary level (Figure 4.3). It is therefore apparent that most of the views acquired for this study were from informed respondents. This selection of respondents of a higher educational status was encouraged by the enthusiasm of respondents and, to a limited extent, by some interviewing bias.

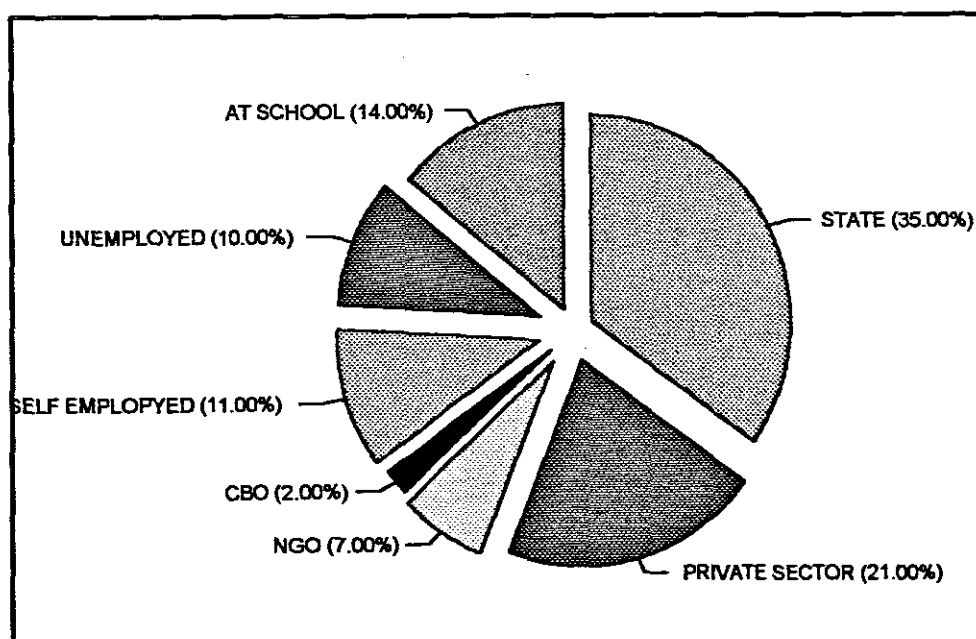
4.2.4 Employment

The respondents revealed that they were employed in various sectors of the economy. About 35 percent (see Figure 4.4) indicated that they work for the state. State employees can be regarded as stable residents who do not usually migrate from one job to another within a short period of time. The reason for this is likely to be the availability of benefits such as housing subsidies, and pension and medical aid schemes. These benefits usually keep the employees in the same job for some time. About 21

percent of the respondents indicated that they were employed in the private sector.

People with tertiary educational qualifications seem to be working for private companies and are usually better paid. However, they do not seem to have plenty of leisure time at their disposal, as the case seems to be with the state-employed people. About 10 percent of the respondents were unemployed and 14 percent were still at school. The respondents who were unemployed or still at school therefore made up a total of 24 percent of the sample, which represents the non-salaried or lower income group.

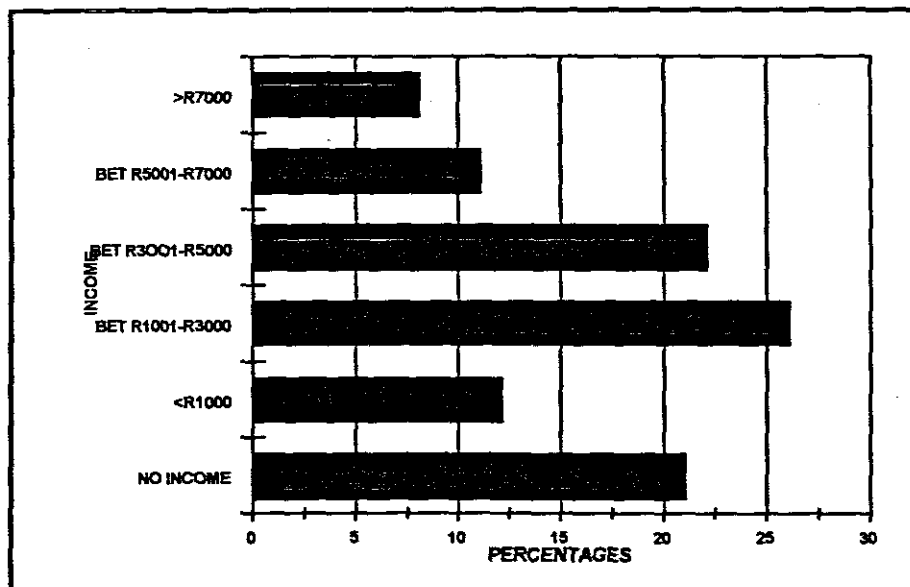
FIGURE 4.4: TYPES OF EMPLOYMENT OF THE RESPONDENTS



4.2.5 Income

Income is an important indicator of recreation or tourism behaviour. In Figure 4.5 the monthly income of the respondents is given. About 12 percent of the respondents received a wage of less than R1 000 per month. About 8 percent earn an above-average income of more than R7000 per month. The average monthly income in KwaZulu-Natal is R1910 per month (SA Communication Services, 1997). From the data obtained, it becomes evident that more than 41 percent of the respondents earn an above average monthly income. It is important to note that a significant number of respondents are without an income (22%) or are unemployed.

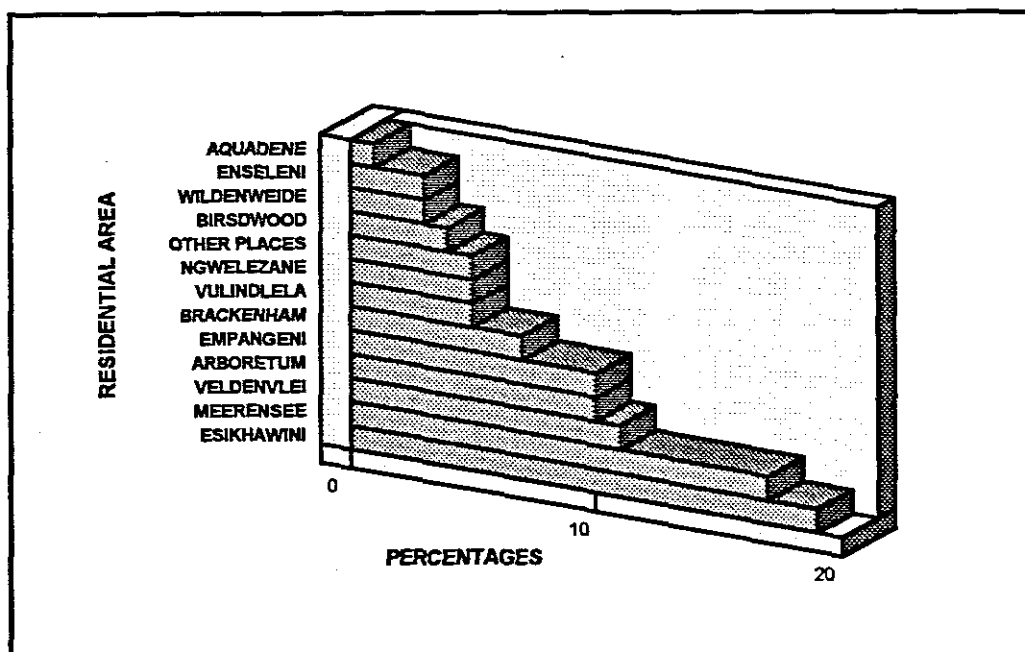
FIGURE 4.5: MONTHLY INCOME OF RESPONDENTS



4.2.6 Residential areas

The sample was randomly drawn from 12 residential towns, as shown in Figure 4.6. It is noteworthy that unequal numbers of respondents were drawn from each residential place. Densely populated areas yielded bigger samples: Meerensee (17%) and Esikhawini (19%). Residential areas with smaller samples reflect low population densities in the study areas. The smaller samples could be regarded as showing a lack of concern about the gambling debate. This lack of interest may be associated firstly with the distance away from the locality of the proposed casino, and secondly with the ignorance or unawareness of casino operations and their related social benefits or problems.

FIGURE 4.6: RESIDENTIAL AREAS OF THE RESPONDENTS



4.2.7 Length of stay in the residential town

About 28 percent of the respondents indicated that they have lived in the study area for more than 15 years, whereas about 26 percent had been in the area for between 7 and 15 years, as shown in Table 4.2. From these analyses it can be inferred that a total percentage of 54 can be regarded as respondents or residents with considerable experience of the local town. Further inquiry indicated that these respondents knew the physical characteristics of the area, as well as the general perceptions and lifestyles of local people. About 30 percent of the respondents had been in the area for less than 3 years. They seemed to be people with new and innovative ideas from outside the study area.

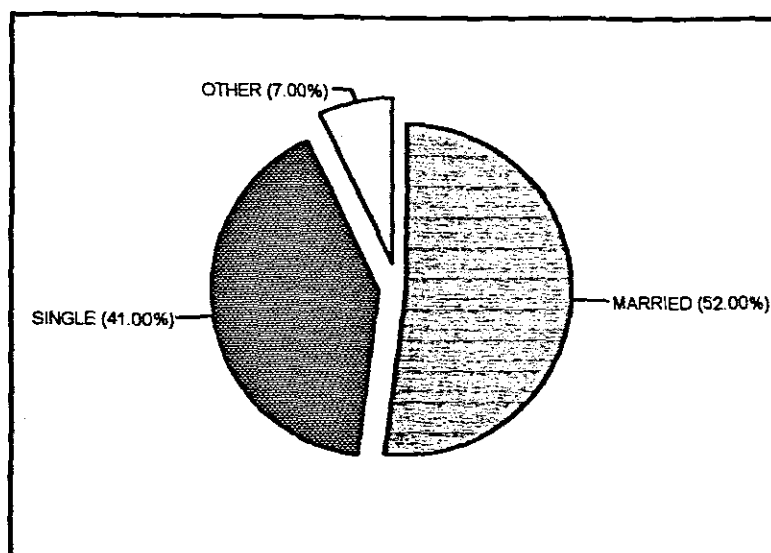
TABLE 4.2: LENGTH OF STAY IN THE AREA

LENGTH OF TIME	FREQUENCY	PERCENT
0 - 1 YEAR	73	10
2 - 3 YEARS	141	20
4 - 6 YEARS	111	16
7 - 15 YEARS	180	26
>15 YEARS	201	28
TOTAL	706	100

4.2.8 Marital status

The marital status of the respondents as shown in Figure 4.7 indicates that 52 percent were married and can be regarded as stable family members

FIGURE 4.7: MARITAL STATUS OF THE RESPONDENTS



with sound family values. About 41 percent of the respondents were unmarried, and more than 13 percent were still below the voting age (Figure 4.1).

4.2.9 Respondents' dependants

Respondents in the study area indicated that they mainly had school-going dependants. In a few instances the spouse, particularly in the case of housewives, was also regarded as a dependant. Table 4.3 shows that 70 percent of the respondents had children as dependants. About 52 percent indicated that they had more than one dependant. It is apparent that a large percentage (70%) had children to support with their income. The reason for this high percentage could be a result of the extended family system that is prevalent in the study area.

**TABLE 4.3: NUMBER OF DEPENDANTS OF THE
RESPONDENTS**

NUMBER OF DEPENDANTS	FREQUENCY	PERCENT
One only	126	18
More than one	370	52
None	210	30
TOTAL	706	100

4.2.10 Affiliation to organisations

Respondents' perceptions were thought to be influenced by their social practices within the community. Christian ministers of religion were commonly found to have some influence over the establishment of a casino. About 97 of the 706 respondents (14%) indicated that they belong to either a community, church, professional or environmental organisation.

The different organisations that could exert an influence on the perception of gaming are listed in Table 4.4. The common feature about these organisations and their members was that they all shared common values, inspirations, moral obligations and a sense of responsibility. The opinions expressed by these respondents should therefore be considered valid and reliable.

TABLE 4.4: AFFILIATIONS TO ORGANISATIONS

NAME OF ORGANISATION	NO. OF RESPONDENTS
YMCA	4
Siphamandla Community Project	3
Community Forum	4
Masazane Organisation	7
Criticare Ambulance Services	3
Jong Dames Dinamiek	2
Interclean North	3
Siyabonga Burial Club	2
Anglican Church Mothers' Union	5
Richards Bay Family Care	3
Christians for Truth	1
Lifeline	1
Methodist Church - SANSSA	1
Methodist Church - WA	1
NG Kerk Welfare	2
Rotary	6
Red Cross	5
Sri Sathya Sai	4
Governing Body R/Bay Sec. School	1
R/Bay Senior Citizens Club	1
Temple Society	4
SPCA Women's Institute	3
Good Tidings Fellowship	4
Child Welfare	2
Hospice	6
DICE	2
Teachers' Organisations	9
ZEAL	3
TOTAL	97

4.2.11 Summary

The section on demographic characteristics discussed in this chapter reveals that the respondents surveyed were predominantly stable residents with jobs, incomes, higher education and a secure family life. Other sections of the community were also included in the sample: the poor,

the unemployed with little or no income, the youth and those with lower levels of formal education. The sample can therefore be considered representative of the entire Empangeni-Richards Bay community. Conclusions and generalisations that are made about the sample could be considered as fairly reliable and valid.

4.3 TOURISM AWARENESS AMONG THE RESPONDENTS

The argument for supporting the proposed casino resorts in the study area is strongly based on a drive towards tourism-related advantages. Respondents were asked if they were aware of the nature of tourism in general. The responses showed that they were well aware of and clearly understood the functioning of the tourism industry.

TABLE 4.5: TOURISM AWARENESS AMONG RESPONDENTS

STATEMENTS	AWARE		SOMEWHAT		UNAWARE	
	FREQ.	%	FREQ.	%	FREQ.	%
Nature of tourism	497	70	138	20	71	10
Advantages of tourism	503	71	113	16	90	13
Disadvantages of tourism	361	51	168	24	177	25
Sustainable tourism	317	45	189	27	200	28
Ecotourism	402	57	163	23	141	20
Environmental related tourism	414	59	172	24	120	17
Socio-cultural effects of tourism	322	46	200	28	184	26
The impact of mass tourism	345	49	170	24	190	27
Tourists visiting study area / year	133	19	243	34	330	47
Approx. no. of backpackers	121	17	230	33	355	50
Approx. no. of wildlife viewers	129	18	215	31	362	51
Local tourist attractions	378	54	148	21	180	25

Respondents were presented with 12 pre-selected main aspects of tourism and asked if they were familiar with the nature of tourism. The various responses are tabulated in Table 4.5, where 70 percent of the respondents indicated that they understood the nature of tourism. On the other hand, 71 percent of the respondents were aware of the advantages and 51 percent stated that they were also aware of the disadvantages associated with tourism. A mean variance score of 2.0 and a small variance score of 1.0 confirmed the strong consensus about the advantages of tourism in Table 4.6. The statements listed on Table 4.6 show their corresponding mean and variance values ranging from the smallest to the largest. The smaller mean and variance values show a stronger awareness of the statement in question. On the other hand, the larger values show little or no awareness of the statement.

TABLE 4.6: MEAN AND VARIANCE IN RESPECT OF STATEMENTS ON TOURISM AWARENESS

STATEMENT	MEAN	VARIANCE	RANK ORDER
Advantages of tourism	2.0	1.0	1
Nature of tourism	2.1	1.2	2
Environmental related tourism	2.3	1.4	3
Ecotourism	2.4	1.4	4
Disadvantages of tourism	2.5	1.6	5
Local tourist attractions	2.6	1.6	6
The impact of mass tourism	2.7	1.4	7
Sustainable tourism	2.7	1.6	7
Socio-cultural effects of tourism	2.7	1.4	7
Approx. number of tourists per year	3.4	1.4	10
Approx. number of wildlife viewers	3.5	1.4	11
Approx. number of backpackers	3.6	1.4	12

The statements were also ranked according to their mean and variance values. Those that were ranked higher indicated that respondents were well aware of them and those at the bottom show that they were the least known to respondents.

The local community within the study area could be regarded as consisting of people who were well informed about the tourism industry. In their comments the respondents pointed out that tourism within the study area was not well-organised and that awareness of tourism needs to be instilled in people. It was also their belief that tourism brings innovations to an area. There was a general feeling that a casino would make Richards Bay more popular and thus attract many tourists from faraway places. This idea emanated from the realisation that there are few tourist facilities in the town. Some respondents expressed their feelings emotionally, to the effect that “until this town woke up”, tourism would never take off in Richards Bay. A sizeable sample advised that tourists visiting Richards Bay were mostly backpackers and conservation-conscious people who were looking for “nice nature reserves, not gambling houses”. There was an overwhelming (67%) call for the establishment of ecotourism attractions to cater for international tourists.

Some respondents were negative about tourism. They expressed some fear of tourism activities. They further thought that tourism spreads diseases. Some felt that the town would be unable to handle a large influx of tourists once the casino was established.

The respondents arguments for and against tourism development showed that they knew what they were talking about. Their decision to reject the proposed casino would therefore not be based on ignorance about

tourism. On the other hand, the decision to support the gambling casino could be stimulated by their awareness of tourism-related benefits that could be derived from the gambling destination.

4.4 PERCEPTIONS OF A GAMBLING CASINO

A Likert-type scale with sets of statements was presented to the respondents to indicate their preferences. They were asked to rate the statements according to whether they strongly agree, agree, undecided, disagree or strongly disagree. For the purpose of data analysis the responses were grouped into three categories. Those who strongly agree and agree were grouped together and those who strongly disagree and disagree with the given statements were grouped together as well. The undecided responses were put into one category.

The statements were divided into two main categories. The first category of statements expressed positive notions of contributions of the casino to local community life (Table 4.7). These include the creation of job opportunities, the influx of industries, the attraction of foreign income through investments and tourism, as well as the provision of up-to-standard recreation facilities designed to serve tourists. A statement that expressed the hope that a casino would enliven the area as a coastal resort and that it would be an additional recreation and tourist facility was included.

The second category pertains to the negative consequences that could be associated with a gambling resort (Table 4.7). The perception that a casino could spoil the quiet decency of residential areas, and could cause the loss of some individuals' jobs due to the stress of gambling all night

TABLE 4.7: RESPONSES TOWARDS CASINOS AND GAMBLING

PERCEPTUAL STATEMENTS	AGREED		UNDECIDED		DISAGREED	
	FREQ	%	FREQ	%	FREQ	%
1. Create job opportunities	495	70	56	8	155	22
2. Would bring more industries	363	51	102	14	241	34
3. Would revive the town's economy	361	51	113	16	232	33
4. Enliven town as a coastal resort	394	56	114	16	198	28
5. Bring more community services	336	48	148	21	222	32
6. Raise the standard of living	284	40	137	20	285	40
7. Generate foreign income	372	53	167	24	167	24
8. Many local people would get rich	184	26	193	27	329	47
9. Gambling is recreational	200	28	134	19	372	53
10. Some people would lose their jobs	306	43	129	18	271	39
11. Community services would be repelled	213	30	244	35	249	35
12. Gambling drains family finances	353	50	150	21	203	29
13. Tourists could win all the money	218	31	201	29	203	29
14. Many local people would get poorer	311	44	175	25	220	31
15. Gambling is money-making	403	57	131	19	172	24
16. Housing would be expensive	312	44	209	30	185	26
17. High prices of general commodities	322	46	225	32	159	22
18. Harder life for the lower income	336	48	149	21	221	31
19. Gambling would bring evil	317	45	148	21	241	34
20. There would be high crime rate	347	49	133	19	226	32
21. Increase in drug trafficking and abuse	333	47	130	18	243	35
22. Promote prostitution and AIDS	326	46	136	19	244	35
23. Put pressure on natural resources	293	42	171	24	242	34
24. Spoil quiet and decent residential areas	376	53	129	18	201	29

long and failing to get to work in time were also included. The perception was that gambling can drain family finances and that many local people could become poorer because of gambling losses. An influx

of tourists could lead to the increased demand for accommodation and affect increases in market prices. Other negative conceptions were seen to be the evils of gambling associated with an increase in crime levels, drug trafficking and abuse, prostitution, and the spread of the AIDS virus. The main concern of the respondents was found to be the potential loss or waste of money by the poor. This main finding is supported by a majority of 57 percent of the respondents, who perceived a casino as a money making machine which is not geared towards helping the poor get rich.

4.4.1 Perceived advantages of a gambling resort

Positive statements associated with the advantages of gambling were presented to show a rank order according to average opinion scores. These statements indicate a general consensus in which the smaller the mean value, the stronger is the consensus (see Table 4.8). Variance values are also included in the table, which indicate the degree to which opinions vary. The smaller the variance value the smaller is the variation of opinion, which suggests a stronger consensus. The main finding is that there was consensus that employment opportunities would be created.

It was hypothesised in this study that a gaming casino would be favoured on the grounds of job creation for the local community. The analysis shows that about 70 percent of the respondents agreed that a casino would create job opportunities, whereas only 22 percent disagreed. As reflected in Table 4.8, the mean opinion score of 2.2 was obtained, and with a

**TABLE 4.8: STATISTICAL RESPONSES TO STATEMENTS
ON THE ADVANTAGES OF GAMBLING**

STATEMENT	MEAN	VARIANCE	RANK ORDER
Create job opportunities	2.2	1.7	1
Enliven town as a coastal resort	2.5	2.0	2
Generate foreign income	2.6	1.7	3
Would bring more industries	2.7	1.7	4
Revive the town's stagnant economy	2.7	2.0	4
Bring more community services	2.8	1.7	6
Raise the standard of living	3.0	2.0	7
Many local people would get rich	3.3	2.0	8
Gambling is recreational	3.4	1.7	9

small variance value of 1.7. The perception was consequently ranked number 1 because of its smallest mean value. The researcher has therefore accepted the stated hypothesis as statistically significant.

Richards Bay has been described as an industrial town surrounded by dormitory towns. After work, people need leisure. An opinion statement that the establishment of a gaming casino could enliven the town of Richards Bay as a coastal resort was ranked number 2, with 56 percent of respondents registering a positive response, as in Tables 4.7 and 4.8. A corresponding mean value of 2.5 and a variance value of 2.0 were obtained. It can be concluded that the local community perceived the creation of a casino as an additional tourist facility in their locality.

The statement on foreign income that could be earned by the town was also perceived positively (53%) by the respondents. The statement was ranked number 3, with 53 percent of the respondents feeling that people from other cities both inside and outside the country would visit the town in order to gamble. This possibility was seen to be strong because

Richards Bay already hosts national and international tourists as a result of its harbour.

It was also discovered that respondents did not consider gambling as a recreational activity. Instead gambling was perceived as a money-making business. As summarised in Table 4.6, about 53 percent of the respondents indicated that they disagreed with the notion that gambling is recreational. The possible reason for this perception may be that gambling is perceived as evil and has previously been prohibited by legislation in the country.

Perceptions of the advantages of the development of a gaming casino in the study area should not therefore be over-emphasised. Disadvantages were the main concerns of the local community as shown by this study.

4.4.2 Perceived disadvantages of a gambling resort

Overcrowding and noise pollution were regarded as the main disadvantages associated with a gaming casino in the neighbourhood. These negative statements are shown in Table 4.9 in a ranked order from one to thirteen. The first three statements were ranked equally as number one according to their mean value. Comparing Tables 4.9 and 4.7, it becomes evident that there is uniformity of meaning because the higher ranked scores correspond to higher percentages. About 53 percent of the respondents agreed that the quiet and decent residential areas would be negatively affected by a casino (see Table 4.7, statement 24).

The statements on wastage of family finances and increases in crime levels were perceived as serious social constraints or disadvantages with scores of 50 and 49 percent respectively, (see Table 4.7, statements 12 and 20).

**TABLE 4.9: STATISTICAL RESPONSES TO STATEMENTS
ON DISADVANTAGES OF GAMBLING**

STATEMENT	MEAN	VARIANCE	RANK ORDER
Spoils the quiet and decent residential areas	2.6	1.7	1
Leads to high prices of general commodities	2.6	1.4	1
Gambling drains family finances	2.6	2.0	1
Life harder for the lower income group	2.7	2.0	4
There would be high a crime rate	2.7	2.0	4
There would be drug trafficking and abuse	2.7	2.0	4
Many local people would get poorer	2.7	1.7	4
Housing would be expensive	2.7	1.4	4
Gambling would bring evil	2.8	2.0	9
Promotes prostitution and AIDS	2.8	2.0	9
Puts extreme pressure on natural resources	2.9	1.7	11
Some people would lose their jobs	3.0	2.0	12
Tourists could win all the money	3.1	1.4	13
Community services would be repelled	3.1	1.4	13

Disadvantages of gambling were further ranked according to the obtained mean and variance values in Table 4.9. In terms of our statistical analysis the statements that obtained the smallest scores were ranked high and considered to be strongly unwanted by the respondents. Those that scored larger values (found at the bottom of the Table 4.9) were considered to have minimum negative impacts, and are therefore more positive.

The impacts listed in the questionnaire were further analysed and categorised into clusters of related themes. The themes are crime, environmental issues or impacts, religious/ethical and moral issues, financial gain/loss, living costs, economic development, recreation and family life.

Each theme is now discussed separately with a view to revealing the respondents' perceptions of gaming in the study area.

4.4.2.1 Crime

About 49 percent of the respondents agreed that there would be a general increase in crime levels if a gambling casino were to be established in the study area. In addition about 47 percent thought of drug trafficking and abuse as likely to occur. Some respondents felt that crime and prostitution already existed and had a high incidence. Criminal acts such as robbery, drunken driving, house-break-ins, suicide, child abduction, fights and killings over winnings were envisaged by some respondents as likely to increase if a casino were to be established. One respondent complained that "gamblers often get drunk and violent and become a danger to the rest of the innocent community".

Some respondents were eager to give unsolicited solutions to the problem. One respondent pointed out that he would like to see security and control made very strict to ensure that problems such as prostitution or under-age gambling are kept to a minimum. Some respondents suggested that crime could be reduced by increasing the number of policemen or by creating more job opportunities. Some respondents asked, "why all the fuss about a casino, what about the destructive

effects of twenty bottle stores, and drugs entering Richards Bay harbour to be distributed to the rest of the country?" Possible reasons for the negative comments could be the high incidence of strict family ethics and religious types of respondents found in the study area.

4.4.2.2 Environmental impacts

Regarding the statement about increased pressure on natural resources and environment, about 42 percent of the respondents agreed that nature-based resources have a limited carrying capacity. Some scarce natural resources such as water, open space and environmentally sensitive areas were thought to be threatened by the continuous development already happening in the town. About 53 percent of the respondents perceived noise pollution as a serious problem, especially affecting residential areas that could be in the vicinity of the casino resort. A few (4%) respondents stated that they would like to see the local authorities being careful about locating the casino in an area that would result in as little disruption as possible to the environment. The main force behind the environmental issues within the study area is the Zululand Environmental Alliance (ZEAL). This group lobbies for environmental conservation. They insist that environmental impact assessments be conducted before huge industrial plants and factories were established. It appears that respondents were clear and well aware about the environmental considerations.

Some respondents rejected the notion that development should be slowed down just because of fears about the environmental impact. They felt that there were many other structures built that had not disturbed nature. An example was given of the Hillside aluminium smelter and Richards

Bay Minerals. Possible justification for this perception is that these two companies in Richards Bay have strong and well accepted community out-reach programmes.

4.4.2.3 Religious, ethical and moral issues

The study revealed that a significant number of respondents (45%) believe that gambling is evil and that it could bring evil forces or spirits to the area of Empangeni-Richards Bay. One respondent asked a religion based question: "Will God be welcome in casinos? If the answer is no, then it is wrong." The respondent considered every form of gambling as a sin. Some respondents argued that casinos would lure children into vices which would ultimately destroy their morality and future family lives. In general there were strong feelings about ethical and moral issues.

A sizeable proportion of the sample (45%), agreed that gambling would bring evil to the area. Resistance to this idea was minimal though significant, as only 34 percent disagreed and 21 percent found it hard to decide what was wrong or right. The failure of the latter group to choose could be ascribed to a lack of assertion on their part, perhaps because they were uninformed about the ideas in the questionnaire.

A sample of only 10 respondents (about one percent) commented in favour of the evil associated with gambling. One respondent blatantly stated, "It is not right, but because people need jobs we accept it." Another respondent said that he could not say it was a sin because gamblers do not rob anybody, rather, they used their own money. Such comments show how desperate some of the respondents were. It further

exposes the feeling of guilt many respondents try to suppress when they see nothing evil about gambling.

4.4.2.4 Financial gain or loss

About 44 percent of the respondents felt that gambling would make many local people poorer. Some people may overspend on gambling and many would gamble and lose, and continue until they become impoverished. Morally weak people with poor self-control would gamble a lot and many would lose and very few would win. Previous experience of illegal money pyramid schemes that existed in the area showed that people were often tempted to risk all their money. An interviewed social worker, expressing her concerns, stated that the local rural population were too unsophisticated to benefit from such a facility. She went on to state that a casino was not a desirable facility in the study area, and suggested that it would be more appropriate to develop facilities for game viewing and for environmental appreciation.

Another concern expressed by 46 percent of the respondents was that ratepayers would suffer as gambling became a life-style in the area. They argued that there would be an increase in vandalism and the cost of repairs to facilities would be passed on to them as ratepayers. Respondents thought that gambling would disrupt family budgets, especially those of the poor, and that many people would accumulate debts because of continuous gambling. One respondent commented, "Nobody is a winner besides the state and the casino owner. A winning gambler one day is a loser the next day."

Only 31 percent of the respondents disagreed with the poverty notion. These claimed that since some people are poor anyway, they have nothing to lose, and they need investment and economic development. A majority of 53 percent of the respondents strongly felt that a casino situated at a gateway town like Richards Bay would generate foreign income through tourism and that manufacturing industries could be attracted by a casino resort. This positive perception is the one that has stirred the debate on gambling facilities. One may argue that this positive perception emanates from business people who are mostly concerned about the survival of their shops and industries. The man on the street is hardly aware of foreign income.

4.4.2.5 Living cost

A significant number of respondents (45%) agreed with the idea that living costs would rise and speculated that houses and accommodation facilities as well as prices of general commodities would increase. The rise of prices due to increased tourism activity could lead to a rise in the cost of living of the local communities. About 24 percent of the respondents did not agree with this assumption, while 31 percent were undecided.

4.4.2.6 Economic development

From the responses associated with economic development the majority of the respondents (48%) clamoured for development. Many hoped that local tourism, if well organised, could stimulate local business. Some hoped that more industries would be attracted to the area, and 48 percent agreed that more community service centres would be established.

Respondents further made some suggestions pertaining to the industry. They said that the casino industry should sponsor community development projects. One respondent stressed that he would like to see locals being employed wherever possible and local business being used to supply goods and services. Other suggestions included the following: money generated should be shared with the local community, by funding, for example, the provision of more sports and recreation facilities for the youth. Local skills in gambling jobs need to be developed and in this way dependence upon foreign assistance will be reduced. Casinos could sustain businesses through tourism, by the building of new hotels, for example. To stimulate growth in the area, contracts with the casino should be awarded to local businesses.

Only about 32 percent of respondents were pessimistic about any development at all, envisaging that some of the community service centres would be repelled from the area. This pessimistic group had its own concern, that casinos tend to operate in isolation and therefore do not contribute much to the surrounding areas. They were also doubtful that the casino owners would plough money back into the community. They felt that profits from a casino would be unlikely to filter down to the lower income groups of the area.

4.4.2.7 Recreation

Whereas 53 percent of the respondents did not regard gambling as recreational, about 28 percent insisted that if the casino is built at all, it should offer a variety of recreation facilities, not only gambling machines. The recreation facilities suggested by respondents were

swimming pools, sports fields, entertainment areas for children, hotels and restaurants. The idea was to provide entertainment, because Richards Bay was seen as an exceedingly boring place.

4.4.2.8 Family life

A number of respondents (36%) saw the abuse of women and children by men as a strong possibility that would be followed by family disruptions such as divorce. Among their concerns was the notion that the gambling habit is uncontrollable and as a result money designated for food would be spent on gambling. Casinos were also perceived as a destructive influence on family life which lowers people's morals and principles. Families would invariably be affected, sometimes permanently. Furthermore, compulsive gambling was perceived to have far-reaching consequences, including an increased failure rate in nearby institutions of higher learning as teachers and learners would spend time gambling instead of studying and working.

4.4.3 Perceptions of the site of the casino

A sizeable proportion of the sample (33%) indicated that a casino had to be built out of town and away from residential areas so as to avoid noise pollution. Some respondents suggested that such a facility should be located in a place already frequented by tourists. Some respondents strongly recommended that the casino had to be located far away from lower class communities to limit the attraction of bums and scums who only get drunk and give the place a bad reputation.

Respondents were asked to indicate the preferred distance away from their residential places where a casino could be located. The responses obtained were as shown in Table 4.10.

TABLE 4.10: RESPONDENTS' PREFERRED DISTANCE AWAY FROM CASINO

DISTANCE	FREQUENCY	PERCENT
1 km away	138	20
Between 5-10 km away	200	28
At least 50 km away	135	19
More than 100 km away	47	7
Not to be built at all	186	26
TOTAL	706	100

The largest group of about 28 percent preferred a distance between 5 and 10 kilometres away. Only 7 percent wanted the casino to be more than 100 kilometres away. A significant percent (26) did not want the casino to be built at all. Table 4.11 shows the residential areas of the respondents and percentages reflecting the distance at which the casino should be located.

The residential areas were grouped according to their proximity. Out of 377 respondents from Richards Bay, 28 percent wanted the casino to be located between 5 and 10 kilometres away and 37 percent did not want the casino. Of a total of 137 Esikhawini respondents, 42 and 35 percent respectively wanted the casino between 5 and 10 kilometres

away. In Enseleni, Vulindlela and Empangeni-Ngwelezane, 26, 30, 25 percent respectively wanted the casino within 5 and 10 kilometres.

Respondents from Vulindlela (54%) wanted the casino to be located 50 kilometres away. In Empangeni-Ngwelezane no respondents wanted the casino within 1km distance, instead, about 34 percent wanted it to be located 50 kilometres away. Figures 4.8 and 4.9 show a diagrammatical representation of each residential area's preferences.

TABLE 4.11: PREFERRED DISTANCE BETWEEN RESIDENTIAL AREAS AND CASINO

RESIDENTIAL AREA	CASINO DISTANCE AWAY									
	1km		5-10 kms		50 kms		100 kms		Don't want it	
	FREQ.	%	FREQ.	%	FREQ.	%	FREQ.	%	FREQ.	%
Richards Bay	58	15	104	28	45	12	31	8	139	37
Esikhawini	56	42	47	35	26	19	0	0	5	4
Enseleni	4	21	5	26	3	16	3	16	4	21
Vulindlela	4	11	11	30	20	54	0	0	2	5
Empang-Ngwelez	9	0	26	25	36	34	9	8	26	25

FIGURE 4.8 PERCEIVED DISTANCE OF CASINO FROM RESIDENTIAL AREAS

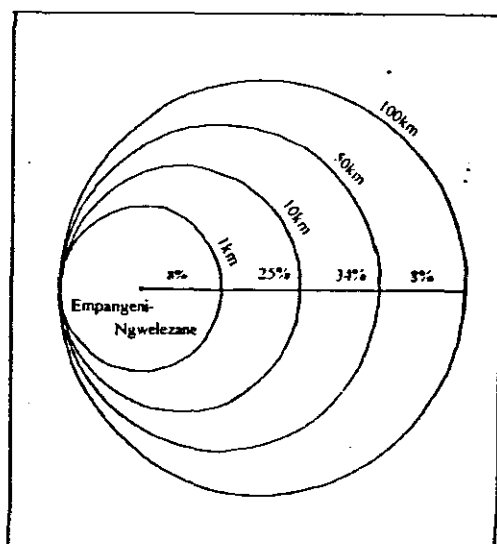
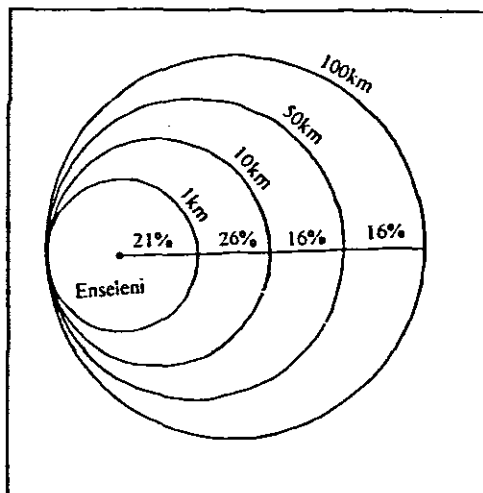
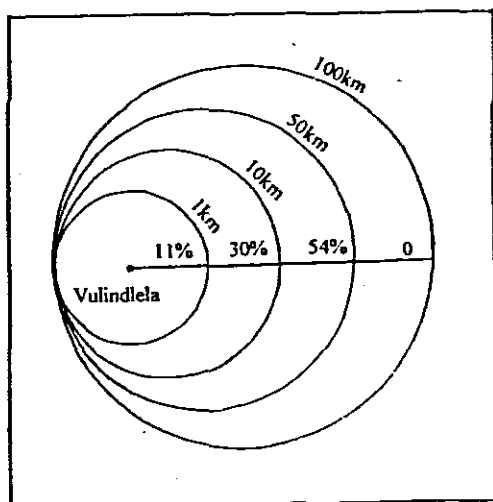
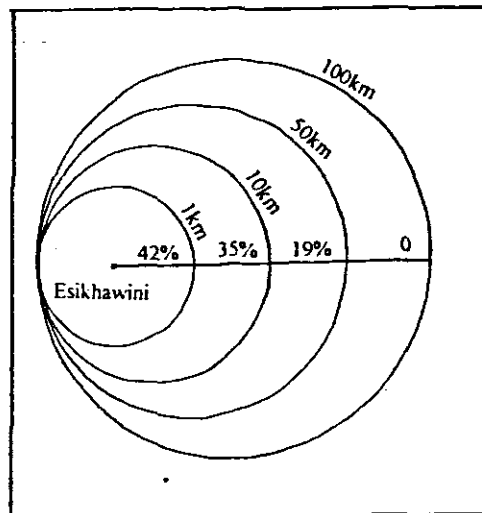
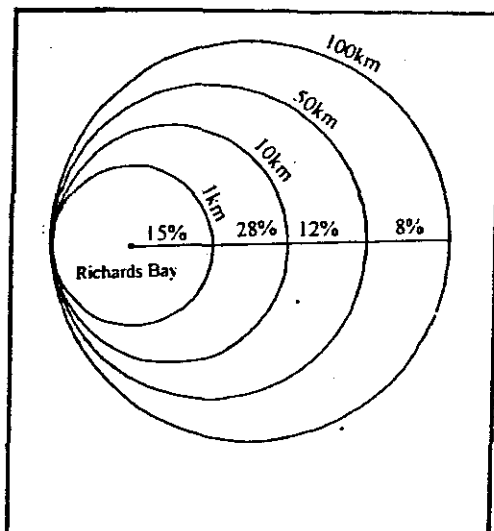
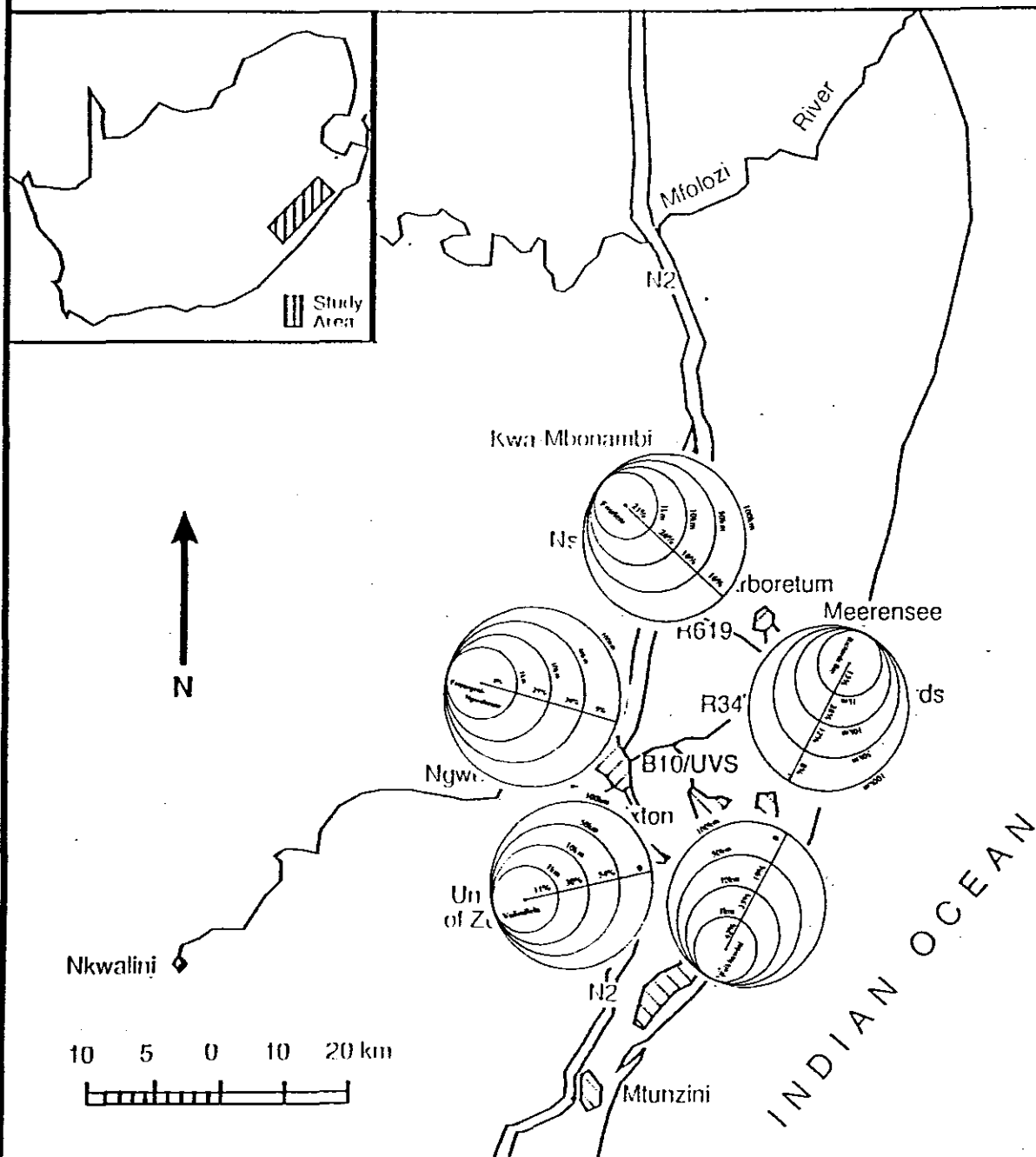


FIGURE 4.9 **MAP OF RESIDENTIAL AREAS AND
DISTANCE AWAY FROM CASINO**

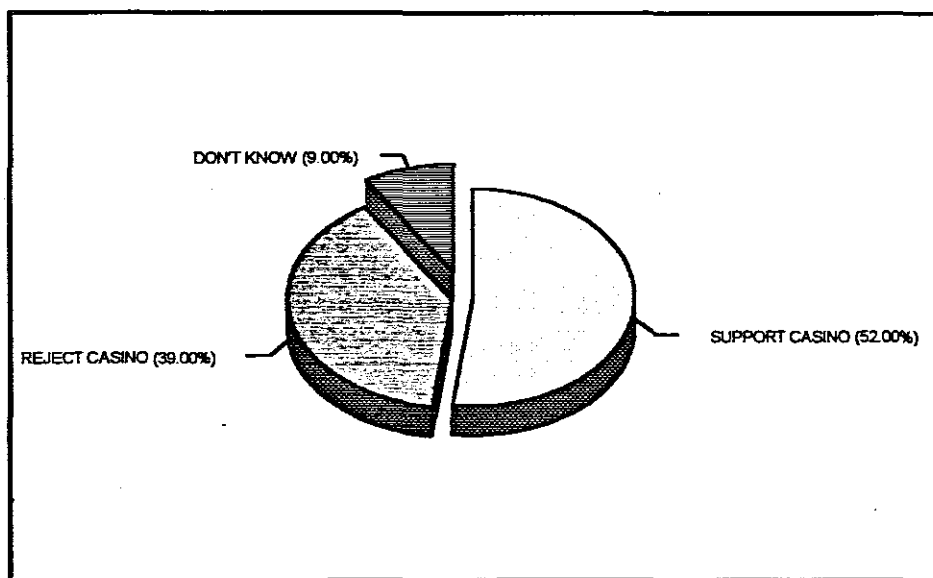


Source: 1:50 000 Topographical map of Empangeni and Richards Bay

4.5 RESPONDENTS' SUPPORT FOR OR REJECTION OF GAMING CASINO

Respondents were asked directly whether they would support the establishment of a casino at Richards Bay. Figure 4.10 shows that 52 percent of the respondents stated clearly that they supported the casino and 39 percent were against it, while about 9 percent could not decide.

FIGURE 4.10 SUPPORT FOR OR REJECTION OF CASINO



It was hypothesised earlier in this study that the socio-economic status and other demographic characteristics of local communities will tend to significantly influence individuals' cognition of gaming. The main demographic variables that played a role in influencing the cognition of gaming facilities were age, sex, marital status, level of income and place of residence. These variables will now be discussed.

4.5.1 Age and casino support

Respondents between the ages of 16 and 35 were found to be the group most interested in a casino, as 58 percent of the age group favoured its establishment (see Table 4.12). Older respondents were less enthusiastic about a casino, as only 44 percent of the age group 36 - 55 supported the idea of a casino. Instead about 53 percent of this age group rejected the casino idea. The elderly also tended to be conservative, with 44 percent rejecting the casino and only 37 percent in favour.

TABLE 4.12 AGE OF RESPONDENTS AND CASINO SUPPORT

RESPONSE	AGE OF THE RESPONDENTS							
	16-21 YRS		22-35 YRS		36-55 YRS		56+YRS	
	FREQ.	%	FREQ.	%	FREQ.	%	FREQ.	%
SUPPORT	60	58	189	58	103	44	16	37
REJECT	29	28	98	30	124	53	19	44
UNDECIDED	14	14	40	12	10	3	8	19
TOTAL	103	100	327	100	233	100	43	100

4.5.2 Gender and casino support

Males were found to be more interested in the casino than females. Table 4.13 shows that 68 percent of the males supported the casino and only 21 percent were against. On the other hand, only 41 percent of the females favoured the casino and 51 percent were against.

Although the difference is not so significant in numerical terms, there was a strong contrast of opinion between older women and young men. Women in the age group between 36 and 55 were worried about a possible decline in moral standards among both the youth and their husbands. They associated the casino with evil spirits, and thought of it as a monster and an enemy of the church. Young men stated that Richards Bay was boring and showed little concern for moral obligations. They thought of the casino as a recreational facility and an entertainment centre where they relax and at the same time make money as they gamble.

TABLE: 4.13 GENDER AND CASINO SUPPORT

RESPONDENTS	MALE		FEMALE	
RESPONSE	FREQ.	%	FREQ.	%
SUPPORT	196	68	172	41
REJECT	61	21	214	51
UNDECIDED	33	11	30	8
TOTAL	290	100	416	100

4.5.3 Marital status

The hypothesis was that the marital status of the respondents would influence the cognition of gaming. Table 4.14 shows that 42 percent of the sample was married and supported the casino idea, whereas 48 percent of the sample was married but rejected the casino. The perception was different amongst the single respondents, where 66 percent supported the casino and 26 percent were against it.

TABLE 4.14 MARITAL STATUS AND SUPPORT FOR THE CASINO

	MARRIED		SINGLE		OTHERS		TOTAL	
RESPONSES	FREQ.	%	FREQ.	%	FREQ.	%	FREQ.	%
SUPPORT	153	42	188	66	26	51	367	52
REJECT	178	48	74	26	24	47	276	39
UNDECIDED	37	10	25	8	1	0	63	9
TOTAL	368	100	287	100	51	9	706	100

It is noteworthy that the married, single, divorced and separated people together constituted the largest group (52%) in support of the establishment of the casino.

In testing for the statistical significance of values in Table 4.14, the Chi-square value of 18.4, with $df=4$ at 0.01 level of significance was obtained. The hypothesis that married persons would reject the casino and single or unmarried persons would support gaming facilities, is therefore partially accepted.

4.5.4 Level of income

The aim was to establish if the wealthy or the poor would tend to support or reject the casino. Table 4.15 shows the level of income of the respondents and their opinions about the establishment of the casino. The respondents were divided into six socio-economic groups according to their income. Unemployed respondents without a source of income were the most supportive (70%) of the establishment of the casino. Similarly, respondents with an income of between R1000 and R3000

(56%) were also found to be supportive of the casino proposal. On the other hand, respondents in the higher income bracket (R5000—R7000) were not strongly in support of the casino proposal, instead they were found to be hesitant and inclined to support it meagrely and rejected it moderately.

TABLE 4.15: MONTHLY INCOME AND CASINO SUPPORT [%]

MONTHLY INCOME	SUPPORT CASINO	REJECT CASINO	DON'T KNOW	TOTAL
NO INCOME	70	23	7	100
<R1000	52	42	6	100
R1001 -R3000	56	34	10	100
R3001 - R5000	40	54	6	100
R5001 -R7000	43	50	7	100
>R7000	50	50	0	100
MEAN %	52%	42%	6%	100%

The notions expressed above, that the rich were reluctant to have the gambling casinos in their area, whereas the poor were eager to have casinos, has support in recent literature (Eadington and Cornelius, 1991). A possible reason for this socio-economic status-based support in the study area is that the financially needy respondents see the gambling casino as an easy way of improving their financial status.

It can be seen from Table 4.15 that the three lower income groups strongly supported the casino and the three higher income groups were found to be less interested in casinos. It is noted that the higher income groups do not necessary reject the casinos. It is their support that is not as strong as the support indicated by the lower income groups. Applying a test of significance the Chi-square value of 73.1 was obtained at the

df=10 for Table 4.15 and the hypothesis that the poor people would support the casino and the wealthy would not, is partially accepted.

4.5.5 Place of residence

The place of residence of the respondents plays an important role in determining the desired location of a casino resort. Respondents from different residential areas showed varying attitudes towards the casino. Table 4.16 reveals clearly that respondents within the study area (52%) rejected the casino proposal. Residential areas such as Esikhawini,

TABLE 4.16: RESIDENTIAL AREAS AND SUPPORT FOR CASINO.

RESIDENTIAL PLACE	SUPPORT		REJECT		DON'T KNOW		TOTAL	
	FREQ.	%	FREQ.	%	FREQ.	%	FREQ.	%
MEERENSEE	60	9	57	8	4	1	121	17
ARBORETUM	19	3	51	7	2	0	72	10
BIRDSWOOD	13	2	15	2	1	0	29	4
VELDENVLEI	31	4	29	4	15	2	75	11
WILDENWEIDE	7	1	12	2	1	0	20	3
BRACKENHAM	16	2	28	4	7	1	51	7
AQUADENE	6	1	3	0	0	0	9	1
ESIKHAWINI	107	15	10	1	17	3	134	19
ENSELENI	13	2	6	1	0	0	19	3
VULINDLELA	27	3	5	1	5	1	37	5
EMPANGENI	32	5	32	5	8	1	72	10
NGWELEZANE	19	3	13	2	2	0	34	5
OTHER PLACES	17	2	15	2	1	0	33	5
TOTAL	367	52	276	39	63	9	706	100

Enseleni, Vulindlela, and Empangeni-Ngwelezane supported the casino. All these areas are predominantly occupied by black South Africans and were mainly constructed to serve as dormitory towns without adequate social, cultural, health and commercial facilities. These residential areas were at no time afforded activities which would support them financially. The history of apartheid has adversely affected these areas by providing an inferior residential infrastructure, lacking sport and recreation facilities, quality houses and a generally good quality of life.

In general the residents of Richards Bay were found not to be in favour of a casino resort, whereas those of neighbouring townships were more supportive. In a test of significance on the responses shown in Table 4.17 the Chi-square value of 79.9 was obtained, with a $df=8$. It was hypothesised that the quality and location of residential place of the respondents would tend to influence the respondents' perceptions of the establishment of a gambling casino. This hypothesis was accepted and found significant at the 0.01 level.

TABLE 4.17: GROUPED RESIDENTIAL AREAS AND SUPPORT FOR THE CASINO

RESIDENTIAL AREA	CASINO SUPPORT		CASINO REJECTION	
	FREQ.	%	FREQ.	%
Richards Bay	152	40	195	52
Esikhawini	107	80	10	7
Enseleni	13	68	6	32
Vulindlela	27	73	5	14
Empangeni-Ngwelezane	51	48	45	42

Note: proportions do not add up to 100 percent because the undecided responses have been omitted

It is important to note that Esikhawini is the most casino-supporting residential area with an 80 positive percent response from its respondents. Similarly, Vulindlela (73%) and Enseleni (68%) showed a high response of support for the establishment of a gaming casino in Richards Bay. It is evident that the residents of Richards Bay itself are not keen to have crowds of outsiders invading their area to come to the casino. On the other hand the people of Esikhawini, Vulindlela and Enseleni are keen to have a casino that would be located outside their area.

4.6 ANTICIPATED SPENDING ON GAMBLING

Respondents were asked to indicate how much money they would be willing to spend on gambling in a casino per month. It was found (see Figure 4.11) that 42 percent of the respondents were not prepared to spend any money at all. About 58 percent were willing to spend between R1 and R401 per month. The percentage of respondents prepared to spend decreased with a corresponding increase in the amount of money expected to be spent. Further analyses were made with regard to expenditure by residential place, level of income, marital status, gender and age.

4.6.1 Residential area and expenditure on gambling

The purpose was to determine how many respondents, according to their place of residence, were prepared to spend money and how much could

be spent on gambling per month. Figure 4.12 shows the distribution of expenditure and percentages of respondents per residential area.

FIGURE 4.11: EXPECTED EXPENDITURE ON GAMBLING

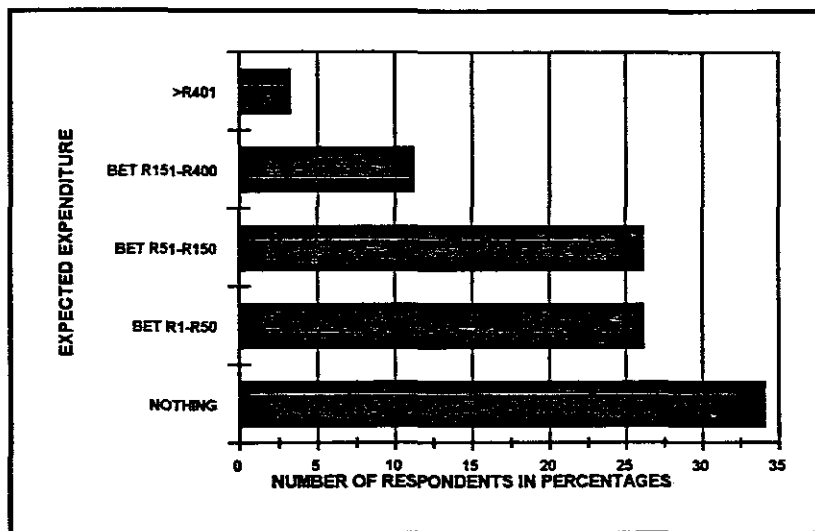
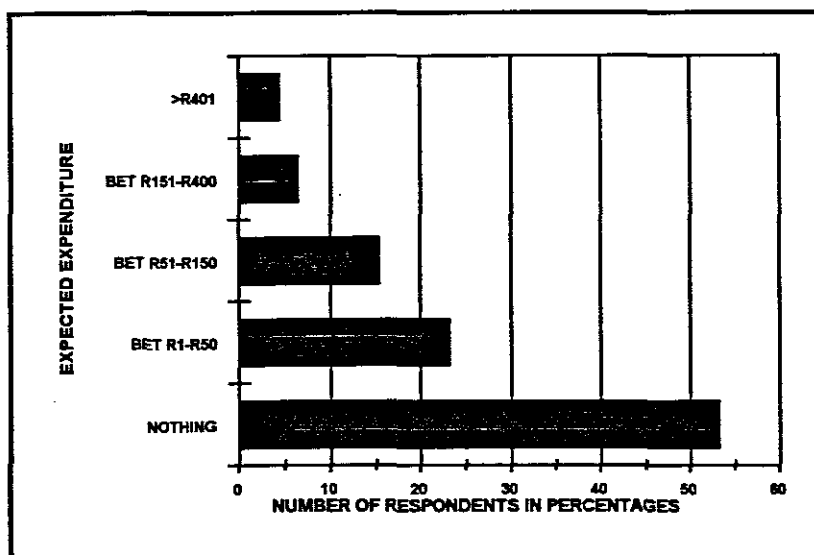
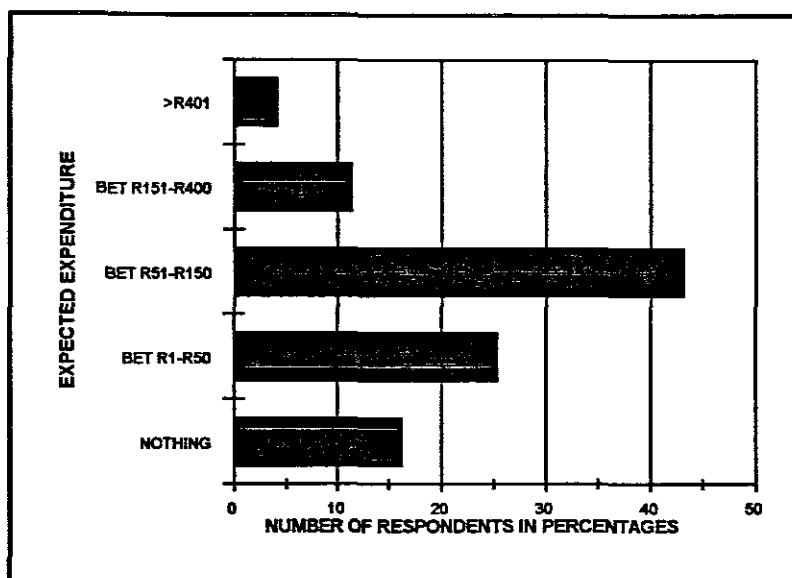


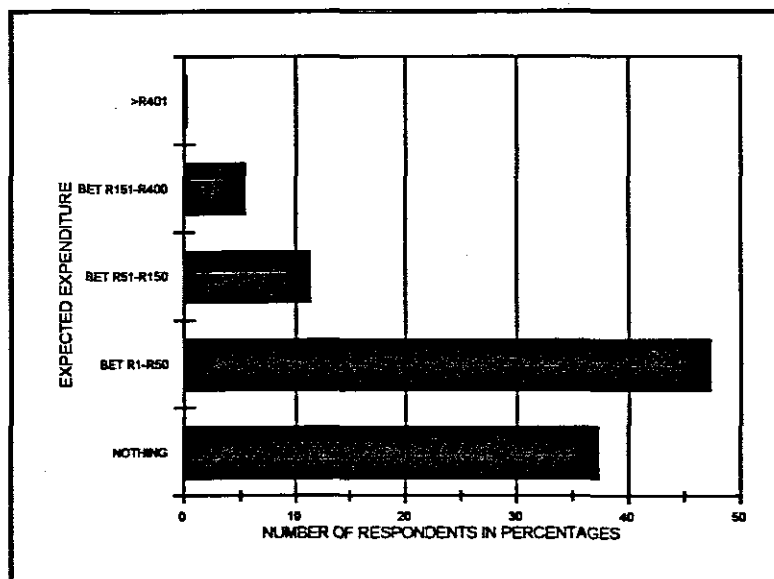
FIGURE 4.12(a) EXPECTED EXPENDITURE BY RESPONDENTS IN RICHARDS BAY



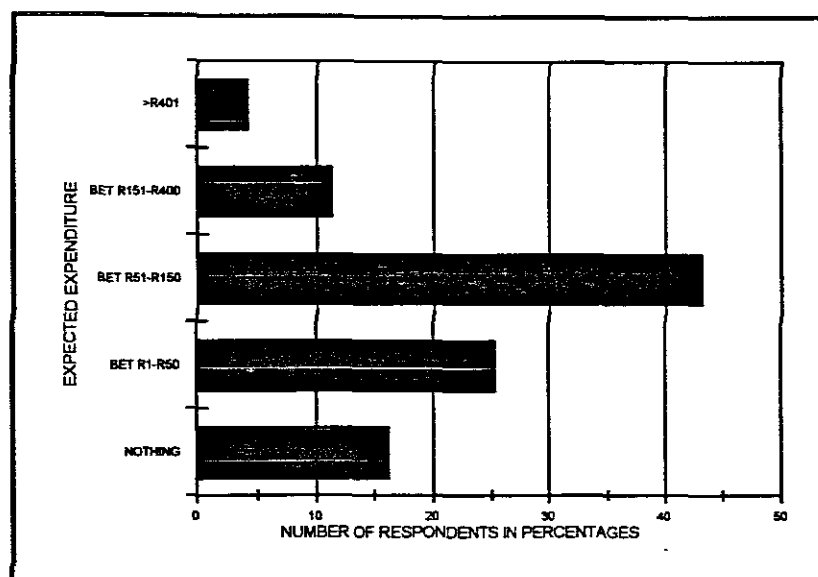
**FIGURE 4.12(b) EXPECTED EXPENDITURE BY RESPONDENTS
IN ESIKHAWINI**



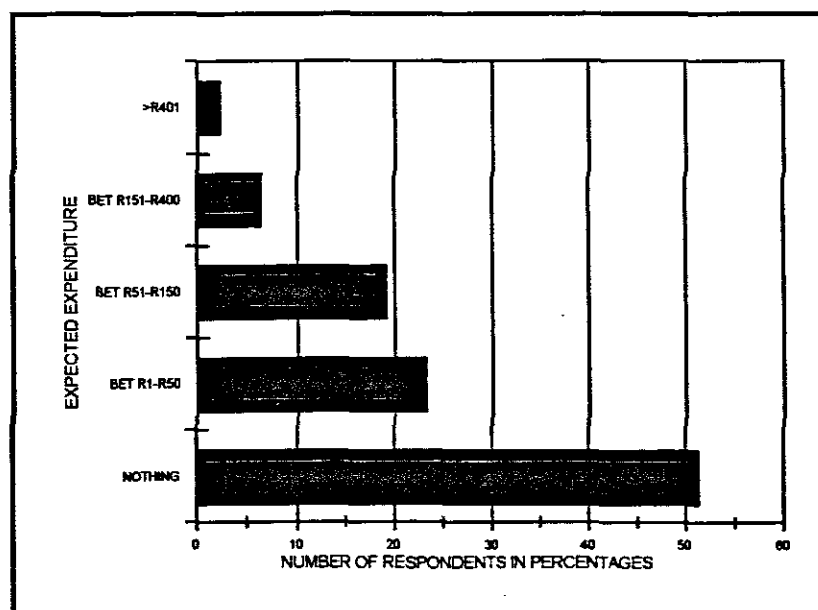
**FIGURE 4.12(c) EXPECTED EXPENDITURE BY RESPONDENTS
IN ENSELENI**



**FIGURE 4.12(d) EXPECTED EXPENDITURE BY RESPONDENTS
IN VULINDLELA**



**FIGURE 4.12(e) EXPECTED EXPENDITURE BY RESPONDENTS
IN EMPANGENI-NGWELEZANE**



The residential areas and responses were then grouped to reflect totals per residential area. Figure 4.12(a) shows that about 53 percent of Richards Bay respondents were not prepared to spend any money on gambling. Of the respondents from Empangeni-Ngwelezane, 51 percent were not prepared to spend anything on gambling. More than 83 percent of Esikhawini respondents were willing to spend some money on gambling.

4.6.2 Monthly income and expenditure on gambling

The researcher wanted to establish if the wealthy or poor would spend more or less on gambling. It was found that about 57 percent of the respondents earning less than R1000 per month were willing to spend between R1 and R50 per month, as shown in Table 4.18. Only 23 percent were not willing to spend any money at all. All the income groups within the range from R1001 to R7000 showed that they were only prepared to spend between R1 and R50 per month. The no income group indicated a willingness to spend more than any other income groups. Their eagerness to spend suggests that the poor people would be more keen to gamble in the hope that they could win money and improve their living conditions.

It was established earlier that about 70 percent of the no income group supported the casino idea. It becomes clear that this group supported the casino idea not for recreational purposes but for subsistence reasons or in the hope of employment possibilities. It is also significant that the income group between R3001 and R7000 includes more respondents who indicated that they were not willing to spend anything on gambling. The reason could be that they were in the middle income group which could not afford any disposable income for gambling.

**TABLE 4.18: MONTHLY INCOME AND EXPECTED
EXPENDITURE ON GAMBLING [%]**

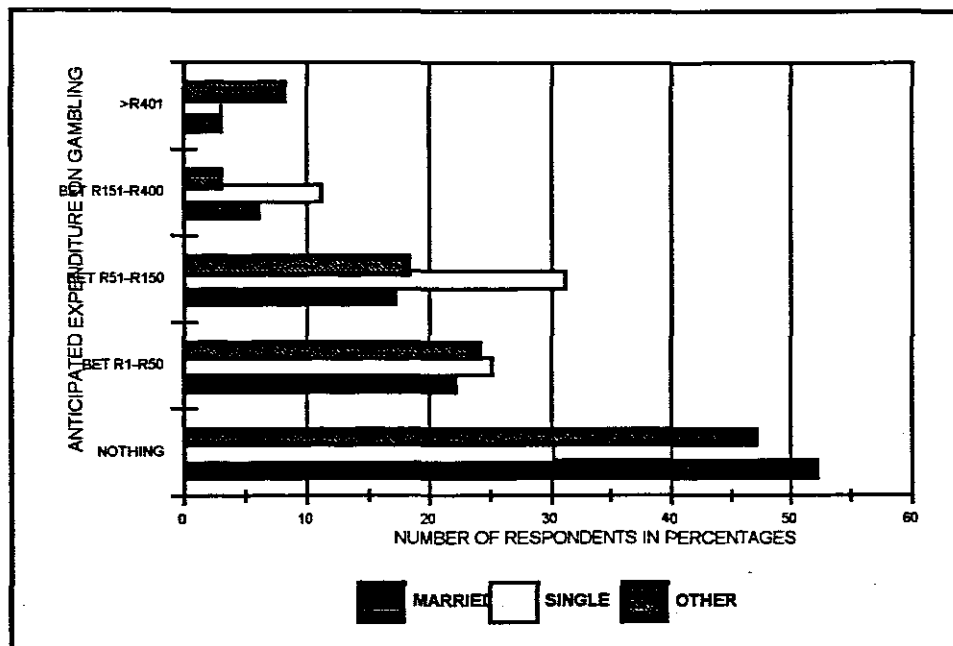
MONTHLY INCOME	EXPENDITURE					
	<R50	R51 R150	R151 -R400	>R401	NONE	TOTAL
<R1000	57	17	2	1	23	100
R1001 - R3000	22	29	9	3	37	100
R3001 - R5000	21	11	11	4	53	100
R5001 - R7000	18	11	5	9	57	100
>R7000	23	17	4	0	56	100
NO INCOME	12	39	10	2	37	100
TOTAL	153	124	41	19	263	600

A Chi-square value of 128.8 was obtained (df=20), the hypothesis that level of income would have influence on the amount of money people would spend on gambling was confirmed and the level of significance was 0.01. The conclusion was that the poor would spend more of their income on gambling than the better-off people.

4.6.3 Marital status and expenditure on gambling

The aim was to determine whether married or unmarried persons would spend more or less on gambling. Values shown in Figure 4.13 reveal a pattern according to which the numbers of both married and unmarried respondents' steadily decrease with expected expenditure. It was found that there were more unmarried than married respondents who were prepared to spend money on gambling.

FIGURE 4.13: MARITAL STATUS AND EXPENDITURE ON GAMBLING



About 31 percent of the unmarried persons were expecting to spend between R51 and R150 per month as compared to 17 percent of the married persons. Not surprisingly, 52 percent of married respondents stated that they had nothing to spend on gambling. These findings correspond to the discovery that 48 percent of the married respondents rejected the casino idea, shown in Table 4.14.

A Chi-square value of 20.3 was obtained at $df=8$ and the hypothesis that marital status would determine expected expenditure on gambling was confirmed at the level of significance of 0.01. The conclusion was that unmarried persons would spend more on gambling than married persons. The reason for married persons, unwillingness to spend can be attributed to the fact that they had families to support.

4.7 CONCLUSION

In concluding this chapter it is important to note that all issues concerning commercial gaming have been examined. The chapter covered the demographic characteristics of the respondents and the main analysis of the core data. At this point a number of data aspects have been analysed with little synthesis to provide a global view. In the next and final chapter the researcher intends to present a comprehensive synthesis and summary of findings and recommendations pertaining to details contained in this chapter.

CHAPTER 5

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 INTRODUCTION

This chapter presents a more comprehensive picture of the findings in terms of what was discussed in the preceding chapters. It also attempts to present the findings in summary form and relate them to the hypothesis presented in earlier chapters for testing, as well as in order to formulate them into meaningful recommendations. It is anticipated that at the successful completion of the study, recommendations will be implemented by the relevant authorities in the study area. It is further hoped that the study will help alleviate some of the problems that have been exposed by this investigation.

5.2 SUMMARY AND CONCLUSIONS

The summary of the findings is presented with regard to reviewing some of the individual objectives and hypotheses which were postulated, discussed and interpreted earlier in this study. It was indicated that these objectives and hypotheses would be the foundation upon which conclusions, generalisations and recommendations would be constructed.

The study set up the following objectives and hypotheses for discussion.

Firstly, the objectives of the study were as follows:

- (a) to establish the existing nature of support for the introduction of a gaming casino in the study area;
- (b) to reveal whether the establishment of a gaming casino would have any positive or negative impacts on the natural environment, particularly on natural resources due to increased tourism activity;
- (c) to ascertain whether there would be any cognised harmful effects on social behaviour and family fabric in the study area, owing to the establishment of the gambling industry in the area;
- (d) to show the manner in which the local community would like to become involved in gaming industry-related issues and how they perceive the possible benefits;
- (e) to verify the commonly held notion that gambling behaviour could be responsible for poverty and moral degradation amongst the host communities;
- (f) to determine the cognised the role of casino gambling in boosting the economic conditions of the local people and its possible impact on tourism; and
- (g) to pinpoint the main demographic variables influencing the cognition of the establishment of gaming facilities in the area.

Secondly, the set of hypotheses and related sub-hypotheses includes the following:

- (a) that the gaming casino development in Richards Bay is desired and positively accepted by the local community;
- (b) that the gaming casino development is mainly favoured on the grounds of job creation and employment for the local community;
- (c) that the socio-economic status of the members of the local community would significantly influence the cognition of gaming in the study area.

Considering that the aim of this investigation was to provide scientifically grounded information about the cognition of the gaming industry in the study area, an integrated discussion of the objectives and hypotheses of the study is now presented. The discussion of each hypothesis will be revisited and explained on the basis of the aims of the study:

5.2.1 The first hypothesis

This hypothesis states that “the gaming casino development in Richards Bay is desired and positively accepted by the local community”. The main findings indicated that this hypothesis was confirmed. Despite this confirmation it should be pointed out that acceptance was not found among Richards Bay residents, because the actual location of the gaming casino is within their residential area.

One demographic variable influencing the cognition of the location of gaming facilities appeared to be the place of residence. Richards Bay residents held negative perceptions of a casino located in their vicinity

whereas residents outside Richards Bay, particularly from the former townships, held positive perceptions of a casino located outside their dormitory town. It also became evident that the communities supported the casino idea with hopes of perceived possible benefits. In spite of the cognised harmful effects on social behaviour, poor communities desired the establishment of the casino. The commonly held notion that gambling behaviour could be responsible for poverty in the study area was overlooked by the supporters, whereas positive economic perceptions were found to be prevalent amongst those who supported the casino.

5.2.2 The second hypothesis

The whole of South Africa is presently affected by unemployment. Hence, the second hypothesis stated that “the gaming casino development is mainly favoured on the grounds of job creation and employment for the local community”.

The analysis in the previous chapter indicated that this hypothesis was accepted by a significant number of the respondents. In particular, the poor communities residing in Empangeni-Richards Bay environs felt that the casino and increased tourism activity would create employment opportunities. However, findings also indicated that the employed persons and residents living in wealthy residential areas held negative perceptions of a casino resort. They feared that a casino would only bring poverty and misery to the poor communities residing in the study area. It was also found that though there could be a positive impact on tourism and spending, the prices of general commodities and accommodation facilities would go up

and cause an increase in the cost of living. The middle to low income groups would consequently be hard-hit by an escalation in food prices. Finally there was also a perception that profits generated by casinos would not filter down to the poor local communities. The general perception was that local people would be excluded from the main participatory economic stream and that the casino operators, together with the government, would benefit at poor people's expense.

5.2.3 The third hypothesis

Similar to the other hypotheses, this hypothesis states that "the socio-economic status of the members of the local community would significantly influence the cognition of gaming in the study area", This hypothesis was found to be true and was therefore accepted. It transpired from the findings that socio-economic variables influenced the respondents' cognition of gaming in the study area.

The findings indicated that the majority of low income group respondents, the unemployed and the poor, supported the casino idea on the grounds that it would boost their income through gambling, and on the basis of employment opportunities. Few members of the high income group supported the casino. Those who supported it hoped for additional recreation facilities in the area.

The various demographic backgrounds of the respondents significantly influenced their perceptions towards the establishment of a casino. Among those who responded negatively were:

- (a) married older women;
- (b) those living in the prestigious high income suburbs of Empangeni and Richards Bay;
- (c) the middle to higher income groups; and
- (d) those belonging to religious movements and family care organisations, who were mainly concerned with the moral and ethical issues associated with families and society at large.

The percentage of those who supported a casino significantly exceeded those who were against the idea, and include the following:

- (a) the young and single and males (mostly);
- (b) those living in the formerly black townships of Esikhawini, Vulindlela, Enseleni and Ngwelezane, referred to in this study as occupying the environs of Richards Bay; and
- (c) the predominantly lower income group found in African townships.

Those who supported the casino wanted it to be located within their reach, at a distance of between 1 and 10 km. Those who did not want a casino rejected locating casino close to their places of residence.

The poor showed a stronger eagerness to gamble by indicating that they would spend large sums of money on gambling as opposed to the well-to-do, who indicated that they would spend little money on gambling.

In previous studies it was concluded that the poor were more prone to gambling than the rich and that distance plays a major role in restraining the

lower income group from gambling. This study has also concluded that the lower income group was more interested in the establishment of a nearby casino than the middle or the higher income groups.

In summary, it may be reiterated that tourism development, particularly eco-tourism, has been found to be desirable by all communities. A significant proportion of the sample has shown a clear awareness of the nature of tourism, particularly its advantages as well as its disadvantages.

5.3 RECOMMENDATIONS

The proposed casino establishment has to be committed to the promotion of tourism, sustainable employment, and economic and social development in the entire region. To achieve the latter the casino operator who is awarded a license to trade in the study area, should take into consideration the recommendations made in this study. The researcher feels that in order for the casino operators to show sensitivity to the needs of the host community they should consult the Government's White Paper on Tourism in conjunction with the findings of this study.

5.3.1 Location of the casino

In line with the findings, the proposed casino should be located away from prestigious residential areas. Protection of property should be a priority. The wishes of concerned residents should also be respected, despite the fact that theirs is a minority viewpoint.

The majority of the casino supporters have been found to belong to the lower income group. Although it was found to be their wish to have a casino located in their proximity, serious consideration should be taken before implementing this recommendation.

This group is extremely vulnerable to compulsive gambling and depleting their subsistence income on gambling. Allowing a casino close to lower income groups may have a negative social impact and is likely to have a negative effect on tourism-linked advantages.

It is therefore recommended that the proposed casino be located away from both prestigious and lower status suburbs. Furthermore, in order to protect the poor and the under-age some entrance restrictions should be enforced.

5.3.2 Eco-tourism promotion

A casino resort within a game reserve would be ideal for promoting eco-tourism. The actual site should be selected in such a way that minimal environmental impact is caused. The nature and architectural style of the casino building should take an African cultural form. A nearby example is the Lost City in the North West Province with its spectacular “African palace” hotel which has domes and columns displaying magnificent stonework. The building structures have to blend with the environment.

It is also recommended that the proposed casino hotel provides a range of other recreational amenities, centres for different sports and a convention centre.

It is further recommended that the casino resort includes in its structure an area where local arts and crafts can be displayed for tourists, an art gallery or souvenir shops where tourists can find different types of arts and crafts in which they might be interested. Alternatively, a market could be established within the casino where cultural products could be sold. Performing arts can also be included to entertain tourists. In this way the casino resort will not only function as a place of gambling but also as an entertainment centre that incorporates eco-tourism.

5.3.3 Casino site and tourism

If Richards Bay intends to link its casino with tourism, a site that could attract tourists should be selected. At the same time a particular class of tourists should be specifically targeted. Rich tourists who would like to spend large sums of money should be targeted to minimise the arrival of tourists who spend very little in the country. The casino should also be sited close to the existing tourism amenities. The previously proposed site at Greenhills is mentioned only as an example here. Greenhills would be ideal in meeting the requirements of a casino linked to tourism because of its proximity to Karos Hotel, the Crocodile Park, the beach, the golf-course and the harbour.

A casino aimed at a lower class price range would be unattractive to rich tourists who are big spenders and would therefore not promote tourism. The casino business would eventually collapse because the local population

is largely poor, as revealed by this study, and the higher income group was the group that showed the least willingness to spend money on gambling.

5.3.4 Recommendations on the environment

The major attraction of Richards Bay for holiday tourists is the quality of the beaches and the fact that it provides the main gateway to Zululand. Infrastructure capabilities and social impact evaluation are the primary considerations in the carrying capacity analysis. Considering the existing distribution of tourist arrivals and the recreational preferences of domestic tourists, it is important:

- (a) to protect the general landscape and character of the area;
- (b) to protect the coastal prestigious residential areas and their surrounding areas, so that residents can continue their customary daily activities without disturbances;
- (c) to avoid ribbon development along the coastline but instead to encourage development to take place in groupings with adequate natural vegetation in between; and
- (d) to cater for the recreational and other needs of the local residents.

5.3.5 Recommendation for a gaming studies institute

This research study has seen the need for the establishment of a centre for gaming studies in the province of KwaZulu-Natal. Bearing in mind that South Africa is to open about 40 casino resorts, KwaZulu-Natal alone is

going to have five gaming casinos. These establishments will require skilled and professional workers. Managerial training and leadership development of various categories of workers such as casino managers and executives is not offered anywhere in South Africa. The centre for gaming studies will, among other things, conduct gaming research and disseminate gaming knowledge through workshops, classes and publications to people, business and government. A casino laboratory and support facilities in addition to the existing and yet to be established casinos would provide a unique learning environment which could further assist in compiling extensive information on games of chance, gaming laws and regulations, gaming financial data, gaming history and gaming operations. The centre would strive for continued growth and development to keep in pace with the gaming industry.

5.4 CONCLUSION

The results of this study have indicated that the people around Richards Bay and environs, taking race, gender and socio-economic variables into consideration have strong and fixed views about tourism, gaming and particularly casinos for gambling. Residential location also plays a vital role in viewing, assessing and establishing tourism-related facilities and activities such as gaming casinos. The challenge therefore lies with the authorities to lead the way towards provision of tourism and gaming facilities which strive to strike a balance between those who want these facilities and those who do not. It has also been recommended that people could be made to travel to a fairly neutral place (that is, some distance from any residential area) where a gaming facility could be found more

acceptable. As a result it can be said that the study area, Richards Bay and its environs, has the potential to draw a large number of tourists through gaming and thus boost the economy of KwaZulu-Natal, and that of the country as a whole. In this context it is clear that this study has extended our knowledge concerning the cognitions of the establishment of the locality of specific gaming facilities in South Africa.

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APPENDICES

APPENDIX - A

QUESTIONNAIRE

THE LOCAL COMMUNITY'S COGNITION OF THE DEVELOPMENT OF CASINO GAMING FACILITIES AT RICHARDS BAY AND ENVIRONS

Please respond to the questions by choosing the response applicable to you.
The information asked is for research purposes only and it will be treated as
confidential. Please feel free to express your views correctly and honestly.

SECTION A: DEMOGRAPHIC CHARACTERISTICS

Tick (✓) or (x) your responses.

1. Gender Male

--

 01
 Female

--

 02

2. Age 16-21

--

 01
 22-35

--

 02
 36-55

--

 03
 56+

--

 04

3. Religion Christianity

--

 01
 Islam/Hinduism

--

 02

African Religion	<input type="text"/>	03
Other	<input type="text"/>	04

4.	Highest education	Primary	<input type="text"/>	01
		Secondary	<input type="text"/>	02
		Tertiary	<input type="text"/>	03

5.	Type of employer	State	<input type="text"/>	01
		Private sector	<input type="text"/>	02
		Non-governmental organisation	<input type="text"/>	03
		Community based organisation	<input type="text"/>	04
		Self-employed	<input type="text"/>	05
		Unemployed and looking for job	<input type="text"/>	06
		Unemployed and still at school	<input type="text"/>	07

6.	Income per month	Less than R1000	<input type="text"/>	01
		R1001-R3000	<input type="text"/>	02
		R3001-R5000	<input type="text"/>	03
		R5001-R7000	<input type="text"/>	04
		R7001+	<input type="text"/>	05
		None	<input type="text"/>	06

7.	Residential area	Meerensee	<input type="text"/>	01	Esikhawini	<input type="text"/>	08
		Arboretum	<input type="text"/>	02	Enseleni	<input type="text"/>	09

Birdswood	<input type="text"/>	03	Vulindlela	<input type="text"/>	10
Veldenvlei	<input type="text"/>	04	Empangeni	<input type="text"/>	11
Wildenweide	<input type="text"/>	05	Ngwelezane	<input type="text"/>	12
Brackenham	<input type="text"/>	06	Other	<input type="text"/>	13
Aquadene	<input type="text"/>	07		<input type="text"/>	

8. Period living at 0-1 year area 01

2-3 years 02

4-6 years 03

7-15 years 04

over 15 years 05

9. Marital status

Married 01

Single 02

Other 03

10. Number of dependants

One only 01

More than one 02

None 03

11. Are you a member of a welfare or local community organisation?

Yes 01

No 02

If your answer above is yes, please give the name of the organisation _____

SECTION B: TOURISM RELATED INFORMATION

How would you rate your understanding/awareness of the following aspects of tourism: Encircle or cross (x) your rating in the scale provided, where;

- 1 = Very clear and well aware
2 = Clear and aware
3 = Somewhat aware
4 = Not clear and unaware
5 = Don't know

12.	The nature of tourism	1	2	3	4	5
13.	Advantages of tourism	1	2	3	4	5
14.	Disadvantages of tourism	1	2	3	4	5
15.	Sustainable tourism	1	2	3	4	5
16.	Ecotourism	1	2	3	4	5
17.	Environmental related tourism	1	2	3	4	5
18.	Socio-cultural effects of tourism	1	2	3	4	5
19.	The impact of mass tourism	1	2	3	4	5
20.	Approximate no. of tourists in your area per year	1	2	3	4	5
21.	Approximate no. of backpackers visiting your area	1	2	3	4	5
22.	Approximate no. of wildlife viewers per year	1	2	3	4	5
23.	Local tourists attractions /destinations	1	2	3	4	5

Any other comments?

SECTION C: GAMBLING CASINO INFORMATION

In answering the following questions please note:

SAG = STRONGLY AGREE

AGR = AGREE

UND = UNDECIDED

DIS = DISAGREE

SDI = STRONGLY DISAGREE

Encircle or cross (x) the response you most agree with.

Establishment of a casino will lead to the following possibilities:

- 24. Create job opportunities, and reduce unemployment
- 25. Will bring more industries
- 26. Will revive the town's slow economic development

Response				
SAG	AGR	UND	DIS	SDI
SAG	AGR	UND	DIS	SDI
1	2	3	4	5
1	2	3	4	5
1	2	3	4	5

27. Enliven town to be an exciting coastal resort	1	2	3	4	5
28. Will bring more community services	1	2	3	4	5
29. Raise the standard of living	1	2	3	4	5
30. Generate foreign income through tourism	1	2	3	4	5
31. Many local people will get rich	1	2	3	4	5
32. Gambling is recreational, it helps you relax	1	2	3	4	5
33. People will lose jobs because of gambling habit	1	2	3	4	5
34. Some community services will be repelled	1	2	3	4	5
35. Gambling will drain family finances	1	2	3	4	5
36. Tourists can win all the money and take it away	1	2	3	4	5
37. Many local people will get poorer and poorer	1	2	3	4	5
38. Gambling is money-making and is not recreational	1	2	3	4	5
39. Housing will be expensive because of tourists	1	2	3	4	5
40. Prices of general commodities will be pushed up	1	2	3	4	5
41. Life will be harder for the low income and poor	1	2	3	4	5
42. Gambling will bring evil and destructive forces	1	2	3	4	5
43. There will be a high crime rate	1	2	3	4	5
44. Drug trafficking and drug abuse will spread	1	2	3	4	5
45. It will promote prostitution and AIDS sufferers	1	2	3	4	5
46. It will put extreme pressure on natural resources	1	2	3	4	5
47. Will spoil the quiet and decent residential areas	1	2	3	4	5

Any other comments?

48. How far away from your residential place would you prefer the casino to be located?

1 kilometre away

Between 5 and 10 km away

At least 50 km away

More than 100 km away

Don't want it to be built at all

<input type="checkbox"/>	01
<input type="checkbox"/>	02
<input type="checkbox"/>	03
<input type="checkbox"/>	04
<input type="checkbox"/>	05

49. In spite of all the problems associated with the gambling casinos, would you support the idea of its establishment at Richards Bay?

Yes, I support the casino and don't mind the problems

No, I reject the casino

Don't mind, other people can decide for me

<input type="checkbox"/>	01
<input type="checkbox"/>	02
<input type="checkbox"/>	03

50. In spite of all the economic benefits associated with the gambling casinos, would you reject its establishment at Richards Bay?

No, I like the benefits

Yes, I reject the casino and don't mind the benefits

<input type="checkbox"/>	01
<input type="checkbox"/>	02

Don't mind, other people can decide for me

	03
--	----

51. What type or structure of a casino will you opt for?

Multi-purpose casino (like Sun City)

Single-purpose casino (like one in town)

Riverboat casino

	01
	02
	03

52. How much money would you spend on gambling per month?

R0-R50

R51-R150

R151-R400

R401+

Nothing

	01
	02
	03
	04
	05

53. Operation of the gambling casinos should be in such a way that

Some gambling profits are shared with local community

All profits belong to the owner of the casino

Profits go to the State

Profits go to both the State and the Owner

	01
	02
	03
	04

54. Can you suggest any other problems that might be caused by gambling practice?

55. Can you suggest any other advantages to the local community that might be stimulated by the establishment of casino facilities?

—

SECTION D: FURTHER COMMENTS ON THE ISSUES DEALT WITH IN THIS QUESTIONNAIRE (OPTIONAL)

APPENDIX - B

TRANSMITTAL LETTERS

14 April 1997

The Director
Richards Bay Transitional Local Council
RICHARDS BAY
KwaZulu-Natal

Dear Sir/Madam

RE: REQUEST TO CONDUCT RESEARCH

I hereby request your kind permission to undertake research on the local residents' perceptions of the proposed establishment of a casino gambling resort within your locality. I also wish to establish how resources, facilities and activities related to tourism and gaming are perceived by various stakeholders in the study area, which happens to be in Richards Bay and surrounding areas.

This research is undertaken mainly for academic purposes within the Richards Bay and surrounding areas. It is anticipated that its findings may become useful in planning for the proposed establishment of a gaming casino in your area.

The research is undertaken under the auspices of the Centre for Recreation and Tourism at the University of Zululand, under the guidance of Prof. L.M. Magi. The title of my study is:

The local community's cognition of the development of gaming facilities in Richards Bay and environs.

All information collected for this study will be kept as confidential as possible. Your assistance in this regard will be appreciated.

Yours faithfully

M.E. Mwandla (Mr)
Lecturer: Department of Geography and
Environmental Studies

7 July 1997

The Director
Richards Bay Transitional Local Council
[Empangeni Transitional Local Council]
RICHARDS BAY / [EMPANGENI]
KwaZulu-Natal

Dear Sir/Madam

RESEARCH PROJECT QUESTIONNAIRE

Dear Sir/Madam

Enclosed is a questionnaire dealing with perceptions of local people towards the proposed establishment of gambling, especially a mega casino. You are kindly requested to respond to the questions. I am sure you will find them interesting, short and to the point. Please note that it is not necessary to give your name or address. The rest of the information will remain confidential. Place the questionnaire in the stamped envelope and, then post it at your earliest convenience, to the address given below. Your participation is highly appreciated and hope that it will be rewarded when this research project is published.

Thanking you in anticipation

M.E. Mwandla
Geography and Environmental Studies
University of Zululand
Private Bag x1001
KWADLANGEZWA
3886

APPENDIX - C

OTHER DOCUMENTS

**University of
Zululand
Universiteit van
Zoeloeland**



Private Bag X1001
Privaatsak
KWADLANGEZWA 3886
South Africa
☎ (0351) 93911
Telegrams "Unizul"
📠 SA 631311
Fax (0351) 93735
Fax (0351) 93845 (Buying)
Fax (0351) 93130 (Rectorial)
Fax (0351) 93571 (Library)

Ref:Verv

4 December 1995

The Town Clerk
Richards Bay TLC
P/Bag X1004
Richards Bay
3900

Dear Mr Tolmay

Re: Public meeting, possible establishment of a casino in Richards Bay.

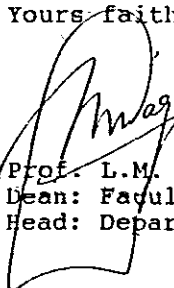
Mr E.M. MWANDLA is a registered postgraduate student of the university of Zululand within the Department of Geography and Environmental Studies. He is currently doing a research project on the topic:

'Local community's cognition of the development of a casino at Richards Bay and Environs.'

The study mainly aims at investigating the possible impact of the establishment of a casino within this environment. It seeks to find out what gaming could have on the social life of the local community. Kindly supply him with any information or assistance he may require.

Thanking you in anticipation

Yours faithfully


Prof. L.M. Magi
Dean: Faculty of Arts
Head: Department of Geography and Environmental Studies

**Mayor's
Parlour**



**Burgemeesters-
ontvangskamer**

RICHARDS BAY RICHARDSBAAI

P/^{bag}_{sak} X1004

3900

Date : 19 February 1996
Datum:

☎ 0351 (31111)

Ref/Verw.

Mr M E Mwandla
Dept of Geography &
Environmental Studies
University of Zululand
Private Bag X1001
KWA-DLANGEZWA
3886

Dear Sir

**RESEARCH PROPOSAL : DEVELOPMENT OF A
GAMBLING CASINO IN RICHARDS BAY**

I acknowledge with thanks receipt of your submission in respect of the
abovementioned subject and wish to advise that it has been referred to
the relevant authority for finalisation.

Yours faithfully

A handwritten signature in black ink, appearing to read 'B B Biyela'.

**B B BIYELA
MAYOR OF RICHARDS BAY**



02 September 1997

VIA AIRMAIL

Mr M E Mwandla
Department of Geography and Environmental Studies
Internal Box 491
University of Zululand
KWADLANGEZWA
3886

Dear Mr Mwandla,

SURVEY ON THE PERCEPTIONS OF LOCAL COMMUNITIES TO BE ESTABLISHMENT
OF A CASINO AT RICHARDS BAY

Our company in a joint venture with Karos Hotels Limited will soon form a local Kwazulu Consortium to bid for a casino licence at Richards Bay.

I was given your questionnaire "WHITHER CASINO?" a few days ago.

I am not sure when it went out and whether you have had the chance, yet, to complete your research. If you have, I would be very interested in obtaining a copy from you.

Should it not yet be complete, I would like the opportunity, on my next visit to Richards Bay, to discuss the project with you and see if there is any way in which we may be able to help you.

I would be grateful if you would let me know where you are with this study.

Kind regards.

Yours


MANNIE HIRSCH
ref.let1394

Hlanganani Casinos (North) (Pty) Ltd
Karos Indaba Hotel
William Nicol Drive FOURWAYS
P O Box 4425 RANDBURG 2125
Tel : (011) 465 0757 Fax : (011) 465 0522

Directors : Carl de Wet Nelson Ngale Zahava Hirsch



THE END