



**MINISTRY OF TOURISM
REPUBLIC OF SOUTH AFRICA**

Private Bag X424, Pretoria, 0001, Tourism House, 17 Trevenna Street, Sunnyside, Pretoria
Tel. (+27 12) 444 6780, Fax: (+27 12) 444 7027, Email: ministry@tourism.gov.za
Private Bag X9154, Cape Town, 8000, 120 Plein Street, 3rd Floor, Cape Town,
Tel. (+27 21) 465 7240, Fax: (+27 21) 465 3216
www.tourism.gov.za

Programme Director
Honourable MEC for the Eastern Cape Department of Economic Development and
Environmental, Mcebisi Jonas
Buffalo City Mayor and other Mayors present
Councillors
Department of Basic Education and institutions of higher learning
Representatives from Provincial Government Departments
Our partners, CATHSSETA, Eastern Cape Tourism
Tourism industry and Business
All participants of the NTCE
Distinguished guests and a special welcome to Zenande Mfenyane
Members of the Media
Ladies and Gentlemen

As we draw to a close the Tourism Month 2012, wherein provinces had the opportunity to showcase their unique and authenticity experiences promoting domestic tourism. Yet another exciting flagship programme starts today and will run until the 30th. It is a great pleasure for me today to stand before you for yet another wonderful NTCE.

This is our fourth annual NTCE and the Eastern Cape is the host, following a magnificent job by the KwaZulu-Natal as the previous host. The purpose of the NTCE is to expose learners to career opportunities and potential employment within the tourism sector.

The NTCE is the appropriate forum for interaction between learners, industry experts, institutions of higher learning, jobseekers, employers and for promotion of job opportunities.

I indeed laud this forum and delicately touched by the young people who are in attendance today. This shows your endeavor to forge ahead and to prepare for a bright career, therefore a bright future. I want to talk about just how incredibly important I think our tourism industry is and the potential we stand to create if we continue working together and guide our Youth to take up courses looking at addressing scarce skills in the sector so we can match the demand and supply of Tourism skills.

For too long, tourism has been looked down on as a second class service sector. That is just wrong. Tourism is a fiercely competitive market, requiring skills, talent, enterprise and a government that backs South Africa.

Tourism is the third largest industry in the world. At 9% of global GDP, it is larger than automotive manufacturing which stands at 8% of global GDP, Mining, at 8% of GDP and Chemicals manufacturing at 7%. There are only two industries that are larger than Tourism and that are financial services & banking and education and communication. In this context, we have to get better at putting across the importance of this industry.

During the last five years, South Africa has outpaced the growth of all competitor locations in the leisure arrivals category. Foreign direct spend in rand terms has grown faster than arrivals, with an 11% per-annum growth rate. South Africa's tourism industry has also managed to build on the momentum achieved during a record-breaking 2010 by growing a further 3,3% and attracting over 8,3 million international tourists in 2011.

Tourism has significant economic and employment potential for our country, both directly through jobs in the sector, and indirectly through supportive sourcing industries such as construction, agriculture, fishing, food processing, furniture, handicrafts, transport, utilities, arts, and other services.

As already alluded, the tourism industry is a critical player in the economy of South Africa. Overall tourist arrivals to the country grew by 10.5% in the first quarter of 2012, with strong growth coming from all regions. The period from January to March 2012 saw a total of 2 267 807 tourist arrivals to South Africa - 216 031 more than the same period in 2011.

This proves that, as a country, we are doing well and competing greatly with other destinations in terms of resources – be it cultural or natural, our regulations and price competitiveness are friendly to the tourists. However, let us be frank and agree with the fact that not all is great within our industry.

We are still faced with challenges in terms of understanding tourism dynamics by the general public. I am saying tourism dynamics because these challenges come in different forms. For example, tourism at high schools and tertiary institutions is often labeled as a subject of those who are inferior.

There is quite a number of scarce skills within the Tourism sector and it is of utmost importance that we encourage our Youth to take up certain courses within the sector so that we can bridge the gap between supply and demand of tourism skills.

As we continue to expose the youth of today to career opportunities in the tourism sector, we do require to look at various studies conducted in the sector. This will indicate to us whether or not we are able to make positive progress. For example, a research released in 2008 by the Department of Environmental Affairs and Tourism and FEDHASA? Highlighted that:-

- The industry is perceived to provide menial and low paying jobs with long working hours and no career progression
- Tourism is a non-designed subject in high schools and tertiary institutions

- Tourism is an easy subject that is mostly taught by educators who do not have professional qualifications.

These findings do indicate that negative perceptions in the market require the industry to work together and address such harsh realities. We want people in tourism to be proud of being in the sector, and events like the NTCE are a wonderful showcase of the wide possibilities available to the industry.

Collectively, we have to be creative and come up with better strategies on building human resources as we have more and more young people taking jobs in the sector.

It is therefore critical that we continue investing our energies on turning around the situation. And for that to happen – we desperately need to position tourism education as a valuable player in the economic space.

Tourism is relevant and our Youth are becoming more and more attracted to the sector. It is therefore our responsibility to give the Youth all our support. This is one of the reasons we are here today. It is government, the industry, learners and educators. This forum is one of the mechanisms that can assist all of us to ensure that our Youth is equipped with the right career information so that they can choose the correct career path from the beginning.

Let us use this forum to address the challenges in the industry and create a new path which is more prosperous with our Youth having necessary skills as the demand from the sector continues to grow. In other words, we are here to unleash the tourism potential through investment in human capital development.

For this to happen, I advocate for robust and frank interventions so that we can deal with the negative perceptions and all unfortunate realities which continue to haunt us. We all have a responsibility to position Tourism as a pulsating profession and to make it even more attractive.

I will want us to leave here on the 30th of September with a clearly defined implementation strategy. Our learners need to leave this place knowing exactly where the gaps are in terms of scarce skills and how best can they access assistance available – looking at bursaries and internships, new venture creations, forging partnerships and open opportunities.

I need to have a working plan on how best can we deal with the supply of skills that are not utilized by the sector which has led into a situation where more and more tourism graduates are unemployed. How best can we access remote areas, I mean our rural communities so that they can benefit from training and skills development initiatives being rollout out by the sector.

The type of empowerment needed is the one where people can enroll for certified training and receive accredited certificates.

To all learners, students, unemployed youth who are here today, this is one of the rare and yet unique opportunities where you are sitting next to your prospective employers. Do not be shy to ask questions and find out more information, experience and

knowledge so that you may find a career which is more interesting to you within the tourism sector.

It is also important for me to encourage entrepreneurial thinking among youth. Entrepreneurs drive job creation and innovation and will play major roles towards taking the industry to another level. Make sure you do walk-about and ask those who have been in the Tourism business for a while on how to start a business so that they can share their experience with you.

We appreciate support we are receiving from our Universities and Colleges, however, we do need to move forward in terms of attending to challenges that currently exist. Let us use this opportunity to build and strengthen partnerships.

For this reason we are happy to have the support of and partnership with Umalusi in terms of unpacking issues related to the curriculum. We value these partnerships and appreciate the support.

The tourism industry should be of supreme importance to everyone as it relates to the development of our country. Engagements such as this as well as other interactions throughout the year are critical if we are to achieve the objectives of the National Tourism Sector Strategy (NTSS).

Given the huge growth potential of the tourism sector and the wide ranging affinities shared by all of us, a great deal can be achieved by working more closely together.

There are many other ways in which the tourism industry can be encouraged. We have managed to work with a number of countries through our bilateral agreements. This has yielded to student exchange programmes, and the nature of relations with countries like Lesotho, Mozambique and Nigeria is optimistic.

In conclusion, Tourism education, information sharing and cooperation among stakeholders will generate a cohesive programme of awareness and a better appreciation of the industry as a whole. My request to academic institutions, local municipalities and provinces – let us maximise our efforts towards increasing awareness of the Tourism industry, the many career options available and major developments in the sector.

The long-term vision for the NTCE is to serve as a platform wider than just providing information about skills, training institutions and career opportunities. We envisaged that the NTCE will also become a premier meeting place where potential employers will want to attend in order to find the relevantly skilled workforce. We are hoping that the NTCE in years to come, will be successful in providing the industry with the best workers on offer.

Ladies and gentlemen, with these words, allow me to again congratulate the organising team for this event, which I wish, gets the expected success and meets the required objectives.

I thank you for your attention.

Tokozile Xasa, MP
Deputy Minister of Tourism