



**MINISTRY OF TOURISM  
REPUBLIC OF SOUTH AFRICA**

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**NATIONAL COUNCIL OF PROVINCES:**

**QUESTION FOR WRITTEN REPLY:**

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***Survival of businesses in tourism sector***

**Ms H S Boshoff (Mpumalanga: DA) to ask the Minister of Tourism:**

- (1) How many businesses in each province have (a) indicated to her department that they will (i) be able to survive for another year, (ii) survive only if their employees will be placed on partial pay and (iii) survive only if their employees are on unpaid leave under the current lockdown level, (b) retrenched their staff and (c) completely closed down as a result of the lockdown;
- (2) what is the process for guesthouse owners (a) to apply for permits to accommodate contract workers under level 3 of the lockdown and (b) who wish to continue such accommodation under the said level;
- (3) how many applications have been (a) received and (b) processed by her department for the Tourism Relief Fund?  
CW218E

**REPLY:**

- (1) The Department of Tourism in collaboration with the International Finance Corporation (IFC) and the Tourism Business Council of South Africa (TBCSA) conducted a survey in July 2020 to get an understanding of the impact of COVID on businesses in June 2020.
  - (a)(i) 67% of the respondents felt neutral or positively believed that their businesses will survive to take part in the recovery.
  - (ii)& (iii) The most common mitigation measure regarding workforce management was wage reduction with 55% of enterprises with more than half their workforce on reduced wages and 40% of enterprises have reduced wages for all staff. 12% of enterprises have not reduced wages at all. Medium-sized enterprises are the most affected in terms of wage reductions (89% have reduced wages for more than half their workforce).
- (b) 11% of enterprises have made more than 50% of staff redundant and 5% of enterprises made all staff redundant. 43%, however, have not made any redundancies.

(c) The majority (61%) of responding enterprises indicated that they were not opening in June 2020 but planned to reopen, with 54% planning to reopen in September 2020. Most of the reopening will be partial.

- (2)** Under level 3 of the lockdown the use of accommodation for business purposes is permitted and operators do not require additional permits.
- (3)** The department has (a) received in total of 7284 applications and (b) all applications have been processed with 4000 receiving the Relief.