



**MINISTRY OF TOURISM
REPUBLIC OF SOUTH AFRICA**

Private Bag X424, Pretoria, 0001, South Africa. Tel. (+27 12) 444 6780, Fax (+27 12) 444 7027
Private Bag X9154, Cape Town, 8000, South Africa. Tel. (+27 21) 469 5800, Fax: (+27 21) 465 3216

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NATIONAL ASSEMBLY:

QUESTION FOR ORAL REPLY:

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Ms B T Ngcobo (ANC) to ask the Minister of Tourism:

- (1) With reference to the Southern African Tourism Services Association (SATSA) conference held from 7 August to 9 August 2014 (details furnished), has he engaged the Minister of Home Affairs on what the possible unintended consequences of the Immigration Regulations will be on inbound tourism with effect from 1 June 2015; if so, what are the possible unintended consequences and what mitigating factors have been taken to caution the tourism industry from these unintended consequences;
- (2) has he carefully studied the results of the study commissioned by the Tourism Business Council of South Africa which indicates that the country may lose 270,000 international tourists and in turn result in 21,000 jobs lost annually and inadvertently cost South Africa R9.7 billion in revenue; if so, what has been the reported figures and has there been a decrease in forward bookings or cancellations due to the imminent introduction of immigration regulations;
- (3) what has been the reaction of the international tourism community, including emerging markets such as China and India, on the new immigration regulations and has his department benchmarked global best practices for responding to policy challenges with regard to having a balanced approach between combating child trafficking and promoting international tourist arrivals;
- (4) has his department taken any steps to assist the domestic and international inbound tourism operators on readiness for the new immigration regulations?

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REPLY:

- 1) Yes, I have engaged with Minister Gigaba on the possible unintended consequences of both the Unabridged Birth Certificate and the in-person visa application requirements introduced by the Department of Home Affairs. The issue was also discussed at the Cabinet Lekgotla, prior to the announcement by His Excellency, President Zuma, during the State of the Nation Address, that the visa regulations would be reviewed. Subsequently, at a meeting of Cabinet on 10 June, it was decided that a team of Ministers would be set up to discuss the concerns around the visa regulations, with the aim of finding ways to address the unintended consequences arising from the implementation of these regulations.

- 2) I have received the industry report on the impact of the regulations. It puts the figures on potential loss of tourists at 270 000 and those of sector job losses up to 21 000. With our high level of unemployment, of course even one job loss is one too many. This is why Cabinet has taken the step to look into the unintended consequences that this well intended policy may have on the economy. We all support the strengthening of security measures for the country, and we all support efforts to combat child trafficking. However, the measures applied to achieve these objectives must take into account of the possible negative impact on tourism and investment.

We will be conducting a rapid survey on the impact of the regulations, which will inform the tourism input on the examination of their unintended negative consequences, as resolved by Cabinet. This will be done in collaboration with tourism travel trade from the key markets. It is also our intention to work with the Department of Home Affairs and other stakeholders in the formulation of a survey questionnaire, as this will assist all of us in gaining deeper insights on what needs to be done. It will include but not be limited to trends and/or statistics with respect to forward bookings, cancellations, market perceptions and private sector marketing investment.

- 3) Tourism arrival figures from China and India for the last quarter of 2014, as obtained from StatsSA, were significantly down when compared to the same period in 2013. In fact, the only countries that showed a downward trend were countries requiring visas to visit South Africa. This was before the unabridged birth certificate requirement came into effect, just over two weeks ago, which, according to reports received, has already resulted in a number of cancelled bookings from our biggest markets.

IATA, which includes more than 80% of airlines flying to South Africa, has reported that ticketing for June 2015 is 32% down on June 2015.

- 4) Unlike in some sectors, determination of policy impact on tourism does not require a long time after implementation of the relevant policies. Forward bookings, regular market operators brochures and levels of investment in marketing spend by private sector are some of the key indicators in this regard.