



**MINISTRY OF TOURISM
REPUBLIC OF SOUTH AFRICA**

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NATIONAL COUNCIL OF PROVINCES:

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Mr K M Mmoiemang (Northern Cape: ANC) to ask the Minister of Tourism:

What best practices have been learned from the Covid-19 experience (details furnished) to leverage this sector to be at the cutting edge of economic growth and job creation beyond the pandemic?

CO166E

REPLY:

The COVID-19 pandemic has had a devastating impact on both economic growth and employment, particularly for the tourism sector both in South Africa and globally affecting lives and livelihoods. It also brought with it significant lessons for the sector in country. These lessons include amongst others the following:

- (a) Over the years, the sector, both public and private, had most of its focus on attracting international tourists as they have always been considered to yield higher returns. This meant that limited investment went into the promotion of domestic tourism. With the implementation of various mitigating measures by most of our pre-covid19 international tourism markets, including closing of their borders and restricting their national from visiting South Africa due to the 501Y.V2 variant, it is now more evident than ever that domestic tourism becomes a great source of recovery in times of crises. This shall also ensure that we protect the supply base through domestic demand stimulation and consumption. Thus, domestic tourism should be the bedrock of the sector upon which we shall build international tourism. This is a new chapter for the sector, which shall require adaptation by the sector as a whole.
- (b) Another significant lesson was that workers and small businesses are highly vulnerable in times of crises. Insurances were reluctant to pay for the losses associated with the pandemic. For the workers, the Department of Employment and Labour was swift to respond with the deployment of the Temporary Employees Relief Scheme (TERS) which softened extent of the impact on workers. For small businesses, the Department of Tourism together with the sector also deployed a R200 million Tourism Relief Fund (TRF). While this provided the much-needed support to 4000 tourism SMMEs at R50,000 per enterprise, it was not nearly enough given the

relief demand across tourism business. It is evident that long-term measures must be in place to ensure protection of supply base and vulnerable workers. The insurance industry has a significant role to play thereby designing appropriate products in this regard and registration of workers with Unemployment Insurance Fund is paramount. The Department of Tourism's main focus throughout the pandemic has always been to promote safe operations as the only sustainable was to keep businesses in operation and to build consumer confidence in the sector.

- (c) There was also limited anticipation of such a pandemic in tourism planning. The main lesson in this regard is that pre-emptive planning is necessary and so is ensuring that crises response framework is in place to guide future responses to any eventual disaster.
- (d) Furthermore, moving forward there is a need to invest in the management of supply side data to ensure that interventions are adequately informed.