



**MINISTRY OF TOURISM
REPUBLIC OF SOUTH AFRICA**

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**2021 Tourism Public Lecture remarks by Deputy Minister of Tourism, Fish Mahlalela
on the occasion of the Central University of Technology, Bloemfontein**

17 September 2021

Theme : Tourism for Inclusive Growth

- MEC Makalo Mohale (in absentia)
- Vice Chancellor of Central University of Technology (CUT) In absentia
- Professor Albert Strydom from Central University of Technology (CUT)
- HOD of DESTEA Dr Mbulelo Noqweku
- CEO of the Agency (FSGLTA) Mr Kenny Ditshabe
- Tourism Trade Partners
- Members of Academia
- Members of the Panel
- Members of the media
- Ladies and Gentlemen present and those connecting via Zoom Platform

The preamble of the South African Constitution says “We the people of South Africa believe that South Africa belong to all who live in it, united in our diversity...” This supreme law of South Africa espouses a vision of inclusivity. The theme for this year therefore aptly gives expression to our Departmental vision in leading sustainable tourism development for inclusive economic growth in South Africa.

The United Nations World Tourism Organisation (UNWTO) theme for World Tourism Day 2021 is “Tourism for Inclusive Growth” and the localised theme for tourism month is “Tourism for Inclusive Growth – COVID-19 Recovery – Build Back Better”. The localised theme seeks to ensure that we drive inclusive growth through transformation with a focus on rural and township businesses. Building back better means that we don’t build from scratch but we build on our experiences and lessons learnt and capitalise on opportunities for improved growth. It means now that we know better, we can do better.

In South Africa, the celebrations are held under the banner of a Domestic Tourism Campaign, as well as the focus on Recovery Plan, which highlights domestic tourism destinations as the main driver for the recovery, across all nine provinces, with a focus on those that are less exposed and visited. This focus stems from the Domestic Tourism Growth Strategy objective, which indicates that until geographic spread and seasonality in travel are adequately addressed, domestic tourism will not reach its full potential and will not be able to rejuvenate demand as required by the Tourism Sector Recovery Plan. As part of the efforts to drive growth in domestic tourism, in September, the Department drives a coordinated campaign with provincial tourism departments and agencies as well as with its partners in government and industry. Furthermore, the Department hosts a series of activations in partnership with the province designated to host that year’s event. The province of Free State will host the celebrations in a small town of Clarens, in line with the UNWTO theme for 2021.

Part of our World Tourism Day celebrations, is the annual public lecture. The purpose of this public lecture is to not only raise awareness on the crucial role that academic institutions and government play in promoting tourism in South Africa... It is also to advance the dialogue between the policy-makers and the academic institutions on the importance of inclusive tourism growth in South Africa.

Tourism is a people-orientated sector with people at the heart of its operations. It is about people, products and places. The tourism industry is of great significance and potential to South Africa and is one of the six key identified for economic growth.

This sector supports a vibrant and diverse value chain which experienced fundamental disruptions and is responsible for employment opportunities, geographic diversification and increased foreign currency receipts. The tourism sector is therefore a strategic development priority and a catalyst in growing other linked sectors.

Tourism is a significant economic pillar and lever for job creation and income generation in South Africa. Before the pandemic, it used to directly accounts for 2.9% of South Africa's GDP and 8.6% indirectly and therefore supported about one-and-a-half million direct and indirect jobs. It supports a vibrant and complex value chain and it generates foreign direct investment and significant export earnings.

With its extensive value chain and labour absorption capacity, it is a significant tool for economic development as well as responding to the country's socio-economic challenges. Historically, the tourism sector has demonstrated resilience through global financial challenges and health crisis.

The year 2020 was a year unlike any other with unprecedented events sweeping across the globe. The COVID-19 pandemic has had a profound adverse impact on the global tourism sector and directly restricted the movement of people, as well as goods and services globally, with a concomitant adverse impact on the tourism sector. Our sector is arguably one of the worst impacted in the world, being at the forefront of this epidemiological storm which has highlighted the need for interventions to keep the sector afloat.

The international tourists arrivals (overnight visitors) plunged by 73% in 2020, over the previous year due to widespread travel restrictions and a massive drop in demand. According to the July issue of UNWTO world tourism barometer, by regions, Asia and the Pacific suffered the largest decline with an 84% decline in international arrivals, Africa and the Middle East both recorded a 74% decrease in international arrivals, which were followed by Europe and Americas by 68% over the period.

As of the 1st June this year, Africa hold a comparatively lower levels of travel restrictions in place as compared to other world regions. This is according to the UNWTO 10th report on travel restrictions, which indicates that 70% of all destinations in Asia and the Pacific are completely closed, compared with 19% in Africa.

The historic nature of this pandemic and economic downturn has made it necessary for government to work together closely with all role-players to mobilise one of the largest economic response packages in the developing world.

The tourism sector is one of the critical intervention areas that have been identified in the Economic Reconstruction and Recovery Plan as tourism is a key driver of the economic recovery in the country.

Our tourism sector contributes to the following priorities of this Plan:

- Infrastructure development
- Mass public employment
- Green economy interventions and
- The inclusion of women and youth; and
- Skills development

As a result, The Department of Tourism together with its stakeholders, have collaborated to develop the robust Tourism Sector Recovery Plan. This Plan is anchored on three interlinked pillars or strategic themes: protecting and rejuvenating supply, reigniting demand and strengthening enabling capability for long term sustainability.

The Tourism Sector Recovery Plan is therefore a targeted response by the sector and its constituent partners to the multiple challenges brought on by the pandemic. This Plan acknowledges the need for targeted and coordinated action to mitigate the impacts of the crises and sets the sector on the most optimal path to recovery, transformation and long term sustainability. This year's celebration provides us with an opportunity to enhance our contribution to the country's Economic Reconstruction and Recovery Plan as well as efforts towards building an inclusive tourism sector.

We do acknowledge that disease- induced crises are not unique to tourism but this particular one collapsed the tourism ecosystem and impacted negatively on brand South Africa. To date, some businesses are still battling to survive. The July unrests in Gauteng and KwaZulu-Natal also caused a dent on the tourism recovery process.

A decrease of about 72 percent of tourist volumes in 2020 paints a bleak picture for a sector that used to thrive. Our numbers went down from 10, 2 million in 2019 to 2, 8 million in 2020.

South Africa offers a wide array of authentic and breath-taking experiences and I believe that we have the potential to position tourism as a powerful catalyst to stimulate wide scale economic activity, foster growth and generate earnings.

Our focus should be on programmes that will lead to the buoyancy of the sector as well as drive transformation. We need to leverage on displaced regional and international markets, tap into new markets, develop new products, promote investments, build new partnerships and strengthen human capital.

An essential contributor to the growth of the tourism economy, domestic tourism provides a foundation for sustainable tourism growth and development, more especially in times of global uncertainties. Domestic tourism is indeed showing signs of recovery. Since December 2020, trips have mostly stayed consistent. Movement of light vehicles on South African roads is about 10-20% lower than in 2019 as opposed to the 60% reduction seen in air travel.

Inclusive and sustainable tourism is a concept that is close to my heart. I would love to see all of us in the value-chain work together to increase tourism consumption and provide access. To do so, we need to implement structural changes to develop village and township-based tourism not only for jobs, but also for entrepreneurship and economic ownership. We should also provide capacity to be able to create quality end-to-end experiences, curated to the needs of travellers.

Inclusive growth therefore means a transformed sector. Transformation of tourism is fundamental if we were to achieve inclusive growth. Our government promotes sustainability and good governance, which includes initiatives to transform the sector, promote the practice of responsible tourism and the unlocking of tourism economic development.

The growth of tourism opportunities includes human resource capacity, infrastructure, business policy environment, access to finance and market coordination and responsiveness. It further includes equal access to tourism opportunities which includes access to education, access to infrastructure, access to finance and access to information and knowledge.

We are determined to move forward with coordinated efforts to address triple challenges of unemployment, poverty and inequality through job creation. This work has been derailed by sluggish and slow economic growth. It is for this reason that we place tourism as a key strategic sector of the economy, with its resilience, at the centre of our country's growth projections and development. Apart from generating revenue, tourism provides the economic opportunities, supports the development of smmes and has the potential to foster social cohesion.

The tourism sector is resilient and will bounce back. With the move to Adjusted Level Two by the president on 12 September, we are confident that tourism growth is on the uptake. The implementation of the Recovery Plan will lend impetus to this and Tourism Month is perfectly positioned to reignite demand that will accelerate growth to rest the sector and to position it on a growth trajectory. The Department has also developed Norms and Standards aligned to the protocols in support of ensuring

a safe and compliant tourism and hospitality sector. A robust vaccination programme is essential to restoring consumer confidence. The proportion of travellers vaccinated will be an indicator for tourism revival and the possibility of increased tourist numbers. We continue to urge our people to vaccinate as well as to observe non-pharmaceutical procedures, which are mask wearing, sanitisation and social distancing.

Ladies and gentlemen,

Tourism is so much more than generating revenue. It also promotes goodwill, social cohesion and nation-building. South Africans are the best proponents and ambassadors for brand South Africa. Let us take ownership of this beautiful country as tourism is everybody's business. It's ours to travel, it's ours to do tourism and it's ours to enjoy. While we welcome the world back to our shores, we also welcome all South Africans to travel in their country. We invite you to take a Sho't left and experience our beautiful country and its melting pot of people and cultures.

Our ability to re-ignite the tourism sector rest on our collective efforts. This is so because tourism sector is government led, private sector driven and community led. Together we will build a tourism that is inclusive and contributes to the developmental goals of South Africa.

Programme Director,

Allow me to end with the quote of President Ramaphosa when he was addressing the joint sitting of Parliament on South Africa's Economic Reconstruction and Recovery Plan, the President said "We shall not rest until we have built a new economy based fairness, justice and equality... this is the task of our generation to renew, to repair, to rebuild."