



**MINISTRY OF TOURISM
REPUBLIC OF SOUTH AFRICA**

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Budget Vote Speech by Deputy Minister of Tourism Ms. Elizabeth Thabethe at the Old Assembly Building on 17 May 2018, Parliament of the RSA, Cape Town

Honourable Speaker

Minister of Tourism, Mr Derek Hanekom

Chairperson of the Portfolio Committee on Tourism

Members of Parliament

MECs responsible for Tourism

Director General, CEO of South African Tourism and Senior Managers of the Department

Honoured Guests

Ladies and Gentlemen

Comrades and Friends

I rise today to address this House in this centenary year of our former President, Nelson Rolihlahla Mandela and Mama Albertina Sisulu who not only put South Africa on the world map, but fought tirelessly for the empowerment of all marginalized South Africans, particularly black youth, women and people with disabilities in our townships and rural areas. We salute these our national icons for bringing us this democracy, which is enjoyed by all South Africans.

Today, all South Africans can travel the breadth and depth of their country to explore its offerings without fear of persecution. We however, recognize that more work must be done to ensure that the benefits of tourism are accessible to all. We must continue the work of MaSisulu and Madiba to promote inclusivity – tourism must become a sector that embraces all South Africans.

Today, as we table our budget, we must be alive to the knowledge that our interventions must address the needs of our communities that are crying out for skills, employment and business support. Our programmes must make a meaningful and positive impact in the lives of ordinary South Africans.

Building sustainable tourism enterprises

The South African destination experience relies on the diverse offerings of many enterprises. While large enterprises play an important role in our economy, by far, the largest number of businesses that operate in tourism are small, micro and medium sized enterprises (SMMEs).

That is why in the 2017/18 financial year, the Tourism Department supported 500 SMMEs through a combination of support instruments such as business mentorship, coaching, incubation, entrepreneur skills training, exposure to market access platforms such as the Africa Travel Indaba, marketing initiatives and various networking events.

In 2017 we had targeted to establish 1 Incubator, but we have surpassed that and established a total 4 incubators – 2 new ones in Phalaborwa, Limpopo and in Mier, in the Northern Cape.

The Pilanesberg incubator in the North West is now in its second year of operation and bearing fruit. Businesses in our incubation programme have realised approximately a 15% increase in occupancy rates. Additionally, 17 enterprises now have online promotional presence, 7 guesthouses are graded, and 25 businesses have received training in financial literacy and management.

I am happy to report that one of the beneficiaries in the incubator programme is the successful Thalera Tours, which is owned by Ms Refilwe Tladi who started her business in 2015. Following her enrollment in the Pilanesberg incubation programme, her business has seen 30% revenue growth in the past two years. She now also employs 3 drivers, 2 admin staff and a marketing coordinator. Halala Refilwe!

Honourable Members,

I want to draw your attention to one of the beneficiaries of the Mier incubator, which is located within the Khomani Cultural Landscape World Heritage Site. Ms Katrina Esau is an 84-year-old traditional leader of the Rosedale community in the Northern Cape who runs a San traditional dance school and cultural activities. Her language, N|uu, is spoken by only four people on the planet! Through her school, she is not only enriching our cultural heritage but also adding to the diversity of our tourism offerings. We salute Ms Esau!

We will continue with our business support programmes by bringing in more strategic partnerships from both public and private sectors. I would like to thank Nedbank and ABSA for their participation in supporting our SMMEs.

Tourism Incentive Programme

Honourable Members,

Our Tourism Incentive Programme, aimed at improving access to international markets for small businesses, is also bearing fruit. Since its inception in 2015, our Market Access Support Programme has benefited 584 small tourism enterprises to participate in international and domestic trade platforms under the Hidden Gems banner.

It is estimated that this Programme is directly responsible for:

- a return on investment of 7.4 to 1 (R7.40 earned in foreign exchange earnings/ sales for every R1 spent by the Department);
- the creation of around 100 temporary and 40 permanent jobs in the tourism sector per year; and
- attracting 20 000 foreign tourists to South Africa.

The Department's Tourism Grading Support Programme has also been introduced to reduce the cost burden on small tourism enterprises in order to encourage greater conformity to quality standards in tourism. In January 2017, 1 529 accommodation and meeting establishments applied for and benefitted from 80% to 90% discounts on their grading assessment fees. This year, our target is to double the number of graded establishments.

Tourism sector skills development

Honourable Members,

We are also implementing human resource developmental initiatives in a way that will include the participation of more people, with a bias toward developing youth and women.

The Tourism Sector Strategy was completed in 2017 and has mapped the skills needed by industry, such as chefs training. We will continue to provide our National Youth Chefs Training Programme in a partnership with the South African Chef Associations (SACA) and other hotels and B&Bs.

This programme will enable unemployed youth to gain access to the hospitality industry once they have acquired their three-year qualifications in Professional Cookery and pastry. We are happy to announce that this nationwide programme is now in its fifth phase and has benefited a total of 1867 young people.

In the past year alone, we have seen 76 young chefs being placed in international hotels in the United States of America and 20 in the Seychelles.

The twelve (12) months placement in experiential learning has exposed our youth internationally and has sharpened their culinary skills in French, Portuguese and Italian cuisine, among others, to the extent that four of our young chefs were offered permanent employment in the Seychelles.

Through the US Placement Programme, created in partnership between the National Department of Tourism, Awesome Travel and the South African Chefs Association, we have exposed 600 of our graduates to advanced cookery, restaurant management, hotel management, and financial management skills.

From our shores, Ms Nompumelelo Mqwabu has written an indigenous cookbook called "Through the eye of an African chef," which has been nominated to receive the Gourmand World Cookbook Award in Yantai, China later this month. She is the only South African winner in this category. Congratulations to Ms Mqwabu!

Another one of our graduates, Mr Ntlalwente Xolo, is currently working in a cruise ship as a Chef de Partie (supervisor chef). He did the six-month internship programme in the UK and received permanent appointment for three years with a cruise ship.

During this financial year, 755 learners have enrolled in the Chefs Programme and upon graduation in 2020 will receive accreditation.

I am pleased to report that 3 weeks ago, our department won an award at the Global Summit of Women in Australia, Sydney, for its Youth Chefs Training Programme recognizing it as a best practice for addressing youth unemployment. Our efforts are indeed bearing fruit!

Youth hospitality programme

Honourable Members,

Our Youth Hospitality Programme, now in its 4th year of implementation, has already benefited 6 813 unemployed youth.

This programme enrolls youth in a twelve month learnership of theory and workplace training, leading to the attainment of accredited qualifications in Food and Beverage Services, Accommodation Services and a National Certificate in restaurants. In this financial year, we will recruit and train an additional 2 375 learners.

Wine Service Training Programme

As you know, South Africa is world renowned for its quality and affordably priced wines. This year, we will enroll 300 learners from the Western Cape, KwaZulu-Natal, Northern Cape and Gauteng in our 3-year Wine Service Training Programme.

Food Safety Assurers

Our Food Safety Assurers Programme is an apprenticeship programme that trains unemployed graduates in food handling, preparation and storage in order to prevent food borne diseases. In 2017/18, 489 learners completed this programme and in this current financial year, we will enroll an additional 1 500 learners.

Tourism Blue Flag Beaches

Our three-year Blue Flag training programme trains unemployed youth as beach stewards responsible for improving tourism facilities and services in our 50 Blue Flag beaches across KwaZulu-Natal, Western Cape and Eastern Cape.

It should be noted that 300 learners have already enrolled as beach stewards on a National Certificate Environmental Education Training & Development programme. We will be adding another 25 beaches to this programme; creating more opportunities for our youth.

National Tourism Careers Expo

The Department is committed to exposing young learners to career opportunities in tourism.

At last year's 3-day National Tourism Careers Expo (NTCE), approximately 7300 learners, 48 exhibitors and 350 educators participated in the NTCE held in Bloemfontein. For the next 3 years (2018 – 2020), we look forward to working with Northwest province, the new host of the NTCE.

Empowering and developing women in the tourism industry

The Executive Development Programme

A 2013 /14 study conducted by the department to ascertain causes for lack of black woman representation at executive level, in boards or as company executives painted a bleak picture of the industry. Thus, the department took a decision to improve woman representation by identifying and training women in management skills through a partnership with the UNISA School of Business Leadership.

In 2016/17, twenty (20) women were enrolled in the programme. Subsequently, fifteen (15) of them graduated, with five (5) receiving promotion to senior management positions.

Last year, an additional 40 women were selected and are currently undergoing training with UNISA. We invite industry to grow even more women leaders in executive management roles.

Women in Tourism

Stemming from the 2014 Women in Tourism inaugural conference, a national campaign was born, aimed at engaging women on issues of economic empowerment, access to funding, the establishment of support structures and incentives for women, as well as creating a platform to celebrate women achievers.

In November 2017, we hosted the annual Women in Tourism Conference in Port Elizabeth with over 250 attendees, exhibitors and entrepreneurs in the tourism value chain.

At the recent Durban Indaba, we hosted women in an event to celebrate the achievements of women entrepreneurs, share learnings and network. This year, we will continue to host various activities to strengthen and support the participation and development of women managers in the industry.

Promoting and Growing Domestic Tourism

Growing and strengthening our Domestic tourism remains a key strategic objective of building a resilient sector. We have completed the review of the domestic tourism sector which provided some critical insights regarding growing the domestic tourism market.

We have engaged both public and private sectors to help us build a culture of tourism. To that end, last year we undertook social tourism youth activations in recognition of OR Tambo through an exchange programme involving 195 learners from Bizana and 190 from Ekurhuleni. Many of these young people travelled for the first time and learned about their history and important national icons such as OR Tambo.

In recognition of this year's Mandela Centenary, the department has partnered with the Nelson Mandela Children's Fund to co-host provincial youth leadership conferences. Youth will join their provincial peers to visit various Madiba tourism attractions in South Africa.

The Department will also continue to engage with management of heritage sites, parks, cities and province and industry to investigate ways of making tourism experiences affordable and accessible to all South Africans.

Growing and Supporting Community Enterprises

We aim to develop Community Enterprises so that community-based tourism experiences, goods and services can become part of the wider tourism offering.

This year, we will support a minimum of fifteen (15) community enterprises in Gauteng, KwaZulu-Natal, Free State and North West. Our objective is to maximise benefits from tourism for local communities so that they too can reap the benefits of tourism.

Honourable Members

We all need to make a concerted effort to continually grow domestic tourism through skills, creating jobs and providing quality offerings. This requires all in the tourism sector to partner in developing tourism into a successful sector that benefits all South Africans, particularly poor youth, women and enterprises in townships and rural areas.

In conclusion, I wish to thank all our employees at the Department of Tourism and our partners in government and industry for their contribution in making tourism a sector we can all be proud of.

I also want to thank our Minister of Tourism, Derek Hanekom, for his leadership and support as we work towards making tourism an even greater force for the growth and development of our nation.

I want to challenge not only the tourism industry, but all service enterprises to make 2018 a year of success for our tourism industry.

I Thank You.