



**MINISTRY OF TOURISM
REPUBLIC OF SOUTH AFRICA**

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Address by Tourism Minister Derek Hanekom at the Lilizela Awards at Sandton Convention Centre in Johannesburg

16 October 2016

MECs present; board members of SA Tourism, the newly appointed CEO, Sisa Ntshona – looking all fresh and sprightly; the DG of the Department of Tourism, Victor Tharage, the judges, whom I know have done an outstanding job; leaders of the tourism industry; members of the Media and all you very, very important people gathered in this rather grand room:

A special greeting to all our finalists in the audience. There seems to be a kind of nervousness and apprehension amongst you. Let me put you at ease: you have already won massive recognition just by being amongst the finalists. There are no losers in this room.

But I suppose this is a rather nail-biting time: all the hard work you have put in to make your offering great, all those long hours, all the tough climbing to get to the top....and finally, here we are, the big moment has arrived at last.

In a short while, your anxiety will be over, and we will all join hands to congratulate the winners.

To all the 2016 entrants, as well as past and future entrants who are not here tonight: what you have to offer is the lifeblood of tourism, without a good supply there is no demand for tourism. You are the supply. You are what we offer tourists who come to our beautiful country.

To all the finalists: you are the golden thread that holds our industry together, because you have all achieved the excellence that we are looking for – the excellence that drives tourism demand, which translates into growth and ultimately jobs and livelihoods for our people.

To the winners: well, what can I say? You have gone beyond excellence. Your success enhances your own reputation, the reputation the local destination you are part of and, of course, the reputation of destination South Africa. It is this reputation that is a driver of tourism demand in a globally competitive environment. These awards, together with the many prestigious international awards that participants in our tourism sector continue to win, give prominence to our unique and diverse South African destination in the global marketplace. And success for the tourism sector is success for all South Africans.

Earlier this year, 14 small enterprises who won Lilizela Awards in 2015 were hosted at INDABA to showcase their products. This provided an extra kick start for these new entrepreneurs to boost their businesses.

The excellence demonstrated by tonight's winners will also be rewarded, and not just with a beautiful trophy. The more important reward is increased business flowing from the recognition of excellence.

To help this along, a consumer campaign has been initiated in partnership with SABC to market the winners to consumers, particularly domestic travellers as part of our campaign of #Tourismforall.

International tourism

Allow me make just a few remarks about the global tourism market which is becoming more and more competitive every year. The importance of attracting and capturing a bigger share of the global tourism market for Africa and South Africa cannot be overstated. We all know that international tourist

arrivals declined slightly in 2015. Not so well known though, is that the length of stay and spend per foreign tourist increased, resulting in year on year revenue growth of R4 billion, a total of R68 billion for 2015.

But best news for our tourism sector is that the results for 2016 are going to be a whole lot better. The first six months of 2016 showed more than 20% growth in arrivals from key overseas source markets. Arrivals from China, the world's largest outbound market, was up by about 60%.

International tourists are finding incredible value for money when they visit South Africa, and we continue to win international awards.

The influential Condé Nast magazine recently put South Africa at number 4 on the list of the Top 20 countries in the world to visit, beating highly developed travel destinations such as France, Spain, Thailand, Morocco and Australia.

Tourists have more and more choices at their fingertips through their mobile devices and if we can beat competition like that, we have a lot to celebrate.

The global tourism pie is big. Last year, more than 1.2 billion people left their homes to travel abroad. This represents a growth of 4.4 per cent. Arrivals are projected to grow by 4 per cent this year, according to the UNWTO. These travelers all meet new people, experience different cultures and traditions, and learn about each other, about what it really means to share today's connected world.

I have no doubt that Africa and South Africa can capture a greater share of this massive global market and that by creating excellent products and services, you have made South Africa more attractive and competitive as a preferred tourist destination. I have no doubt that the tourists, the international awards and the accolades will keep rolling in.

Domestic tourism

The importance of domestic tourism likewise cannot be overstated. With the economy under strain, households do not have vast surpluses to spend on non-essentials. And indeed, we saw a decline in domestic tourism in 2015 both in numbers and value. Whilst domestic tourism is unlikely to generate the revenues of international tourism, it is the lifeblood of the tourism sector.

Just as our citizens have a right to basic education, so it should be the right of every South African to at least experience some tourism in their own country. Young people are the future custodians of everything we have to offer, they are the future hospitality industry workers and managers, they are the future creators in the creative and cultural industries, and they are the consumers of what the tourism sector has to offer. In tourism month last month our #Tourismforall campaign was a resounding success, but it must gather momentum.

Government will be working with product owners to encourage access for all, especially in off-peak periods, through packages and opportunities that can best be described as a long term investment in growing tourism demand through exposure and access for every South African.

Tourism investment and collaboration with government

We can also celebrate the growing confidence of investors in our tourism economy. That is the consequence of having a great destination, and offering global travellers a memorable experience.

Leading global brands are investing billions of rands into our economy, including big international groups such as Marriott International and the Hilton Hotel Group.

The future

Ladies and gentlemen, all of us in tourism have every reason to be upbeat and optimistic about the future of our sector. We have so much to celebrate in tourism.

Just look around you, look at all the colourful people here tonight. Tourism showcases and benefits from the rich and splendid cultural diversity of our people, coming together as one nation.

We believe we can grow the number of international tourist arrivals by 50% in the next five years. The multiplier effects of an additional 5 million tourists is huge. Government and industry are working

together to improve market access through joint marketing agreements, targeting some of our highest yielding markets.

A bidding fund for events is being established, which will consolidate our position as the leading business events destination on the continent.

We have started training frontline staff at tourism establishments in Mandarin and Russian, as part of a wider programme to improve the experience of tourists from key overseas source markets.

We have just celebrated Tourism Month under the theme, "Tourism for All - promoting universal accessibility". We launched the **#TourismForAll** campaign, to drive awareness around universal accessibility, and to show that tourism can cater for all South Africans.

SA Tourism and the Department of Tourism are working together to make domestic tourism more accessible and affordable for more South Africans, and this will lead to more of our people discovering the joys of travel, and will ultimately result in growth in the domestic tourism economy.

These are all great reasons to remain excited about the potential of tourism to shape our future.

I want to thank South African Tourism and the National Department of Tourism for all the effort that has gone into making this such a splendid event.

We had an increase of 18% in entries this year, with the Eastern Cape alone increasing by 88%, which clearly indicates that these awards are appealing to more owners and operators. And the show gets better and better every year. Congratulations and thank you to all who are involved in staging this event.

I also thank all the judges, and the auditors from Grant Thornton, who have been involved in the adjudication and auditing of the awards – an extremely difficult job.

Most of all, I want to thank all the people who are not here with us tonight, the people who work so hard, every day, in every province, to make tourism a magical and memorable experience for our tourists.

Every interaction between a host and a guest amplifies the higher purpose of tourism: bringing people together, creating understanding between cultures, and uniting humanity.

I celebrate the success of every one of you, and of the entire tourism sector, with great pride and joy, and I know that all of you will enjoy a great evening of togetherness.

Once more, congratulations to all of you. You join Bob Dylan, who recently got a Nobel prize for literature. Leonard Cohen's response was: "giving a Nobel to Bob Dylan is like pinning a medal on Mount Everest". Let's be modest: giving you guys awards is like pinning a medal on Table Mountain.

Lastly, those of you who were following social media yesterday may have seen a trending #Whatmustrise, as opposed to the many things that must fall. My contribution to this debate is simply this: #Tourismmustrise. And in it rising, the dignity of a job and livelihood opportunities rise, and our nation becomes a winning nation.

Thank you.

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