



**MINISTRY OF TOURISM
REPUBLIC OF SOUTH AFRICA**

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Speech by Deputy Minister of Tourism Tokozile Xasa during the launch of Giant Flag

23 October 2014

The Programme Director
The Mayor, Hanna Makoba
Councillors present
Giant Flag Founder and Trustee, Mr Guy Lieberman
Sponsors
Distinguished Guests
Ladies and Gentlemen

GAME CHANGERS IN THE TOURISM INDUSTRY

It is indeed with great pleasure I join all of you today to launch the Giant Flag project. In a time when there are perhaps not as many silver linings to the hovering clouds in the global economy as we would all desire, it is befitting that we acknowledge the golden lining that Tourism generally represents internationally but more specifically for us in South Africa.

I sincerely believe that this initiative will be a 'game-changer' for the tourism industry. It will not only provide skills and enterprise development for the Camdeboo Municipality, but will also create direct and indirect employment in the Karoo towns of Graaff-Reinet, Aberdeen and Nieu-Bethesda.

This is all in alignment with the Department of Tourism's pivotal role in reducing poverty, creating decent employment and significant contribution to economic growth in South Africa, in partnership with, industry stakeholders in the tourism sector.

In particular this dovetails with our department's National Rural Tourism Strategy that has community beneficiation as is its core. The strategy is aimed at developing rural tourism that can greatly contribute to the alleviation of pressure in areas that are often characterised by poverty and underdevelopment. The strategy illustrates the National Department of Tourism's commitment to the development of rural economies in general and rural tourism in particular.

There are a myriad of challenges facing the tourism and hospitality industry worldwide. In most countries, these are pretty standard, and include economic uncertainty, new patterns of consumer behaviour and demands, keeping pace with technology. In South Africa, the challenges are rooted in historical inequality. The Giant Flag, with its strong desire to level the playing field has broken the mould to significantly change the game.

The Giant Flag's initiative will create a cycle of socio-economic development that addresses the challenges espoused in the National Development Plan. All jobs linked to the Giant Flag (either through direct employment, SMME incubation or contract) will be considered 'green collar'. All public tenders will favour Camdeboo citizens and companies as a priority, to curb the 40% unemployment rate that exists in the area. The Giant Flag will be extended to the broader Eastern Cape.

In addition to these socio-economic issues, there are also the questions of climate change, food security and the state of the environment. That we can explore innovative tourism initiatives that also address these issues, in blended and robust developments such as the Giant Flag, will begin to ensure that we can — and should — look at things holistically moving forward

The Giant Flag will have the following benefits:

- will reducing poverty and inequality,
- raising employment and investment;
- Ensuring household food and nutrition security;
- Broadening social cohesion and unity, while redressing the inequities of the past;
- Boosting private investment in labour intensive areas, competitive and exports, with adjustments to lower the risks of hiring younger workers;
- Strengthening youth service programmes, and introduce new community based programmes to offer young people life skills training, entrepreneurship training and opportunities to participate in community development programmes,
- Facilitating timely intervention to ensure environmental sustainability and resilience to future shocks

Beneficiaries of the initiative will be trained in a variety of skills that will enable them to receive microloans. Outside of the Endowment Fund, the Giant Flag project itself will generate over 700 local, permanent jobs.

The value of the brand to the consumer, the growth in emerging markets, the importance of consumer-facing technology and the sourcing, development and retention of human capital have helped shape the hospitality industry over the past five years. These along with the growing importance of the sustainability agenda and exogenous events and cycles are the key trends that will define success in the market place in 2015.

We as government will continue to further create an enabling environment that allows our visitors to enjoy an enhanced experience while our country and people benefit from the resultant jobs and the strengthening of our economy.

So let us together fly the flag high in all manners of the word.

I thank you.