SPEECH DELIVERED BY MR MARTHINUS VAN SCHALKWYK,

MINISTER OF TOURISM

INDABA OPENING CEREMONY

SATURDAY 7 MAY 2011, 17:00

Introduction

When we talk about tourism, we often talk about policies, statistics and objectives. Tourism is much more than that. Tourism is about people. The magic ingredient that differentiates tourism from every other economic sector is people.

People like Lebo Malepa. Thank you Lebo for that wonderful introduction. Your story is one of many that inspire us to the extraordinary. I would like to share one more with you.

I would like to introduce you to Maria Nyawula, the owner of the Victoria Manor Guesthouse in Queenstown in the Eastern Cape. In the late 1990s, Maria left her job as a municipal clerk after her policeman husband, Max, was seriously injured. The couple used his payout to buy Maria catering equipment and sewing machines to start a new business venture, but disaster struck when their house burnt down. Maria's equipment and her entrepreneurial dreams were destroyed.

Maria and Max were both unemployed, and took a huge risk by buying a house in Milner Street in Queenstown to run as a B&B. As the family started rebuilding their lives again, they were hit by another tragedy. Their daughter Sibongile, 14, was involved in a car accident that resulted in a serious leg injury. Subsequently, she developed cancer in her other leg and the limb had to be amputated.

Desperate to find some way of supporting her family, Maria took a job as an *au pair* in Israel. After confiding in a group of English tourists visiting Israel about her dreams for her daughter, they canvassed support among their church group and arranged to sponsor Sibongile and Max to travel to Ireland for specialist medical treatment.

Back in Queenstown, Maria turned the Milner Street house into a B&B. But she had no furniture, and the house needed painting. She convinced several store managers to advance her everything from paint and kitchen equipment to beds and television sets.

Within no time the Milner Street B&B was full of guests – so full, in fact, that Maria used to sleep outside in her parked car. When Max and Sibongile returned to South Africa they were astonished at the success Maria had made of her B&B.

This success enabled her to realise her dream of owning a guesthouse, and today the ten bedroom Victoria Manor Guesthouse is an award-winning establishment.

Playing globally, winning locally

Ladies and gentlemen, we are proud to have people like Lebo and Maria and many others as ambassadors of our industry. All of you here tonight have experienced the power and transformational potential of tourism to make aspirations possible.

As we gather here tonight to open South Africa's premier tourism marketing event, tourism is poised to play a greater role than ever before on the global stage and in the lives of South Africans.

I stand before you this evening after a phenomenal year for tourism in South Africa, to which every one of you made a significant contribution. International tourism arrivals to South Africa grew by 15.1% in 2010, with the undoubted tourism highlight being our country's successful hosting of the World Cup.

The event, rated as the best World Cup ever by FIFA, and also its most commercially successful, attracted more than 300 000 visitors to our country. The potential of these statistics alone, notwithstanding the more than 30 billion cumulative viewers of the event globally, have unlocked unparalleled new opportunities. We are ready to turn this new potential into long term, sustainable growth.

Ladies and gentlemen, I know you are at the coalface of our industry and deal with the triumphs, but also the challenges we face every day. I do understand that while the long term trends for tourism are extremely positive, these trends are not necessarily translating into immediate profitability across the board. Upon analysis, however, this is quite understandable.

We are operating in an environment with increased capacity in terms of amongst others our accommodation offering, and we are still feeling the effects of the global economic crisis. I want you to know we understand these challenges. And I want to give you my assurance that these are

transient issues that will not disrupt our long term positive growth prospects. I want to appeal to you to not lose faith and keep your eyes firmly focused on the many wins we have already chalked up.

I believe Indaba 2011 will set the tone for our entire tourism industry as we look ahead with anticipation to a decade filled with unprecedented opportunities. After years of hard work, we can now proudly say that tourism is a central pillar of development and a vehicle to bring dignity and hope to thousands of families and communities.

The ball is in our court to take our existing achievements to new heights. This year we celebrate Indaba with the theme of <u>"Playing globally, winning locally"</u>. It encapsulates our ideals of shared and inclusive growth and job creation, to be achieved by establishing a strong international presence in support of our domestic efforts.

Implementing our vision

As we look ahead we must continue to raise the bar. The first step to fulfilling our tourism vision is the recently launched National Tourism Sector Strategy (NTSS). I would like to thank all of you here tonight for embarking on this process with us and signalling your dedication to our long term vision by taking ownership of the strategy.

We aim to increase the number of foreign tourist arrivals to South Africa from 7 million in 2009 to 15 million by 2020, tourism's total contribution to the economy from R189 billion in 2009 to R499 billion by 2020 and to create 225 000 new jobs by 2020.

I know that you experience firsthand the job creation potential of tourism in your businesses and through the clients you deal with. Your success stories are a living testament to how tourism can change lives by giving hope, creating opportunities and empowering people.

We must use the success of the industry to inspire our fellow South Africans and international visitors about our destination, our products and our people. We must demonstrate to them every day in countless ways that South Africa is everything but ordinary.

Another vital element of our long-term strategy is the development of domestic tourism and fostering a culture of travel amongst South Africans. We must supplement activities on a national scale with attractive product offerings and out of the ordinary experiences from our regional tourism stakeholders. Through the NTSS we aim to increase the number of domestic tourists from 14.6 million in 2009 to 18 million by 2020. We can do it.

Looking beyond our borders we have also committed to further growing the South African tourism presence on the continent. We will build on our previous successes and record growth of African arrivals in 2010, which were up 12.8% on 2009 arrivals.

And going forward, there will be a strategic concentration of efforts on emerging markets, but without sacrificing our bread and butter traditional markets. Overall we will follow a balanced approach between international, regional and domestic tourism – drawing on the strengths of each market while employing tactics to drive innovation and unearth new markets.

Product development and diversification plays an important role, and in this respect we will join forces with other government departments, such as the Department of Arts and Culture, under the leadership of my colleague Minister Paul Mashatile, who is with us here tonight.

South Africa will also continue to drive our position as one of the world's leading business and events destinations. The emerging global appeal of the business and events market has opened up vast opportunities. We have taken an important strategic step with the establishment of a National Convention Bureau, which will be fully operational during the second quarter of 2011.

Conclusion

Ladies and gentlemen, I firmly believe the objectives and goals we have set for ourselves are an accurate expression of the potential of the tourism industry. The NTSS is the strategy that positions us to play globally and win locally. If we continue to work together like we have been doing for the last number of years, we are going to be immensely successful. We are, indeed, going to leave ordinary behind.

Lastly, it is with great pride that I will now give you a taste of our brand new global campaign. In the next 15 minutes the advertisements you are about to see will go live across the globe on international channels such as BBC World and CNN. It is expected to reach more than a billion viewers over the next year. The campaign will convert millions of new visitors into ambassadors for our extraordinary country. I know you will find it just as inspiring.

I thank you.

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