



**MINISTRY OF TOURISM
REPUBLIC OF SOUTH AFRICA**

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**Speech by Minister of Tourism, Mmamoloko Kubayi-Ngubane (MP) during the SONA
debate in the National Assembly**

19 February 2020

President Ramaphosa,
Deputy President Mabuza,
Presiding Officers
Ministers and Deputy Ministers
Honourable Members
Ladies and Gentlemen

Thobela

Maloko a gohlomphega, sepedi sere “Shago la moeng le beyiwa, ke mong gae” simply put a visitor is welcomed by the owner of the home ka se ke rata go gopotša setshaba sa borena gore ga baeng bafihlile mo nageng ya borena re thušeng ka go batlhokomela, le go gonthišiša gore ba boyela magaeng a bo bona.

It is in this context that we say Tourism is for everybody’s business. As a labour-intensive sector, tourism has the potential not only to create jobs, but also to stimulate entrepreneurship, gender equality and the upskilling of South Africa’s youth.

It is time for all of us to embrace this growing sector. Tourism is everybody’s business.

In the Tourism sector, we have some of the best transformative tools to work towards an inclusive growing economy. In this connection, the department of tourism has established a number of programmes aimed at transforming the Tourism sector. Notably, the Working for Tourism programme that facilitates the development of tourism infrastructure projects under the expanded public works programme employing youth, women and disabled people is one of our flagship programme.

Nehakwe Lodge, a four-star accommodation located in Ga-Mamaila, Limpopo, owned by the local community of the Mamaila Kolobetona Traditional Authority, was built by the Department of Tourism under the working for tourism programme. The lodge was built to provide the local community with a hub to trigger a tourism economy in the area to stimulate job creation and entrepreneurial opportunities.

During construction, one hundred and twelve (112) beneficiaries were employed and, for its operations 26 people are currently permanently employed. Linked to this, most furniture and décor items, used at the lodge were procured from the local villages. The lodge has also created an opportunity for local men and women to sell their art work and other crafts to local and international tourists who visit the lodge. This is just one example which demonstrates that tourism is everyone’s business including even of those in rural communities.

A few days ago I had the opportunity to have a conversation with a group of black women who are doing business in the wine industry. These women who have been in the industry for 15 years described to me the challenges of operating in a male dominated industry. Central to their challenges of growing their

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businesses is the lack of access to the market and access to land. They have been told repeatedly by potential customers to change the name of their brands because irrespective of the quality of their product, African brands do not sell. Indeed, honourable members, access to the market is one of the most devastating barriers to entry for new businesses especially black-owned businesses.

SMMEs in the tourism industry are not spared from this challenge. For this reason the department of tourism has established a number of Market Access Support Programmes. The aim of the Market Access Support Programme is to reduce the cost burden of marketing for small tourism enterprises. This programme, has created an opportunity for these enterprises to participate in selected international trade platforms giving them access to buyers in new markets.

We also have the Hidden Gems programme which provides training for SMMEs in tourism enterprises that are not sufficiently experienced or market-ready to exhibit at trade platforms. These SMMEs are then supported to participate in domestic trade shows. As I have already said, Tourism is everybody's business including SMMEs.

Access to finance for black businesses remains a huge challenge. In response, we have established the Tourism Transformation Fund in partnership with the National Empowerment Fund (NEF) which is a combination of debt finance of 60% and grant funding of 40% for new and expansion tourism development projects with majority black shareholding. This fund is capped at 5 million rand.

However, we have realised that for us to effect meaningful transformation in the tourism sector and ensure that those from previously disadvantaged communities can agree with us when we say Tourism is everybody's business we need to increase the funding quantum. As announced by the President in his State of the Nation Address, the Department of Tourism will launch the Tourism Equity Fund in the first Quarter of the 2020/21 financial year. The mechanism will be piloted in collaboration with the Industrial Development Corporation (IDC), aligned to the existing Black Industrialist Scheme of the Department of Trade and Industry and Competition. The fund will take the form of an equity fund that offers a combination of debt finance and grant funding for large capital investment projects in the tourism sector. I will announce the details of the proposed fund during the launch.

In recognition of the challenges faced by women entrepreneurs in the tourism sector, the department launched Women in Tourism (WiT) programme to ensure that women in the sector are Respected, Recognized, Represented, and Rewarded.

The tourism industry has 70% women participation, however, they hold less than 40% of all managerial positions, less than 20% of general management roles, and between 5 and 8% of board positions.

To address this challenge, the department of tourism took a decision to try and close this gap identified and devised Executive Development Programme partnership with one of our Higher Education Institutions. 50 women have graduated from the programme thus far and almost all of them have been promoted to senior management levels in their various organisations. One of these women is Ms Nokukhanya Sibisi, who before going through the programme was an assistant front office manager at Hilton hotel here in Cape Town. I am delighted to inform you Mr President that she has now been promoted to a position of a Guest Relation Manager for Hilton Worldwide Luxury Brand based in Dubai.

Honourable members,

I am certain that you must be asking yourselves what it is that, as tourism, we are doing to turn the growing youth population in our country into demographic dividend in demonstrating that they too Tourism is their business. In this regard, we have established a number of programmes to increase youth participation in the tourism sector.

For the past eight years we have been running a chef training programme, under which 2072 learners have graduated, 72% of which are in permanent employment.

To address the challenge of safety for tourists, we have recruited 1450 young people under the Tourism Safety Monitors programme in all the 9 provinces and these young people are now hard at work protecting tourist attractions and feeding their families.

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Other youth programmes also include the wine appreciation programme, the food safety programme and the coastal marine tourism skills development programme. Collectively, these programmes have an intake of close to 5000 young people annually.

Honourable members,

The tourism sector will only continue to grow if we are able to attract a growing number of international arrivals and also get South Africans to explore the country. We have a beautiful country, blessed with a diversity of tourist attractions but it is our responsibility to create the conditions conducive for travellers to make South Africa a destination of choice. I urge members to do tourism during recess to get to know your country because every visit contributes to the tourism economy. In this regard, I must repeat that tourism is everybody's business.

It is everybody's business to promote and protect the country's brand by ensuring we don't talk down our country as it does serious damage to the brand.

It is everybody's business to welcome and enrich the experiences of tourists in our various communities.

It is everybody's business to grow the tourism sector because it is good for economic growth.

I thank you!