



**MINISTRY OF TOURISM
REPUBLIC OF SOUTH AFRICA**

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Budget Vote Speech delivered by Deputy Minister Tokozile Xasa in the National Assembly

14 May 2014

Chairperson,

President Jacob Zuma declared 2015 as the Year of the Freedom Charter- a year of celebration of coming of age of our democracy, where we reflect on our milestones, the challenges and how we continuously address them as guided by the National Development Plan. In this context, this month we will also be celebrating Africa Day which celebrates African Unity. This commemorates what is now known as the African Union and promotes the ethos of socio-economic growth and inclusivity within the continent. That is why we united the country to denounce the xenophobic attacks. Indeed, we are positioned to be globally competitive and are ready to welcome the world to our shores. We need to restore the great reputation of our beloved South Africa, continue to build and grow Africa for a better world. Tourism builds people to people relations.

To demonstrate our commitment, South African Tourism will be opening offices in Angola and Kenya during this financial year adding on the recently opened office in Nigeria.

In line with the National Development Plan, our focus is on inclusive economic growth and job creation. Tourism is recognised as one of the main drivers of the country's economy and employment. The sector is also recognised as one of the six core pillars of growth in the New Growth Path.

This requires that we work diligently to sustain a firm foundation from which we can continue to attract more visitors to the country, deepening the transformation of our economy and moving South Africans ever further along the path to true freedom.

Domestic tourism is a key component of our journey going forward. At any given time, three quarters of all tourists in South Africa are South Africans. Indeed, this is the backbone of our industry and plays a major role in the sustainability of the sector.

South Africa has a strong and vibrant cultural diversity and this includes tangible and intangible culture and heritage tourism products in the form of the arts, crafts, festivals, indigenous knowledge systems, oral history, storytelling and folklore, heritage sites, natural heritage, to name but a few. Indeed, we have a rich and vivid history, ideal for cultural tourism.

I recently attended the launch of the Moruleng Cultural Precinct in the North West Province. What is interesting about this attraction is the preservation and celebration of heritage; the promotion of education; the community development element, the promotion of careers in the heritage sector; Job creation through the empowerment of local entrepreneurs, artists and crafters; tourism, and nation building. Moruleng will provide a diverse experience for tourists visiting the area, who would normally visit Sun City and Pilanesberg by adding a culture and heritage experience. I would like to acknowledge His Royal Highness Kgosi Pilane, who is with us here today.

One niche area receiving our attention in the current financial year is Culture and Heritage – specifically our Liberation Heritage. In partnership with the National Department of Arts and Culture, Provinces and Local Government we are working to explore the tourism potential of the 300 sites listed by the National Heritage Council in the Liberation Heritage Route database.

We recognise that there can be no economic development without people development. By empowering our people, we give them the tools with which to participate in the economy in a meaningful way and take advantage of what South Africa has to offer.

In the past financial year we have made great strides in our focus to bring the human element into all our programmes, and we are constantly seeking to find synergies between the initiatives we implement, and people development.

Some examples of how this has been done successfully include programmes like the National Youth Chefs Programme, Tourism Buddies, the Sommerliers and Food Safety Assurers programmes. (The success story of Luvo Ntezo began when he started as a porter 15 years ago. He then moved on to become glass washer. After a series of studies at the Cape Wine Academy and studies in viticulture, he became head sommelier. In 2008, he was awarded the best sommelier in Africa. Subsequent to that, was awarded 4th best in the world). This talks directly to our commitment to the future sustainability of the tourism industry by supporting young people who have chosen a career in tourism. These have succeeded because we are in partnership with the private sector. We urge more of private sector partners so as to give more young people opportunities that would change their lives forever.

The National Young Chefs programme was launched by the department owing to the dire shortage of chefs in the tourism industry in South Africa which resulted in the training programme for young people to become chefs. Currently graduates of the programme are employed by some of the major hotel chains, others have embarked on their own catering businesses and others have gone on to the third year of being trained. The programme has changed the lives of over 2000 young people while also helping to provide skilled chefs to South Africa's growing hospitality industry.

Our food safety program pilot has introduced a new career path within the hospitality sector. Unemployed hospitality and tourism graduates from FET's are being inducted as Food Safety Assurers in hygiene, food handling preparation and storage - with 65 graduates being placed in hospitality establishments for experiential hospitality training in Limpopo, Mpumalanga, and KwaZulu Natal. In 2014/15 we trained 100 Assurers and a further 10 unemployed university graduates who studied environmental health and food nutrition were inducted and placed as mentors. From this programme, it gives me great pleasure to welcome Ms Alicia Subramany, Ms Vaneshree Moodaliyar and Mr Minentle Nxaba to the House.

The Tsogo Sun hotel group have already realised the value that the young people on this programme add to their business, having placed 65% of our graduates. Work is underway to place the remainder of the intake, with interest shown by the Departments of Correctional Services and Health for deployment of Food Safety Assurers at hospital and prison kitchens. In the current financial year we plan to take a further 300 unemployed graduates through the programme.

The Hilton Group has also shown its commitment by forming a sustainable partnership with us and by being a strong proponent of our National Tourism Career's Expo (NTCE).

Our passport to the world curriculum is learner centred with a focus on acquiring knowledge, experience and skills related to the tourism industry. Another of our flagship programmes is the National Tourism Careers Expo which started in 2008. This platform primarily promotes tourism as a career, a profession, and employer of choice, while also encourages young people to take up entrepreneurial opportunities that exist in the sector.

The last session for the Eastern Cape Province as host of the NTCE concluded with the introduction of a new important platform called Student-Preneur (enterprise development) which seeks to unearth entrepreneurial innovation from young people. 5 Youth in school business ideas and innovations qualified for further business development that the Department is working to support.

We continue our theme of youth development through programmes such as the Future Leaders Forum run jointly by IMEX. Many students have benefited from peer networking and career guidance and opportunities by attending one of the 81 forums worldwide since 2003. In 2014 the Winner of the International University Challenge at Meetings Africa, a student from the North-West University, came second globally at the challenge in Frankfurt. Nominations are open to all full time registered final-year students in event, tourism and hospitality management.

Equally, we are empowering women in the tourism space to make their voices heard, and prepare them to take the lead in driving the sector forward. In 2014 we held the inaugural Conference of what has become known as "Women in Tourism". It has committed its work to the following pillars: Respect;

Recognition, Representation and Results. We have started on a national mobilisation that will see provincial chapters of Women in Tourism established. At the recent Indaba an impressive group of women from the public and private sector gathered to network and strengthen alliances. We would like to make sure that more women-owned tourism enterprises are aware, and benefit from available government support. Earlier this year we announced the introduction of the Tourism Incentive Programme (TIP). This programme offers financial support to tourism enterprises that aims to reduce the cost of doing business and to stimulate business growth and development.

We would like to encourage women-owned tourism enterprises to apply for the support offered under the TIP. The support for tourism grading and market access is only the start. In the years ahead, we will refine and expand the programme to support the accelerated transformation and growth of tourism enterprises.

Business and events tourism is just one example. The SA National Convention Bureau focuses its efforts on attracting business events in economic sectors aligned with the NDP. Hosting of business events in the country deepens the macro-economic impact of these sectors. In 2014/15 55 bids were registered with a potential to attract 122 772 business professionals to South Africa over the next 5 years. The combined impact of this would have an impact of R1.7 billion. These conferences will generate an estimated 243 conference days at various convention centres and meeting facilities across the country. 13 of the 55 submissions have been converted into secured business with 33 submissions awaiting outcomes and 09 bids lost. The South African industry with the SANCB also secured 177 business events for the country over the next 5 years which will attract 253 128 delegates, creating 753 event days and an estimated R3.5 billion in economic impact.

Our focus on enforcing tourist guiding standards deepened in 2014, and will continue in the current financial year. NDT successfully entered into agreements with CATHSSETA and the Field Guides Association in Southern Africa (FGASA) during 2013 which was aimed at prioritising tourist guide training and development throughout South Africa and to strengthen relationships with tourist guiding associations respectively. During the course of the 2014/2015, NDT continued engagements with these respective organisations particularly with regards to the qualification development process which is still in progress. The Quality Council for Trades and Occupations (QCTO) had appointed CATHSSETA to facilitate the curriculum development process together with industry bodies and subject matter experts.

The following statistics are based on the data submitted by provinces on a monthly as well as on a quarterly basis: Registration figures grew by 12.26% over the past five (5) years from 8 657 in the 2009/10 financial year to 11 078 at the end of 2013/14 financial year. Since the promulgation of the Tourism Amendment Act in 2000, the participation of Black tourist guides (i.e comprising Africans, Coloureds and Indians) grew from less than 10% in 2000 to just over 30% in 2010 which represents a growth of over 20% in a ten (10) year period. The number of female tourist guides also grew in the past few years from 2 937 tourist guides registered in the 2009/10 financial year to 3 574 registered during 2013/14 financial year which represent the growth of 9.78%.

Chairperson, as you can see we are attacking tourism sector development from many fronts. Our goals are clear, and we are taking an integrated approach. We are well on our way to reach the steep targets we have set ourselves in the National Tourism Sector Strategy.

I would like to conclude with a quote by Nelson Mandela – “I dream of the realisation of the unity of Africa, whereby its leaders combine in their efforts to solve the problems of this continent. I dream of our vast deserts, of our forests, of all our great wildernesses.”

Let us continue to move South Africa forward to realise this dream. One country, one continent.

I thank you.