



**MINISTRY OF TOURISM
REPUBLIC OF SOUTH AFRICA**

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Speech delivered by the Deputy Minister of Tourism, Tokozile Xasa, at the occasion of the Tourism Buddies Stakeholder Engagement at the Graduation – George

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Dear colleagues in tourism

I am deeply honoured to be here today where we say thank you and honour you for your invaluable contribution to this amazing programme.

It's wonderful to be here in your beautiful area. It has the fitting name of Eden. Let me take this opportunity to congratulate the District Municipality after being awarded for the third consecutive year, as the overall winner in the Greenest District Municipalities Competition, walking away with R130 000. One of its local municipalities, namely Hessequa Municipality, topped the B-municipality category. Amazing things are happening here!!

As you know, over the past 20 years, tourism has experienced continued and steady growth in South Africa and has undergone such a diversification in our country to become one of the fastest growing economic sectors. Modern tourism's success depends on, and is closely linked to skills development. In fact, they share a symbiotic relationship. These dynamics have turned tourism into a key driver for socio-economic progress. It has subsequently been identified as one of the economic pillars.

The aim of the Department of Tourism and government is to safeguard the long-term prosperity of the tourism industry through sustainable development, giving special attention to training human resources in specifically tourism-orientated skills, which will ensure the professionalism of service performance. Tourism businesses are no longer competing purely against each other, but against other economic sectors. Supply will have to adapt to the needs of the consumer, and consolidate a competitive advantage.

I am here to listen to your challenges and to update you on various tourism issues.

Challenges the youth face in the Eden District focusing mainly on the tourism industry:

I believe one of the challenges is that, overall Eden District has the highest levels of youth unemployment amongst the districts within the Province and the youth are over-represented among the unemployed perhaps due to their lack of experience. Literacy rates in the Eden District are relatively high compared to the other districts within the Western Cape. There is, however, a trend towards mechanisation and employing skilled and highly skilled labour. This indicates that going forward, further skills development as well as low skilled labour intensive initiatives will be necessary to stimulate employment in the region.

Although tourism is the world's largest generator of jobs which generate immediate employment opportunities as it grows. The youth of the Eden District, remain to struggle with the following challenges to fully benefit from the tourism industry.

- Access to funding in order to start their own tourism business, especially in the accommodation section.
- There is a lack of education and skills development programmes within the tourism sector.
- Lack of awareness and resources to educate themselves
- Lack of innovative ideas and enthusiasm for the tourism industry
- Economic opportunities and support for entrepreneurs in the tourism industry

- Lack of sustainable institutional arrangements for effective youth development in the tourism industry.
- Seasonality in the tourism industry

I am pleased to see Eden District Municipality working on various projects in attempt to address these challenges.

- The Eden School of Culinary Art (ESCA) in association with, ABSA Bank and the Eden District Municipality seeks to address the high rate of unemployment within the Eden District. In particular the ESCA seeks to provide culinary skills training for people who are unemployed, own a homestay, or a catering enterprise in the Garden Route and Klein Karoo area. Therefore the Absa Eden Cater Care Training program had been developed by these partners.
- The Eden District developed youth cafés where they seek to address youth unemployment, by equipping them with life skills, entrepreneurship, computer practice, keep them update with the new technology, personal development skills, CV writing skills, behavioural change etc. The youth café is also a place where young people socialize, get educated and build healthy friendship. Service at the centre is free of charge.

I now wish to give you a brief update on what we as a department are doing to grow tourism.

Rural Tourism

The National Rural Tourism Strategy advocates for a developmental approach to the packaging of rural tourism products and opportunities in South Africa. This approach is also meant to prioritise spatial nodes that have the potential to stimulate growth of the rural tourism industry in South Africa.

Heritage and Cultural Tourism

The Department of Tourism has established the National Heritage and Cultural Tourism Strategy which primarily aims to integrate the issues of heritage resources into the ambit of tourism development for sustainable management and economic empowerment. Heritage and Cultural Tourism are rapidly and competitively emerging niche products within the domestic and international markets. Trends illustrate that heritage and cultural tourism products provide a unique opportunity for the participation of both tourists and local communities in tourism activities and initiatives (UNWTO 2014)

Social Tourism

Social Tourism is an initiative of the Department of Tourism to address the gaps identified in the Domestic Tourism Growth Strategy, which amongst others are seasonality and uneven geographic spread. Through this initiative, the department hopes to encourage a culture of travel for leisure amongst South Africans. The targeted groups for social tourism are: the youth, the elderly, people living with disabilities, people with modest income and social/ stokvels groups. The latter (stokvels) is targeted in particular as they have disposable income and it is rarely used for leisure travel purposes. We have set the ball rolling; however, we cannot do it on our own. We need the assistance of the entire tourism sector, South African Tourism to the provincial marketing authorities and agencies, associations, municipalities, accommodation establishments, transport companies, tour operators and attractions to come on board.

Tourism Incentive Programme (TIP)

The TIP is a new initiative that was launched by Minister Hanekom in March this year. The overarching policy rationale for introduction of the TIP is rooted in the National Development Plan (NDP) and the New Growth Path (NGP) that recognises tourism as a labour intensive and tradable service sector and a catalyst to support 'faster and more inclusive economic growth' as one of the six priorities underpinning South Africa's 2030 vision. The TIP therefore serves as a tool to stimulate the growth, development and transformation of the South African Tourism sector. It comprises of the following:

- **TIP - Market Access Support Programme**

The Market Access Support Programme provide support to private sector tourism enterprises to reduce the cost of participating in international trade exhibitions and marketing roadshows

to stimulate enterprise growth to drive more employment. Under the programme, qualifying tourism enterprises receive partial reimbursement of certain costs incurred during participation at pre-determined international marketing platforms.

- **TIP -Tourism Grading Support Programme**

The Tourism Grading Support Programme has been introduced to encourage more accommodation and meetings, exhibitions and special events (MESE) establishments to get graded and stay graded under the star grading system of the Tourism Grading Council, commonly known as the Tourism Grading Council of South Africa (TGCSA). The programme offers assistance in the form of a structured system of rebates on the final grading assessment fee paid to the TGCSA. The support mainly covers expenses on travel, accommodation, and registration fees and reimbursements are capped at a particular amount per event.

- **TIP - Tourism Energy Efficiency Retro-Fitment Pilot Project**

In the context of intensifying pressure on the national energy grid, as well as the critical requirement for energy security in tourism operations, it is important that the tourism sector to consider more energy efficient solutions. The renewable energy programme component involves a pilot project to retrofit tourism facilities at strategic and iconic state-owned attractions with renewable energy systems. The outcome of the pilot phase will inform the development of a tailored programme for private sector tourism enterprises that aims to improve energy security and lower input costs and facilitate the migration of the sector to renewable and cleaner energy sources.

- **TIP - Destination Development and Enhancement**

During the pilot phase of the TIP, this component involves investment support for projects in which the department is already involved to facilitate product development and enhancement of strategic and iconic attractions and support towards operational sustainability of community based tourism development projects.

- **TIP - Stakeholder Engagement and Awareness Campaign**

Following the launch of the programme, the department embarked on an awareness campaign to share information on the TIP. The campaign revolved mainly on a series of information workshops held in 26 different locations across all nine provinces. These workshops were extremely well received by the 1 752 tourism stakeholders that attended the workshops. In addition to the above, the department has assisted numerous stakeholders directly through responding to telephone enquiries and email enquiries submitted to the dedicated email address set up for this purpose (tipenquiries@tourism.gov.za)

- **Tourism Training and Skills Development**

The Department of Tourism's National Tourism Sector Strategy has, among other things, identified a need to address skills shortages in the tourism sector by training and building the capacity of unemployed youth and graduates, especially in critical and scarce skills in the hospitality and tourism services sector. The following training programmes are successfully underway:

- **Tourist Guide Up-Skilling Interventions**

The training programmes that are offered to tourist guides in South Africa provide a range of practical skills and knowledge components, which are essential components of any tourist guiding qualification. However, over the years, various inconsistencies have been noted with regards to the quality and standards of some of these training programmes which have also resulted in varying degrees of tourist guides being produced. Therefore, it is essential that efforts are made by government and other tourism partners to enhance the levels and quality of tourist guiding that are offered across the country. Not only will this ensure integrity of the tourism sector but it will also result in higher levels of tourist satisfaction whilst ensuring the sustainability of such practices.

- **Food Safety Programme**

An innovative Food Safety Programme pilot has introduced a new career path within the hospitality sector. Unemployed hospitality and tourism graduates are being trained as Food Safety Assurers in hygienic food handling, preparation and storage

- **Tourism Buddies, Chefs and Sommelier Programmes**

The Tourism Buddies, Chefs and Sommelier Programmes have all shown great success with the number of learners placed in experiential training positions in the industry.

- **National Tourism Careers Expo (NTCE)**

Our National Tourism Careers Expo is a success story of which we are very proud, as it enters its 7th sustainable year in existence. We have worked hand-in-hand with the Tourism and Education leaders in the Provinces, as well as our stakeholders at CATHSSETA to produce an annual Expo to educate our youth on the potential career streams available to them in the tourism industry.

- **Women in Tourism (WiT)**

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". Our themes centred on "Respect", "Representivity", "Recognition" and "Results. We have started on a national mobilisation that will see provincial chapters of Women in Tourism established.

One of the most current issues in the industry is the visa regulations. I would like to give you feedback on that.

National Department of Tourism Statement on the Review of Immigration Regulations

The Department of Tourism welcomes the recent Cabinet announcement on immigration regulations and is working with the Department of Home Affairs and tourism stakeholders in implementing the changes. The Cabinet announcement follows recommendations made by the Inter-Ministerial Committee established by President Jacob Zuma to find a better balance between South Africa's security and economic development needs. The recommendations will be implemented in a phased approach, and will make it easier for tourists to travel to South Africa without compromising national security or the safety of children.

I wish to thank you for your support by absorbing these graduates into the industry and trust that we will grow the absorption rate even more. Without your support, today would not be possible. Let us continue to enjoy a mutually beneficial relationship as we work together to position South Africa as a destination of choice.

I thank you