



tourism

Department:
Tourism
REPUBLIC OF SOUTH AFRICA

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Address by the Deputy Minister of Tourism, Tokozile Xasa at the Youth in Tourism – Business Breakfast, Capital Hotel School

10 June 2013

Programme Director
Proudly SA CEO, Adv. Leslie Sedibe
The Chief Operating Officer, Mr. Dirk van Schalkwyk
Distinguished Guests
Members of the Media
Ladies and Gentlemen

It gives me great pleasure to be a host to such a meaningful and much needed engagement between government and the private sector. First of all, I would like to take the opportunity, on behalf of my Department to welcome Proudly SA and all our partners for being part of a forum to discuss opportunities for our youth in the Tourism sector.

As we commemorate the sacrifices made by the youth of 1976 who were willing to lay down their lives in a fight against the apartheid government, our government recognises that the youth of today have a different form of struggle which is that of economic emancipation, access to quality education, unemployment, substance abuse and HIV/AIDS. It is therefore fitting to have the Youth Month theme for this year as: **“Working Together for Youth Development and a Drug Free South Africa.”**

It is occasions of this nature where we are able to reflect as a nation on the current youth unemployment situation and the progress that we have made in implementing practical programmes, strategies and policies to empower the youth to participate more meaningfully in the economic development of the country.

The low levels of youth’s participation in the mainstream economy and youth unemployment is a key concern for this Administration. The challenge for this government is to ensure that this large and highly energetic section of our society is engaged in productive activities that will not only improve their own well-being, but also contribute to the enhancement of the quality of life of all South Africans.

Available estimates show that we have many young people across the globe compared to children and adults. In the world the youth (15-25 years) constitute 1.1 billion or 18% of the global population. Youth and children together (0-24 years) constitute 40% of the world population. In most African countries, including Kenya, Tanzania, Zimbabwe and Zambia, children and youth constitute above or over 60% of the total population, with the young people constituting about a third (30%). In South Africa, children and youth constitute 70% of the population whilst youth aged 14-35 constitute 41.2% of the population.

The demographics which I just highlighted clearly indicate that the youth population would continue to grow in absolute numbers. It is therefore undisputed that, young people deserve a bigger share of development investments. Therefore, addressing youth issues should remain salient for the South African community.

The focus on youth development is still very much on the government's agenda. This year saw the signing of the Youth Employment accord. The accord emphasizes the following 6 commitments:

- Improving the skills base
- Giving young people work exposure
- Involving young people in National Youth Service
- Intensifying public employment programmes
- Supporting youth entrepreneurship and youth cooperatives
- Promoting Private sector measures

This is a viable and meaningful approach to addressing the challenge of youth unemployment, a far better response than a youth wage subsidy.

We may be able to achieve more if all social partners commit to work together and have a single, coordinated approach to youth employment creation with a deliberate focus on skills development.

In response to this predicament, the President will be championing implementation of the country's youth development agenda in order to direct the efforts of various stakeholders. In this regard, the President has mandated a Presidential Youth working Group be established to afford him an opportunity to interact with the relevant stakeholders in the youth development space.

Programme Director, this Administration made the right decision by identifying tourism as one of the top six priority areas in the New Growth Path, strictly focussing on the promotion of economic development and job creation in South Africa. You will also be aware of our performance as a sector, President Zuma announced a favourable growth of 10.2% for year 2012. To date, we contribute 9% to the GDP, created more than half a million jobs according to 2010/2011 statistics.

Working together with the private sector, it is our main objective to ensure that we continue to develop a sustainable tourism industry. However, we can never be able to sustain a favourable tourism industry if we do not pay serious attention to skills development and training, putting our Youth first.

We have embarked on a number of initiatives as the department, and it prides me to inform you that we are immensely satisfying the employment and development needs of our young people.

The National Department of Tourism, UMALUSI and CATHSSETA entered into a partnership to conduct analysis and evaluation of the existing curriculum for Tourism, Hospitality and Consumer Studies subjects from NQF levels 2, 3 and 4 of the National Certificate Vocational (NCV offered at FET Colleges) and National Senior Certificate (NSC offered at high schools).

The main purpose of the exercise was to establish the value and quality standing of the intended curriculum for these subjects in the overall education and training terrain as well as a determination whether the existing curriculum is in line with industry skills needs.

We have a dialogue platform on matters of skills demand and supply in tourism, particularly targeting students, high schools, institutions of higher learning and the private sector. Its primary objective is to expose young people to career opportunities within the tourism sector. More than 56 891 young people have attended the National Tourism Careers Expo since 2008 until 2012. One key innovation for the NTCE is that unemployed graduates easily access existing vacancies in the industry and are able to apply directly whilst being taught how to compile CVs and to handle job interviews.

In addition, NDT is in partnership with the Ubuntu Institution on International placements. This is the institute that managed to place 500 unemployed youth in Canada and USA after securing funding from the DBSA. We are looking at another 500 to be placed this financial year 2013/2014.

The objective is to make young people employable in that these placements provide them with much needed work experience whilst getting paid a stipend and enables them to sell themselves as they take on available job opportunities. I know the question that people might ask is – what happens when our youth return back home – we fiercely make arrangements for full time absorption by employers as an ultimate objective.

Under the Gauteng Province & Western Cape Sommelier Programme, we have 186 young people being trained and 15 of them have confirmed permanent placements. When you look at the Hospitality Youth Initiative, there we are training 432 and 64 from the group are permanently employed at this stage.

Programme Director, It is important to also highlight the progress we have made in terms of our EPWP targets. When we talk of EPWP programme, it is more about prioritising skills development as a critical element for the tourism sector. Let me share with you some successes only looking at 2012.

500 young persons have graduated as chefs and 120 have already been placed with established hospitality institutes, such as hotels, bed-and-breakfast establishments and restaurants as part of our Young Chefs training programme. To be succinct, 300 of the mentioned 500 have been enrolled for second-level training which is equivalent to NQF level 5 (National Diploma), and, owing to the success of the programme, another 500 young people have been enrolled for the first time in the programme for 2013.

In addition to these initiatives, let me emphasize that for development to be meaningful, it must be broad enough to encompass all sections of society. In this respect, support programmes for the SMMEs and entrepreneurs are also crucial for my Department.

We are working in collaboration with the Tourism Enterprises Partnership (TEP). It has been very successful, in a manner that in 2012- TEP supported 5,003 jobs created by SMMEs, which delivered an increased turnover of R785 million. This raised TEP's overall contribution to job creation over the past ten years to more than 75 786 jobs and a turnover increase of over R6,4 billion. This is also a meaningful difference and my department will fund the TEP with R25 million to support SMME development in 2013.

The Department of Tourism will continue to play its share in terms of strengthening focussed internship programmes. Only by working together, both government and the private sector, we can make economic freedom for our youth a reality.

It is important that I also share with you other measures that Government is putting in place to boost labour absorption among young people and to create an environment for economic growth that supports youth development over the long term.

The new Small Enterprise Funding Agency (SEFA) from the Department of Economic Development will make R1,7 billion available over the next five years for youth enterprises, with a target of R220 million in this financial year. In addition, the *Industrial Development Corporation* (IDC) announced a R1 billion Youth Fund which is to provide concessional lending to youth-owned enterprises that create jobs. I will encourage our youth to take interest in such opportunities in order to benefit from them.

Proudly SA, we know that young people are by their very nature innovative, although some will say adventurous. Let us continue to work together to build an active and inclusive

citizenship, especially among the most vulnerable groups of our society. This is critical if we are to build a new vision for our country as encapsulated in the National Development Plan.

The future of any society can only be guaranteed and assured by its youth. The energy and resourcefulness of the youth serves as new fuel for the development of society.

I thank you.

Tokozile Xasa, MP
Deputy Minister of Tourism

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