



Speech to the National Assembly by Deputy Minister of Tourism , Fish Mahlalela, MP, Parliament of the Republic of South Africa, Cape Town

Tourism Budget Vote 38

24 May 2023

Honourable House Chairperson,
Minister of Tourism, Honourable Patricia De Lille
Ministers and Deputy Ministers
Honourable Members of the House
Director-General and Senior Managers of the Department
Acting CEO and Executive Managers of South African Tourism
Distinguished guests

The recently held Africa's Travel Indaba which is the largest tourism trade show on the African continent, imbued us with a great hope that our tourism industry and travel sector is making a strong and sustained comeback.

This auspicious Indaba was held now in May which is Africa Month where we celebrate the rich African heritage and her sheer resilience of her populace against colonialism.

The recently released arrival figures are particularly encouraging given the fact that majority of tourists in 2022 were from our Continent.

House Chairperson, tourism sector is bouncing back!!

Travellers from the region and the world are increasingly seeing our country as a destination of choice and flocking in our shores to experience our natural wonders and spend their money to contribute towards job creation.

Last year on the occasion of the World Tourism Day the UNWTO introduced the concept of "rethinking tourism" which embodies an essential step for the full realisation of our sector's enormous and unrivalled potential to deliver positive change and opportunity for our people.

It means inclusive tourism that benefits marginalised communities and contributes to gender equality.

The forecast from the WTTC Economic Impact Report shows South African travel and tourism sector is forecasted to grow at an average rate of 7,6% annually over the next decade, significantly outstripping the country's economic growth rate.

By 2032, the sector's contribution to GDP could reach more than ZAR 554 billion, that is (7,4% of the total economy) injecting nearly ZAR 287 billion into the national economy.

The sector is expected to create over 800 000 jobs over the next decade to reach more than 1,9 million jobs by 2032.

It is a known and irrefutable fact that many countries around the world placed severe and damaging restrictions to South Africa, which even caused further damage to the sector by putting thousands more of livelihoods at risk.

Domestic Tourism

We will continue to encourage our citizens to take a *Sho't Left* in our beautiful country. We believe this is a way of encouraging South Africans to visit accessible and affordable places in our country.

As part of the revitalisation of the tourism sector, we will be implementing **four domestic tourism campaigns** which are meant to create awareness and encourage South Africans to travel by ensuring affordable and accessible travel and tourism products.

We will also pay special focus on the growth and development of less visited areas in South Africa.

By growing the country's tourism sector is a key aspect of the country's Tourism Sector Recovery Plan and aims to ignite economic growth and create jobs. Domestic tourism is an important key pillar in the sustenance of the industry. This has proven itself, at the height COVID-19 pandemic where the industry was solely depending on the domestic market to sustain itself.

Information and affordability are of utmost importance to make the population travel. Unfortunately, racial profiling also remains a big concern for many domestic travellers.

We will continue to encourage South African Product Owners (SAPO) to cater for domestic travellers' needs through their various products and offerings.

RESPONSIBLE TOURISM - Community Projects

Our investment in infrastructure contributes to creating and enhancing tourism products for inclusive growth mainly in rural areas. This will include the development of community owned tourism facilities and maintenance of state-owned tourism assets.

Meanwhile, as part of the destination enhancement and route development, projects to diversify tourism offerings and enhance visitor experience in identified priority areas will be implemented.

We will also support and monitor the implementation of twenty-nine community-based tourism projects which are meant for enhancement of visitor's experience in rural communities by growing domestic tourism, creating jobs and development of SMMEs.

Grading Council

The Tourism Grading Council of South Africa continues to grow with a portfolio of over 4800 properties. In this fiscal year we aiming to complete the review of the grading criteria and continue to innovate in this area of work by including short-term rentals, sustainable initiatives and new traveller trends.

The continued growth of the Basic Quality Verification programme, which serves to provide certification for homestays and tourism establishments in villages, townships and small dorpias and is also rolling it out through KwaZulu-Natal this year. Through this programme, TGCSA has employed 20 graduates to evaluate these properties. This programme is a significant contribution towards the advancement of the goals and objectives of the Economic Reconstruction and Recovery Plan.

South African National Convention Bureau (SANCB)

For South Africa to continue to maintain its position as the number one business events destination in Africa and the Middle East, is to be truly competitive on the international stage and enhanced its focus on business development support.

For the medium to longer term, the SANCB will continue its focus on demand creation and bid support globally.

In the 2022/23 financial year, the SANCB sourced and submitted 95 bids for international business events to be hosted in South Africa between 2022 and 2029. The Unit had a target of 93 bid submissions for the 2022/23 Financial Year.

The 95 bids submission have a combined estimated economic value of R1.2b and can potentially attract 49 232 international and regional delegates to South Africa between 2022 and 2029.

Youth Skills Development

The Youth Skills Development Programme implemented by the Department is leaving a dent on the scourge of unemployment and consequential social strife. These various training programmes are implemented in partnership with the private sector to focus on interventions to improve visitor experience and are based on industry demand.

Following the successful completion of 30 chefs enrolled last financial year, about 50 chefs will undergo a **Recognition of Prior Learning** process this financial year to obtain professional designations or qualification. The programme targets employees who have acquired experience and skills over the years, but never got a chance to access formal education and training, therefore have no formal qualification to show.

The Department will embark on training **2500 unemployed youth and 250 SMMEs on norms and standards for safe tourism operations**.

In addition, for the support to SMMEs, three existing business incubators that is, tourism and innovation incubators, food services incubator and community-based tourism enterprise incubator will be supported in this financial year.

At the same time **1500 unemployed youth** will be trained **on identified skills development programmes** and over **4000 job opportunities** will be created through the EPWP programme.

The Department is currently in a process of finalising a **Gastronomy tourism framework** which will result in the promotion and development of tourism **gastronomy** experience across South Africa. This will provide the country an opportunity to showcase the country's history, heritage, cultures, geographic and cultural diversity through tourism with a specific emphasis on community development, poverty alleviation focusing on women, youth and people with disability

We will host the **National Tourism Careers Expo** to promote tourism as a career, profession and business of choice whilst inversely presenting a platform for industry to sell itself as an employer of choice.

Last year, we hosted the NTCE at the Johannesburg Expo in Nasrec which was attended by 5283 learners, of these 137 learners who participated were learners with disabilities. Other key stakeholders who participated were educators (688), university and TVET college students (1335), unemployed youth (263) and exhibitors (78).

Tourism Incentive Programme

The Tourism Incentive programme has an allocation of R243 million, which will be used to contribute towards the transformation of the sector to ensure ownership, management, control and skills development.

An amount of R129,77 million will be transferred to SEFA as part of the capitalisation of the TEF while an anticipated amount of R17 million will be used for the implementation of the TSGP by South African Tourism.

The remainder will be used for the implementation of MASP and possible recapitalisation of the GTIP to expand the programme.

Multi Fora Engagements

South Africa will continue to enhance ease of access for tourism priority markets. An analysis of SA Tourism priority markets in 24 markets shows that the prioritised tourism markets enjoy a relatively liberal visa regime.

Thus, more work is required for market development such as in Eastern Europe, Asia in particular China and India and the African continent. We will continue to work with our partners and the private sector to monitor and support the implementation of the e-visa system and the requirements for tourist to visit South Africa and for the re-establishment of South Africa's airlift capacity to ensure adequate capacity for tourism markets.

In conclusion, chairperson every hand is needed on deck regardless of our political and social affiliations to push and advance the gains of our tourism sector, because we strongly believe that the success of the industry is possible only with the total sum of every effort of everyone in our beautiful country.

I thank you