

## **Tourism Budget Vote 33: Speech by Portfolio Chairperson, Hon B Ngcobo - ANC (MP)**

14 May 2014

Hon House Chairperson  
Hon Minister of Tourism and Deputy Minister  
Hon Members

African National Congress Support the Budget.

The Department got an award from the Auditor General in 2013/14 in the economic cluster. The budget for this financial year is R1, 8 billion from R1.5 billion in the previous year.

The NDP recognises Tourism as one of the drivers of economic growth and job creation. It further envisages the promotion of SA as a major Tourist destination to boost Tourist numbers and enable the sector to contribute directly to poverty reduction and inclusive economic growth.

Tourism has proved its ability to create sustainable and labour Intensive job opportunities. It currently employs 655,000 people directly and approximately 1.4 million people indirectly. This constitutes 4.4% of the labour force in SA. Skills shortage remains high and may hamper further job creation opportunities.

Tourism is a source of revenue and employment through investment in infrastructure, services and product development. A full Tourism potential can be achieved through a well-resourced department that will champion programmes that facilitate inclusive economic growth.

The department and SAT submitted their strategic plan and APPs to the Committee.

In preparation for considering the budget vote, the committee interacted with the department, SAT and Tourism stakeholders to establish the needs of the sector and ascertain strategies that could be implemented to promote inclusive growth.

Meetings were held with Tourism Business Council of South Africa (TBCSA), Tourism Enterprise Partnership (TEP) and Hospitality Industry (FEDHASA)

According to UNWTO countries should SA as a destination to maintain a high level of tourist satisfaction, ensuring meaningful experience to tourists, raising awareness about sustainability issues and promoting sustainable tourism practices amongst them.

The Tourism Budget for 2014-19 has taken responsible tourism into account. A number of programmes will be implemented to entrench and mainstream responsible tourism. These include: retrofitting of tourism facilities with energy efficiency technologies starting at the National Parks and World Heritage Sites.

The Tourism resource efficiency programmes will cut cost of doing business, contribute to clean environment and make the National Parks and World Heritage sites self-sustaining.

Star grading remains important for SA as a sign of quality assurance to visitors. This will be ensured through funding the Tourism Grading Council of SA. Tourism Grading will for the first time be extended to emerging enterprises that could not enrol in the programme due to grading fees attached to the scheme.

Service excellence programme will be implemented in all the 9 Provinces. This will ensure that SA as Tourist destination has the same appreciation, understating and the significance of providing high quality service and experience for visitors thus encouraging repeat visits. This is likely to become a reality as each province believed it is better than others - this was displayed at the Local Government Conference in Johannesburg.

We call upon private sector to work with government in achieving a positive destination image as it is at the coal face of providing services to tourist both domestic and international. It is urged to strive for service excellence.

A budget has been set aside for improvement of signage at World Heritage Sites. The Cradle of Mankind, Vredefort Dome and Isimangaliso have been prioritised for 2015/16.

The complaints officer was appointed in January 2015 to deal with tourist complaints. This will assist in referring complaints to relevant offices thus achieving speedy resolution of matters.

## DOMESTIC TOURISM

South Africa has been investing more in marketing international tourism at the detriment of domestic tourism. The budget has been increased to promote domestic tourism.

Some countries such as Kenya, Turkey and others have improved their GDP, economy and increased employment rates. Domestic tourism will translate to direct and indirect employment. The department should engage the private sector regarding their domestic packages to facilitate affordability to all citizens.

Domestic tourism can transform the tourism industry that remains myopic and representative of the previous economic structural deficiencies.

## REGIONAL TOURISM

Tourism knows no borders and plays a big role in boosting regional tourism economy, countries such as Zambia, Zimbabwe, Mozambique and Namibia have introduced a UNIVISA and already reaping rewards from seamless movement of tourist between their countries.

South Africa already receives a huge number of visitors from the region and an introduction of the UNIVISA in the entire SADC regions can increase regional tourism and promote trade. South Africa can be a big winner in such an arrangement for business tourism, shopping and leisure.

The budget for continued participation of the department in the Regional Tourism Organisation in Southern Africa (RETOSA) is commended as this organisation provides a platform to align destination SA issues in the regional tourism agenda.

## Social Responsibility Implementation Programme

Community Tourism development remains a high priority for the government agenda. There are a number of successful projects in the process of being handed over to communities.

They include:

Komjekejeke - North East of Pretoria is nearing completion and will be open for tourism business later this year. The department invested R22 million for its construction. This is the only place in the country where the history of amaNdebele is preserved and where their former 3 Kings were buried. It

has an accommodation for 22 people and an amphitheatre that will be used for music festival and other entertainment performances.

A modern restaurant has been handed over to the community as Betty's Bay in the Western Cape. This project is solely owned by the Mooiuitsig Community and will provide services to both domestic and International Tourists. This project at Stoney Point will enhance tourist come to appreciate Penguin Colon and Whale watching at this place.

One hundred (100) unemployed young people from KZN, Mpumalanga and Limpopo have been trained and qualified as Food Safety Assurers. They will be employed in the tourism value chain where establishments will benefit from their skills, including restaurants and hotels. The one hundred are already employed in the respective provinces

The projects that failed are being dealt with by the department and some cases are in the hands of law enforcement agencies.

The budget for the next 5 years caters for a variety of skills programmes. These capacity building and skills training programmes will produce a pool of skilled tourism personnel that possess skills currently needed in the sector. These training programmes will further address skills shortage and training gaps in the industry.

## YOUTH DEVELOPMENT

The support of Youth Development through hospitality was recently enhanced by Hilton worldwide and Hilton Sandton. They generously donated uniforms, stationary and a library to the most needy rural schools in the Eastern Cape, Mthatha (Gxulu Junior Sec and St Patrick High Schools were beneficiaries) the programme will progress to other poor schools.

National Tourism Careers Expo is meant to raise the profile of tourism at school level, expose learners to a variety of tourism careers (from Grade 9 -12), tourism students and unemployed graduates match employers with graduates for job placements.

Educator exposure Programme which exposes tourism teachers to the tourism industry to provide them invaluable insights that assist them in lesson planning and making the subject interesting.

300 graduates recruited from TVET colleges and placed for food safety assurers programme to provide quality assurance in industry.

The department of tourism has employed a sizable number of people with disabilities and is fully accessible. The department has changed lives of many people and is going to change many more.

I would like to thank the committee support staff, and. the Minister and Deputy Minister for their availability to the committee.