**UNREVISED HANSARD**

**MINI PLENARY - NATIONAL ASSEMBLY TUESDAY, 18 MAY 2021**

**VOTE NO 38 – TOURISM**

**TUESDAY, 18 MAY 2021**

***PROCEEDINGS OF MINI-PLENARY SESSION – NATIONAL ASSEMBLY CHAMBER***

Members of the mini-plenary session met on the virtual platform at 10:00.

The House Chairperson Mr M L D Ntombela took the Chair and requested members to observe a moment of silence for prayer or meditation.

**ANNOUNCEMENT**

The HOUSE CHAIRPERSON (Mr M L D Ntombela): Hon members, before we proceed I would like to remind you that the virtual mini- plenary is deemed to be in the precinct of Parliament and constitutes a meeting of the National Assembly for debating purposes only.

In addition to the rules of virtual sittings, the Rules of the National Assembly, including the rules of debate, apply.

Members enjoy the same powers and privileges that apply in a sitting of the National Assembly. Members should equally note that anything said in the virtual platform is deemed to have been said to the House and may be ruled upon.

All members who have logged in shall be considered to be present; and are requested to mute their microphones and only unmute when recognised to speak. This is because the mics are very sensitive and will pick up noise which might disturb the attention of other members. When recognised to speak, please unmute your microphone and connect your video.

Members may make use of the icons on the bar at the bottom of their screens, which has an option that allows a member to put up his/her hand to raise points of order. The secretariat will assist in alerting the Chairperson to members requesting to speak.

When using the virtual system members are urged to refrain or desist from unnecessary points of order or interjections.

**APPROPRIATION BILL**

(Policy debate)

Debate on Vote No 38 – Tourism:

The MINISTER OF TOURISM: Thank you very much, Hon House Chairperson. Let me acknowledge the Deputy Minister of Tourism, Hon Fish Mahlalela, Chairperson of the Portfolio Committee, Chairperson Supra Mahumapelo, together with all Members of the Portfolio Committee, Members of the South African Tourism Board, led by Chairperson Dube, Director General of the Department of Tourism, CEO of South African Tourism and Senior Managers of both the Department and South African Tourism, SAT, tourism stakeholders, Hon Members, Ministers, colleagues who have joined us, Ladies and Gentlemen.

It has been more than a year since COVID-19 was declared a global pandemic and life has never been the same. Throughout this period, South Africans have shown solidarity, resilience and courage in fighting against the pandemic. It is befitting that our government has declared this the year the year of

Charlotte Maxeke, as we mark 150th anniversary of her birth. Mama Maxeke was the epitome of courage, resilience,

selflessness and sacrifice. She stood up against colonialism and gender discrimination when all odds were stacked against her, not only because she was black but also because she was a working-class woman. As we continue to fight against the

socio-economic effects of the pandemic, we can draw inspiration from this icon of our struggle for freedom and gender equality.

The devastation caused by the COVID-19 pandemic in the tourism sector and the wider economy, has brought into sharp focus the triple challenges of poverty, unemployment and inequality. For us to confront these challenges we need to respond to the call made by President Cyril Ramaphosa in his 2021 State of the Nation Address when he said: “People of South Africa, it is your country that calls on you to rise.”

From the time of Level-5 hardcore lockdown last year, the road to recovery for the tourism sector has been a rocky one. It has been characterised by stops and starts in accordance with the waves of the pandemic. However, we are pleased to report that despite all the difficulties, the recovery has been on an

upward trajectory. Our programmes and efforts in this financial year are aimed at sustaining this trajectory.

During lockdown our sector also significantly benefitted from the Temporary Employer/Employee Relief Scheme (TERS), established to provide financial relief to employees during the Covid-19 through the UIF by the Department of Employment and Labour. Working together with Tourism Business Council of South Africa (TBCSA), we were able to arrange for a special dispensation such that tourism businesses could apply for TERS through the TBCSA and this was efficiently and effectively distributed.

To support small enterprises, the Department allocated R200 million for the Tourism Relief Fund which paid 4000 enterprises an amount of R50 000 each. Although the scheme was unsuccessfully challenged by AfriForum and Solidarity as racially exclusive, we received heartening feedback from beneficiaries, both black and white. In response to this as well, we have been able to receive feedback where people were saying they are glad that they did not listen to the naysayer’s, they applied for the fund and they were supported.

In response to the plight of tourist guides who were not legible to apply for UIF, we established the Tourist Guide Relief Fund. About 4650 qualifying freelancing tourist guides were paid an amount of just under R17 million within this past financial year. This was at R1500 per guide per month for over a three-month period.

Domestic marketing campaigns led by the myself and the Deputy Minister across all nine provinces which we undertook to showcase variety of experiences, attractions and establishments. Some of the establishments have already given us feedback about how these campaigns have boosted their businesses. An example is Euphoria Golf & Lifestyle Estate, which is also black-owned, in Limpopo. They have informed us that since our visit they have been experiencing 90% occupancy. This we visited last year around October/November up until now as we went there just after Easter: this is the feedback we got. Gauteng-based entrepreneur, Joey Kganyago, has informed us that her Picnic in a Bubble business has grown from strength to strength, since the exposure afforded to this product. Due to increased demand, Joey is working on franchising her business and also to expand across the SADC region. These are efforts that must be commended.

Our partnership with the private sector throughout this Covid-

19 period has grown from strength to strength and has yielded tangible results. We have been working closely with organisations such as South African Township & Village Tourism Association (SATOVITO) and TBCSA. Working together with TBCSA, we were able to get workers in the sector to be recognised as frontline workers who shall also be prioritised for the next phase of vaccination, which is within the Phase 2 rollout, which was opened yesterday.

Furthermore, benefits of the partnership with the industry was that we were able to work together and make our case for the early reopening of the industry, from interprovincial travel, to attractions and tours, accommodations, restaurants, casinos, business events to international travel amongst others. All these were made possible through carefully considered industry protocols and ministerial directions based on available scientific advice. To this end, I would like to express my appreciation to the industry and colleagues in all spheres of Government for working together to achieve the green shoots we are seeing in the tourism sector.

Tourism sector is one of the critical intervention areas that have been identified in the Economic Reconstruction and Recovery Plan as a key driver of the economic recovery in the country.

To elaborate on the actions that will be undertaken in the tourism sector to support the recovery, the Department together with the private sector and other stakeholders, worked together to develop the Tourism Sector Recovery Plan (TSRP). The Plan is anchored on three interlinked pillars or strategic themes: protecting and rejuvenating supply, reigniting demand and strengthening enabling capability for long term sustainability.

The Plan outlines a set of actions, timelines of implementation of each action and the allocation of each action to an implementation agent. The main focus of our programmes in this financial year will be on the implementation of the Tourism Sector Recovery Plan.

Accordingly, our budget allocation in the respective programmes within the Department and the entity, South African Tourism (SAT), was done in line with the actions outlined in

the TSRP. For the financial year 2021/22, the Department’s budget allocation amounts to about R2,4 billion, of which R1,2 billion is for transfers to SAT.

Protecting and rejuvenating supply entails amongst others, the support for the protection of core tourism infrastructure and assets and our programmes have been designed to make this a reality. Our total infrastructure commitment is just under R700 million over a five-year period. To date an amount of R270 million of the funds has been made available to Development Bank of Southern Africa (DBSA) who serves as the implementing agent for the department’s infrastructure programme. A further R222 million has been made available for this financial year as a budget for implementing going forward.

During the medium-term, the Destination Development Programme will continue with the implementation of a tourism infrastructure maintenance programme of state-owned assets in order to protect and rejuvenate tourism supply. The focus of this work is on improving and upgrading sites of heritage significance including liberation heritage, national parks, botanical gardens as well as rural and township precincts. To

this end, we have prioritised the implementation of just over

100 tourism infrastructure initiatives across the country with a further 30 community-based projects. This work is largely funded through our Working for Tourism Expanded Programmes and is spread across all provinces, especially focusing on rural and small dorpies as the portfolio committee has urged us.

As a Department we have responded to the growing sense of unease amongst the previously disadvantaged communities emanating from the slow progress of transformation of the economy most visibly in the tourism sector. We have adopted an approach premised on the assumption that transformation of the economy is a collective responsibility that has been embraced by all South Africans. Our Government has a responsibility to transform the economy and to create an inclusive non-racial society in which South Africans share equitably in the wealth of our country. In this effort we shall not be deterred.

In order to accelerate the transformation of the tourism sector and stimulate investment and resource mobilisation, the following programmes will be implemented:

* While some successes have been recorded in the implementation of the Tourism Transformation Fund, which is administered in partnership with the National Empowerment Fund, it will be restructured in response to the feedback we received from entrepreneurs on their experiences with the fund in its current form. We are currently redesigning the Fund to be more efficient and more accessible to entrepreneurs and we will be making an announcement in the coming weeks. The Fund is capitalised to the tune of R 77 million from its initial amount of R120 million after about R43 million of successful applications.
* In January this year we launched the Tourism Equity Fund, a dedicated Fund designed to provide a combination of debt finance and grant funding to facilitate equity acquisition as well as new project development in the tourism sector by enterprises with 51% black ownership. The combined value of the Tourism Equity Fund at just over R1,2 billion inclusive of debt from Small Enterprise Finance Agency (sefa) and its commercial banking partner. However, the processing of applications have been interdicted by the court following an application against the fund by AfriForum and Solidarity.

Once again, the efforts to transform the economy to make it more inclusive is being frustrated. As I have already said, we shall not be deterred in this effort. Our lawyers are studying the reasons given for the interdict and also a response shall be provided in this regard.

In order to increase participation of the SMMEs in the Tourism Sector for inclusive economic growth, the Department will expand Incubation Programme to support tourism youth owned SMMEs. This will include business support and development through the addition of the Tourism Tech Incubator, in partnership with the Technology Innovation Agency – TIA and the Tour Operators Incubator will be implemented in this financial year.

In addition to understand the devastating impact of Covid-19 on our economy, we have to understand what it has exposed as the fault lines of gender equality in our country. Women are the most negatively affected by the pandemic both as caregivers and as the most economically disadvantaged sector of our society. This makes the issue of gender mainstreaming more urgent than ever before.

It therefore stands to reason that gender mainstreaming should be integral to the initiatives outlined in the Tourism Sector Recovery Plan. The result of this approach shall be increased participation of women at all levels of the tourism sector. In this regard, we will proceed with our executive leadership programme, which in this year, we will recruit 40 women for empowerment and grooming in terms of executive leadership programme in partnership with Unisa.

In our UNWTO Women in tourism programme, assessment of needs of women in tourism was done in Vhembe and Mopani districts as our pilot sites. This was to prepare for prototype interventions which will benchmark the approaches to support women in tourism in rural areas globally. This financial year, we will implement Leadership and Skills Development; Supplier Development, and SMME Development Programmes to enhance the meaningful participation of Women in the Tourism sector.

The second pillar of the tourism sector recovery plan that will receive our attention so that we can tip the scales in favour of recovery to re-ignite demand.

There has been a paradigm shift in tourism demand since the start of the pandemic from international to domestic travel. In the past financial year, the modest income, the sector earned was mainly derived from the increase in domestic travel.

In view of that, domestic marketing efforts will be intensified in this financial year. The Department together with SAT in partnership with the private sector, will undertake several domestic marketing campaigns. These will include marketing of various attractions, deal driven campaigns and digital engagements aimed at reaching South Africans of all ages, races and classes.

The private sector, through our partnership, is beginning to respond to our call for the introduction of dual pricing system, one for South Africans and another for international travellers. This will ensure that attractions are more accessible to South Africans. We call on all establishments and attractions to heed this call. Make our attractions and establishments accessible to South Africans.

South African Tourism (SAT) has revised its marketing and investment framework developed in partnership with the tourism industry. In total, 24 markets or countries were identified for prioritisation, segmented into 16 for growth and 8 for defending. These are markets that we have already operated and others are earmarked as “Watchlist”. These 24 prioritised markets accounted for 92% of all international trips in 2019.

Our international campaign will be bolstered by our continued participation in multilateral and other fora such as the AU, WTTC, G20, WEF and UNWTO. This will provide South Africa with opportunity to learn and share experiences in terms of globally recognised protocols to enable safe travel and rebuild traveller confidence.

We will intensify our cooperation efforts with neighbouring countries in the SADC region and work towards a regional value proposition and the implementation of the SADC Tourism Programme.

To support the recovery of the MICE sector we have done the following:

* 55 bids for international meetings, incentives, conventions and exhibitions were submitted for the period 2020 to 2025.
* The 55 bids submissions have a combined estimated economic impact of R899m and may potentially attract 30,521 international and regional delegates to South Africa between 2022 and 2025.
* Thus far, South Africa has won 16 of these bids submitted for the 2020/21 financial year with a 29% conversion rate.
* The secured business events will contribute R296m to South Africa’s economy between 2022 and 2025 and thus attract almost 10 000 international and regional delegates.

The South African National Convention Bureau invested R23m in bid submissions, through its bid support programme to attract business events linked with the national government’s development priorities.

As part of the work of strengthening enabling capability for long term sustainability, which is the third pillar of our plan, work is underway to reform our visa and immigration

regime and also to see the full roll-out of eVisas to visitors from China, India, Nigeria, Kenya and 10 other countries and this work is led by the Department of Home Affairs.

Last year we appointed seven-member Advisory Panel, comprising of experts with diverse knowledge in the sector and the economy, to review all our existing policies, provide guidance to the Minister on new policy proposals. The panel will in the end handover a new comprehensive and overarching tourism policy framework to guide the sector in the 21st century. The Panel has progressed in its work such that they will soon be submitting a draft policy document and they are scheduled to complete the work by August 2021.

The process of merging marketing entities which was approved by cabinet is imminent and the relevant departments are seized with the process. Merger processes will include multiple factors that require a meticulous planning and implementation. The work of the SAT will not be disrupted or interrupted by this process and efforts will be made to ensure that there is minimal disruption. In light of this important work that need to happen in terms of the merger, the term of the current SAT Board has been extended by another 12 months’ period and Hon

members need to note that the process of recruiting a new board has been put on hold.

To put the economy on a growth trajectory, to get the tourism sector on a sustainable path to recovery will only be achieved through the coming together of all social partners to work hand in hand. More importantly, to create a transformed inclusive economy can only be achieved when all of us appreciate and embrace the importance of healing the injustices of the past. In this spirit we can draw inspiration from the words of Mama Charlotte Maxenge who understood the importance of selflessness and solidarity in pursuit of collective national goals for the betterment of society.

She said: “This work is not for yourselves – kill that spirit of self, and do not live above your people but live with them. If you can rise, bring someone with you.”

House Chairperson, Hon members, Ladies and Gentlemen, I hereby table Budget Vote No. 38 from the Department of Tourism together with priorities for financial 2020/21 markets.

*Setswana*:

Rre S O R MAHUMAPELO: A ke go leboge, Modulasitilo.

*English:*

Hon Presiding House Chairperson, hon members of the last line office on oversight, hon members of the Tourism Portfolio Committee, the hon Minister, Ms Kubayi and Deputy Minister Mr Mahlalela, The Chair and Members of the SA Tourism Board, hon members, embedded in the historical mission of the ANC, to create a nonracial South Africa, it is its resoluteness in approach. Every budget such as the one we are processing today, Budget Vote 38 for Tourism, is a necessary and deliberate instrument in the hands of the ANC to advance further, the historical cause of the people to create a nonracial South Africa.

It is therefore important for all in sundry to know that the strategic mission by the ANC to create a nonracial South Africa, has to find deliberate expression in how we use the budget for this important purpose. Hon members, we say this because the ANC has to content with the ending created obstacles as it seeks to achieve this nonracial South Africa. The context of the global COVID-19 has made an economic situation more complex. The never sufficient R7,4 billlion

Medium-Term Expenditure Framework, MTEF, is appreciated. Funding for the 2021-22 budget of R2,4 billion is not enough but it’s appreciated.

The R200 million Tourism Relief Fund supporting 4000 enterprises is appreciated. We appreciate the synchrony between the portfolio committee, the department and SA Tourism Board, in understanding that poverty, inequality and unemployment in South Africa, is a permanent feature in the villages, townships, informal settlements and small dorpies.

It is our belief and hope that gradually, the budget allocation of the department in collaboration with the rest of other departments, shall accordingly tilt towards the villages, townships, informal settlements and small dorpies in order to intensify our collective onslaught on poverty, inequality and unemployment.

Because COVID-19 imposes a responsibility to have smaller events and hybrid approach, it is our view that this presents an opportunity to hold such events in the villages, townships, informal settlements and small dorpies. Both the SA Tourism and National Conventions Bureau should look at this particular matter as a matter of urgency. South Africa has approximately

500 small towns and only three have been identified by the department for tourism business according to the Annual Performance Plan. Going forward, this situation should be drastically changed for the better.

Both the United Nations World Tourism Organization and the Tourism Sector Recovery Plan, confirm that the recovery of the sector must be anchored on Domestic Tourism and we support this. We are in support of the intensification of the Tourism Transformation Fund and the Tourism Equity Fund as part our transformation agenda. The committee also believes firmly that the private sector has a huge role to play in advancing tourism. In this regard, we appreciate regular interactions between the Tourism Business Council SA, TBCSA, led by Ntate Komane and the portfolio committee.

The tourism sector remains one of the most untransformed in South Africa. We urge the Tourism Broad-based Black Economic Empowerment, BBBEE, Charter Council, to move beyond a mere exercise of ticking transformation compliance boxes. They should be taking practical measures to ensure that the less 2% tourism activities in both the villages and townships is corrected. Whilst we agree and applaud the department for

developing a tourism recovery plan, it is clear that the recovery is likely to be the recovery of the economic status quo, because the tourism sector in South Africa is almost an exclusive preserve of white people.

Majority of black people in the sector continue to be employed as security guards, receptionists, tour guides, cleaners, drivers, etc. The critical core of the strategic economic value chain related to tourism is in total control and ownership by white South Africans and the examples in this regard are in abundance: Almost 86% of South Africa’s wealth is in the hands of 10% of our population, car manufacturing and dealership transporting tourists, is white-owned; the food and beverages enjoyed by tourists, is white-owned; banks giving credit for tourism business. are white-owned.

Also, the insurance industry required in tourism, is white- owned; manufacturing of busses ferrying tourists, is white- owned; fuel consumed by busses and cars we use, is white- owned; the manufacturing of bedding and linen in hotels and so on, is white-owned; the land on which hotels and lodges are built is vastly white-owned, security-fencing, electrical and electronics in hotels and lodges, is white-owned; companies

producing all the material used in building hotels and lodges, etc., is white-owned. We are emphasising these practical examples, hon members, to demonstrate the reality that, our commitment as the ANC to build a South Africa that belongs to all who live in it, black and white, faces a huge challenge of economic transformation.

The economic status quo cannot be left unattended. Organisations such as Afri-Forum and Solidarity must understand that the ANC cannot and will never be a racist organisation. What the ANC seeks to do, is to attend to the injustices of the past as instructed by the preamble of the Constitution of the Republic. Yes, COVID-19 knows no colour, but it’s effects have a mere and more devastating impact on black people, because a man-made and institutionalised system of apartheid colonialism, was aimed nothing else but the economic throttling, suffocation and suffering of a specifically black people.

You will win some of the cases in courts regarding the transformation agenda, but you will never erase the reality that white supremacy created an institutionalised basis for your economic superiority in this country. It is the view of

our committee that maintenance and general upkeep of existing tourism establishment is key and the safety, security and comfort of all tourists is also key. We know that a lot of young people and women are being trained for entry into the hospitality sector, and we appreciate this.

A deliberate initiative of immediate commencement, which we are suggesting, hon members, is that the entire government, provincial, local and national, must take a managerial decision to begin to hold our small meetings in the dining rooms of our people who are in the townships and the small dorpies, so that there can be some revenue for them. In honouring the Mother of the Black Freedom in South Africa, Mme Charlotte Maxeke, our resoluteness to Radical Socio Economic Transformation must be intensified in all sectors of the economy.

The attention we give to those who are poor and seeking to use tourism to defeat poverty, must resemble the passion and the commitment equivalent or more, than the one displayed by Mme Charlotte Maxeke in her social work. Hon Chairperson, we move for the support and adoption of the budget.

*Setswana.*

Re a leboga.

Mr M S F DE FREITAS: At the International Tourism Day celebrations last year, the Minister of no tourism, Minister Mmamoloko Kubayi-Ngubane, unbelievably stated that we had much to celebrate in tourism. Perhaps she could tell us exactly what there was and is to celebrate.

We continue to be on the red lists of a number of countries that are strategically important to us. These include the United Kingdom and Germany, for example. Stats SA released statistics on tourist accommodation that revealed that income in this subsector had decreased by 57,7% compared to December 2019, with foreign arrivals decreasing by 81%.

This means that where we had 1,5 million arrivals in December 2019, only 279 539 arrived on our shores a year later. Besides the pre-Covid-19 negative image of the country, the year plus lockdown has only exacerbated it.

Billions have been lost in this sector, as have hundreds of thousands of jobs. [Interjections.]

The MINISTER OF TOURISM: My apologies, House Chairperson! House Chairperson! House Chairperson, we are battling to hear the hon member.

The ACTING HOUSE CHAIRPERSON (Mr M L D Ntombela): Ooh! Hon De Freitas? But, I can hear him. I can hear him loud and clear. Hon De Freitas, are you okay where you are? Can you hear us? Can you hear me?

Mr M S F DE FREITAS: I can hear you. Yes!

The ACTING HOUSE CHAIRPERSON (Mr M L D Ntombela): Maybe it is the hon member who cannot hear you well. Okay! Sorry about that. Can you continue, hon De Freitas?

Mr M S F DE FREITAS: Chair, I will continue from where I was. Billions have been lost in this sector, as have hundreds of thousands of jobs. This has been admitted by government itself. Most of these losses have occurred within small and medium enterprises. Instead of focusing on real assistance for small and medium enterprises who had suffered the most, government provided only a R200 million Tourism Relief Fund.

The R1,2 billion Tourism Equity Fund, on the other hand, was created with the aim to improve participation of black South Africans in the tourism sector. However, this one-dimensional government solution ensures that only a selected number of elites, hand-picked by government, benefits.

Creating a new tourism elite who have connections to the governing party will do little to grow and develop the tourism sector and create jobs. If government ensured that the basics were done, it would go much further than the limited elites that will benefit from extravagant assistance.

Our tourism sector would grow faster and would ensure a more inclusive and growing sector if the various spheres of government improved and maintained tourism infrastructure, tourism sites and related infrastructure, such as the construction of roads to inaccessible or hard-to-reach tourism sites, as well as access to water and electricity to tourism attractions.

By doing this, more people would be able to participate in the tourism sector without reliance on government funding which, based on this government’s performance, will be pilfered, lost

by corruption and maladministration or distributed to those within the inner circle of the ANC. Incentives, such as training incentives for entrants in the sector, and tax incentives as a relief to those hit hard during lockdown, would go much further.

Our tourism sector will not pick up until there is an effective Covid-19 vaccine roll out which would ensure that local and international travellers feel safe against the virus. Tourists also need to know that they are safe from a crime and security perspective.

What the sector now needs is stability and policy consistency as these are the main criteria used by most of our greatest tourism markets. This will ensure that tourists from all over the world will come flooding back to our shores, which will allow the sector to rebuild and jobs to be created again.

The current state of the world means South Africa is in competition with other destinations that will work hard to attract much needed and overdue tourism. As a result, we have to be attractive, convenient and interesting so that tourists

will make our country their destination of choice. I thank you, hon Chair.

Mr P G MOTEKA: Chairperson, EFF is here to reject the Budget Vote 28. If the country needed any live demonstration of a person who has no clue of what her responsibilities entail, then we should look no further than the Minister of Tourism. A few days ago, the Minister posted on *Twitter* that she will be hosting a cooking show with a well-renowned socialite, purportedly as one of her ground-breaking interventions to promote tourism in this country.

She did this, while thousands of people have lost their jobs in the hospitality sector as a result of the Covid-19 pandemic. As they cried for their jobs, the Minister was making her nails far away from them, not concerned at all with the crisis facing the tourism industry in this country.

However, the problems facing the industry predate the Covid-19 pandemic era. As far back as 2019, Statistics SA reported that there was a dramatic decline in the number of people visiting South Africa – pre Covid-19. This was as a result of a multiplicity of factors, at the centre of which was government

incompetence, such as the unintelligible unabridged birth certificate requirements for travelling parents with children.

The performance of the sector during the period of Covid-19 lockdowns has led to a heavy load on the shoulder of those dependent on this sector. There has been no innovation on the side of the government to save jobs, and create localised activities to sustain the sector.

The department has done nothing to promote local tourism; little to provide relief to both workers and employers during this period; and done absolutely nothing to table a survival strategy for the industry, taking into account the fact that we must adapt to living with Covid-19.

Today, the bulk of this sector is still dominated by white people. They own the lodges, the hotels, nature reserves, and BnB’s. They employ black people and then exploit them by paying them peanuts as wages.

This department has developed no new tourism establishments in the townships, villages and small towns under Minister Kubayi.

They think cooking shows with celebrities will somehow restore

the country’s tourism potential.

There has been no fundamental shift on where this department is focusing to grow the sector. There has been no innovation around township tourism; no plans to boast heritage tourism.

When we speak about heritage, we speak about African centred heritage: Heritage that appreciates and celebrates King Moshoeshoe, King Shaka and King Hintsa, with the various roles they have played in shaping this country and in fighting against colonialism.

On the court case, Minister: Do not be afraid of those coward little antitransformation groupings called Solidarity and AFriForum. We don’t fear them! Implement radical transformation without fear or favour, and don’t ever be scared. They are too little to scare us! We reject this Budget Vote. Thank you very much.

Mr K P SITHOLE: Hon Chairperson, hon members, he covid-19 pandemic has not left South Africa and the third wave is, according to reports, marching towards us as expected. When

government announced it would roll out the vaccine, we continued to place false hope in their resolve to provide us with efficient and professional services. However, it seems that the only thing the ruling party does well is write letters of suspension to one another and when they suspended the vaccine roll-out, our hopes of opening up tourism fell through.

Tourism in South Africa must protect our cultural heritage and also encourage tourism that is world-class, so as to continuously bring visitors to our country with varying areas of interest.

We accept that the demands of covid-19 force us to cautiously allow visitors to our land but the industry is suffering, with few to no tourists. Big tourist attractions that would usually bring in the majority of international visitors are seeing an adverse change to their business operations, due to the lack of progress in securing our nation against Covid-19.

There is a huge knock-on effect with each and every individual who loses a job and then can no longer contribute to a sustainable household income.

The IFP is under no illusions as to the so-called “grand plans” for a doomed turnaround strategy that the ruling party will be lamenting for the next 10 years. Good decisions and actions are required now for this sector to avoid further declines in revenue and sustainability.

This Department must start at grassroots level and provide sufficient business support through training to municipal officials, to encourage and stimulate the local communities. The Budget talks of supporting supply chains, yet those very start-ups and transformative companies that offer supply chains to rural areas have been under threat since last year.

The IFP believes that certain measures should be taken to encourage more representative ownership of the tourism industry at the micro level. In particular, innovative partnerships with communities, both urban and rural, must be encouraged, and in certain instances, be required.

Not so long ago, tourism contributed about R272 billion to our economy each year but now we are watching this kind of revenue disappear. Given this dwindling revenue, the IFP supports the

Committee’s call to prioritise the villages, townships and

small dorpies [towns].

The IFP proposes the targeted supply of side measures, especially for the enhancement of Small, Medium and Micro Enterprises in the industry. In the industry, tax incentives, access to loan finance, deregulation and other incentives may play a significant role in stimulating new enterprises. At the very least, the IFP believes that tourism enterprises should be given the same status as manufacturing enterprises.

Finally, the department needs to work on a plan for better communication and marketing of rural tourism. The neglect of rural tourism is a hindrance to our economy, as there is a large market that remains untapped. Rural tourism needs to be at the top of the agenda, especially when promoting local travel. The IFP very cautiously supports the Budget.

Mr I M GROENEWALD: Hon Chairperson, the tourism sector is one of those sectors do not only cut across worlds, but is also responsibility of all spheres of government. The tourism sector is also dependent on most government departments like Co-operative Governance, Police, Trade and Industry, with a

lot of emphasis on the Department of Health and so much more. The tourism sector is seen as one that cut across all cultures, religions, sports, arts and history. The effect of covid-19 can be seen by the Tourism 2020 report that confirms a drop in the volume of tourists in South Africa from 10,2 million in 2019 to 2,8 million in 2020, a decrease of 72,6%. Therefore, it is a loss of R94 billion to the tourism market that once was one R130 billion strong.

William Gumede said that the unemployment rate is expected to rise to 50%, post covid-19. Business SA says that up to four million jobs could be lost. At least a third of formal businesses may go under because of covid-19. The United Nations Development Programme, in a recent analysis of the South African economy, said covid-19 may push around 54% households out of formal jobs into poverty.

According to the World Travel and Tourism Council, the travel and tourism industry contributed 9,2% of total employment in South Africa, and the sector contributes 6,9% to the GDP in 2019 that was almost halved 3,7% in 2020.

The hon Minister agreed with the staggering drop in the sector by saying that South Africa tourism businesses have been particularly hard hit by the covid-19 pandemic, and that this market suffered severely. The Minister also said that the focus of tourism must change to domestic tourism, to be the anchor for this market, therefore ensuring the supply side of the market response by increasing the proportion of domestic travellers into our overall traveller population by investing in infrastructure, and ensuring that South Africa can afford these prices.

Does the FF Plus agree with the concept? We just don’t find a

way to achieve such.

*Afrikaans*:

Daar is ’n Bybelse spreekwoord wat sê: Haal eers die balk uit jou eie oog, voordat jy die splinter uit iemand anders se oog haal. Dit is wyd berug dat die Departement van Toerisme gesprekke gevoer het met ander lande om te kyk om toeriste binne Suid-Afrika te bevorder. Dis nie verkeerd nie, maar die VF Plus sal graag wil sien dat die Departement van Toerisme met ander departemente in gesprek tree en verskeie komitees

nader om oplossings te vind. Padinfrastruktuur, die dienste en plaaslike ekonomiee moet aanspreek word om toerisme te bou.

Die Departement van Gesondheid moet die inentingsprogram versnel. Die Departement van Kuns en Kultuur moet omsien dat erfenistukke, kunste en sport die nodige versorging ontvang, sodat dit vir toerisme aangewend kan word. Die Departement van Polisie sal moet optree om misdaad aan bande te lê.

*English*:

Hon Minister, we can agree that the tourism market is the one sector that was hit the hardest? We can agree that the tourism sector was almost wiped, with a decline of more than 70%. We can agree that more than half of the businesses is closed, due to the pandemic. And lastly, we can agree that more than 50% jobs in the sector were lost. But the FF Plus cannot agree that the department only wants to help black-empowered businesses and only assist black-empowered tourism market contributors through the Tourism Equity Fund. That is naked racism.

*Afrikaans*:

Swart werknemers sit tans sonder werk, omdat die ANC gedetermineerd is om wit mense uit die ekonomie te sluit. Die VF Plus verwerp swart ekonomiese bemagtiging, veral in die toerisme-sektor wat groot verliese aan besighede en werksgeleenthede gehad het, weens covid-19.

*English*:

Therefore, the businesses that were not assisted by government had to practice normal entrepreneurship to survive the pandemic in a struggling economy.

The tourism market is in a dire need of new participants and innovative ideas. Yet, the government makes it impossible through red tape and BEE to practise competitive entrepreneurship, to grow the sector and create equal opportunities for all.

Hon Minister, the people that are looking to seek employment do not care about the ANC propaganda and ideology. They want to work and feed their loved ones. They want to generate an income and survive. South Africa’s economy is in such a state that everyday becomes a fight for survival, especially for those who lost their employment due to this draconic lockdown.

Black economic empowerment must stop, to ensure that everyone can earn a living income to provide for their loved ones. As the market was so hard- hit that almost no business survived and with the government only assisting black-empowered companies, transformation had been done. And any person that survive after this pandemic was due to good entrepreneurship, taking risks and taking on liabilities to survive.

Now is the time that entrepreneurship must be promoted and not ANC propaganda. It is time to create job opportunities, not to limit it due to cadres stealing the relief provided, and not contributing to the market. Any talks after this pandemic in the sector about transformation and BEE will be to punish any nonblack in South Africa that competed in an open economy and practised good entrepreneurship. The focus should not be on a race to promote the sector but on a healthy entrepreneurship and cohesive community to safe the sector and job opportunities, to improve the quality of life of all citizens and free the potential of each person. Thank you.

The DEPUTY MINISTER OF TOURISM: Hon House Chair, Minister of Tourism, Mamoloko Kubayi-Ngubane, Members of the Executive Members of Parliament, ladies and gentlemen, as we deliver

this budget vote we know the path that we have travelled to get here and are confident and proud of our collective resilience and determine on our new paths to recover. We therefore undertake to grow the tourism sector that will contribute towards creating more inclusive and transform South Africa. Our strategy for this year is anchored around commitment as espoused in the Economic Reconstruction and Recovery Plan and the Tourism Sector Recovery Plan, as outlined by the Minister.

Hon members, we are proceeding with our efforts to strengthen the local government infrastructure and service to grow tourism and accelerate service delivery through the District Development Model. Prioritising initiatives from our Tourism Spatial and Master Planning will be integrated into one plan for districts of OR Tambo district this year eThekwini Metro Pixley Ka Seme District Municipality and Namakwa District Municipality. Collaboration and commitment are what is left for us.

The main objectives of the recovery plan are to ultimately resume and propel tourism operations to the pre COVID-19 level and in an inherently safe way.

As we rethink the grading regime of our products and services, we cannot take a break from assuming the quality of our current offering particularly for the new and emerging entrance. To this end, South African Tourism is piloting a basic Quality Verification programme**.** targeting homestays.

This will not only ensure quality assured products for new entrants but also create job opportunities for quality assurers.

To inspire and rebuild traveller confidence and to enable safe travel, we will be training 225 Small Micro and Medium Enterprises, SMMEs, on norms and standards for safe tourism operations. Will continue to enhance our visitor experience while seeking to advance broader ownership and participation particularly the historically disadvantaged communities.

Because of the mass gathering limitations and measures to prevent the spread of COVID-19, we have witnessed an increase in the hosting of visual and hybrid conferences thereby by impacting the Meetings, Incentives, Conferences and Exhibitions, MICE, sector, in simpler terms less travellers and less bookings. Events stimulate the desirable use and human experiences that technology cannot recreate and will

remain the winning chip for the recovery of the domestic tourism.

Indeed, as we look into the near and long term for bidding and hosting major events, we will continue supporting small and medium sized events to drive domestic tourism through meaningful partnerships. Year 2020 has been a very difficult year for our young people who were looking forward to enrolling in participating in our various skills programmes.

Even though some programmes could be delivered on line, we had to temporarily suspend training and many employers could not take any placement in their establishments. Oliver Reginald Tambo once said and I quote:

The children of any nation are its future. A country, a movement, a person that does not value its youth and children does not deserve its future.

To this end, our youth programmes in food safety, quality assurer, the chefs training, wine service training programme and hospitality will resume this year. The benefits of this programme remain economic relief through stipends, placement

in tourism establishment to exposure, an experience and accreditation ranging from NQF Level 2 to NQF Level 4.

In addition to continuing with our educator’s development programme, we are happy to announce that this year we will host a revitalised National Tourism Careers Expo, after cancelling it in 2020. We will soon be calling for ideas from the industry, the training sector and the learners themselves on how best they can participate and partner with us in this events.

As we reopen our sector anew, we must do that in a reasonable way fully committed to the sustainability pillars of people, planet and prosperity. By this we mean that our investments and the way we do business must be socially inclusive, the ecological footprint, minimum whilst the economic spinoffs are beneficial to communities and to the greater national good.

Our Green Tourism Incentive Programme remains our demonstration of our commitment to being steward for the environment. This year, as we continue to implement this programme, we will make it bigger and better. Importantly, in this current era of covid, responsible tourism means zealously

implementing to the norms and standards for safe and tourism operation.

Hon members, the things that we need to do can only be done if we have the right people in place. It is indeed imperative that ours is an organisation of employees of only the highest dedication to the service of the people of South Africa. We will implement initiatives to promote integrity and ethical conduct and strengthen system to dictate, control and eliminate any opposite of these views.

The public service has the regulatory frameworks and the operational tools for financial disclosures, acceptance and disposals of gifts, management of financial interest, anticorruption and the Public Service Code of Conduct amongst others. Ours will be to continue to implement them to the letter and today, the Minister and myself give you this assurance.

This year, and on this Africa Month, as we celebrate the 150th Anniversary of Mme Charlotte Maxeke, the colossus of the African people, we call upon our musicians, our sculptors, poets and film makers and our brand ambassadors to immortalise

her by sharing the powerful stories of our country – her country. We challenge our chefs to make recipes and cookbooks in her honour, and winemakers to mix blends to leave an everlasting taste of her legacy. We look forward to supporting such initiatives, when you knock on our doors.

Hon members, the road to recovery will have to be transformative, because we can’t solve problems the same way they were created. We have to decisively change the face of our tourism and not simply return the tourism sector where it was before the pandemic. This means, our task is not only to build back better, but also to build forward differently.

Transformation is not only a fundamental obligation as enshrined in our Constitution. It is also imperative if our tourism is to benefit the creativity, talent, energy and skills of all South Africans. In order to bring about this change, we need a radical programme of action that is restorative, that builds and that is transformative.

Let me conclude by quoting an African proverb:

When a needle falls into a deep well, many people will look into the well, but few will be ready to go down after it.

Let us all remain steadfast in our collective resolve to strive towards the recovery of the sector. I thank you.

Ms M E SUKERS: Hon Chairperson, the ACDP notes with concern the department’s focus on radical transformation or transformation versus that of prioritising the full recovery of the tourism sector. It is our contention that given the significant impact of the pandemic on the sector and the subsequent revenue generated towards the gross domestic product, GDP, of our country, the most critical need is to stabilise the sector in order to preserve jobs.

We must refocus our energy to bolster the national support for domestic tourism and reimagine this sector with a focus of priorities of skills development and training for young people. This pandemic is similar to a war. It affects all of our entire nation regardless of race.

The entire communities, especially in the small towns and rural areas of the Western Cape are adversely affected by the declining tourism with even the most agile and robust businesses struggling to remain open and survive the storm.

Yet in travelling through our country you will find the businesses in this sector courageously remain open to save families from the poverty line.

As the key driver of our economy, this sector employed over 53% of women – a higher proportion of total female employment than any other sector in the economy. The sector also provides easy entry for low skilled. With youth unemployment figure of over 50%, this sector is critical in addressing unemployment as a pathway to a professional career that could lead to entrepreneurial development.

COVID-19 has radically changed the sector for the foreseeable future. Key factor here is to reimagine the sector and create partnerships with all role-players to address our challenges and leverage the opportunities to build together. Government has done enough damage by focusing primarily on the priorities of the a few connected individuals rather than a nation as a whole.

If you consider the fact that more than 38% of the households are female-headed households, we must then consider the impact of driving policies that further increase unemployment to the benefit of the few.

We consider the report of the Auditor-General on the tourism relieve fund as an indictment on the department. Poor record management and lack of representative control resulted din people in the employ of the state benefiting from the fund and businesses no longer in operation. The lack of proper controls has a direct impact on those that this government seeks to uplift, our women and youth.

The Auditor-General’s report in our view emphasises the holes in approach that fails to view the current situation as a national issue which requires whole societal approach. The ACDP wishes to remind this department of the main priorities especially rural development to address the biggest challenge facing poverty and its impact on the most vulnerable. I thank you.

Mr H S GUMBI: Chair and to those listening, good morning. Parliament is the highest body where South Africans are

represented by their political parties. It goes without saying that if the Members of Parliament from all political parties agree on a policy, then the policy should be implemented. This brings me to a topic I speak about at every opportunity, that is free star grading for our hotels, bed and breakfasts and guest houses. The idea of free grading was introduced a couple of years ago by my colleague Greg Krumbock to the portfolio committee. In the current parliamentary term, it has been generally accepted by all the political parties as a policy that would help tourism business if it is implemented.

At first, there was resistance by the Minister who would try and convince us that grading is not to so expensive and that these businesses do receive discounts even though it could be a couple of thousand rand. I am pleased that over time, she has resisted that argument and that free grading has found itself in the policy review process of the department for consideration. But it's important we are clear, free grading should be not an option for review by the executive, especially when all political parties agree on the policy. It must be implemented without delay.

Hon Chairperson, the entire tourism community has been hammered during the government’s lockdown. Whilst every sector of the South African economy was hurt, the tourism businesses were particularly affected. You will recall in the Tourism portfolio committee when we heard first-hand from the CEO of a prominent Cape Town Hotel about the devastation the lockdown wrecked on their business as he broke down and cried to all the members. He spoke about having to let go of staff week in and week out. Watching loyal staff some of who have served more than a decade lose everything and go hungry as they try to survive.

So shaken was the portfolio committee from all the different that the DA immediately proposed a disruptive and effective support package for many of those businesses. This initiative had unanimous support across political parties. This would have resulted in an instruction to the Tourism Minister to engage Cabinet about free grading, tax payment holidays for tourism establishments especially in municipalities and a tax review on public flights as some of the proposals which even at times when they are not within the mandate of the Minister, she has an influence and being able to drive it.

This matter has still not been dealt with. Our tourism budget must reflect our policy priorities. If we implemented some of these simple policy positions to help businesses, we could change our budget from one which tries to be and do everything for businesses, to one that creates the right environment for business to operate and do what they simply do. It is the difference between the Minister having a one-day cook-off with Somizi because she is somehow promoting tourism and she must go all around the country and everywhere she go tourism will happen, and having restaurants thrive that actually thrive and organically promote tourism sustainably. We have all the potential to be a thriving tourism hub. It's time our budgets reflect that potential. Thank you, Chair.

The HOUSE CHAIRPERSON (Mr M L D Ntombela): Can I check whether the hon Joemat Petterson is ready.

The ACTING HOUSE CHAIRPERSON (Ms T M Joemat-Petterson): Yes. Thank you very much, hon House Chair.

The HOUSE CHAIRPERSON (Mr M L D Ntombela): Thank you very much.

The ACTING HOUSE CHAIRPERSON (Ms T M Joemat-Petterson): Thank you very much, hon House Chair. We will now call hon Mpushe from the ANC, hon member, your mic please.

Ms P T MPUSHE: sorry, I had several ... thanks, Chair, hon Minister, hon Deputy Minister, hon members, fellow South Africans, I greet you in the name of the ANC and its allies.

The ANC supports Budget Vote 38. The ANC remains confident of the resilience and ability of the tourism sector to generate much-needed employment for the masses of our people over time. the Baviaanskloof Mega Reserves World Heritage Site Interpretive Centre and the Leopard Trail projects are currently at 65% and 93% completion respectively. These projects are a testament to the work done by the department as led by Minister Mmamoloko Kubayi-Ngubane in generating the much-needed mass employment for many unemployed people in our country.

The COVID-19 pandemic has brought about a lot of change and complexities that have had a direct impact on the creation of employment in the sector. Creating jobs opportunities has not been easy but with hard work and co-operative effort we shall

turn the tide over the years. The tourism sector has shown its resilience despite the slow economic growth in advanced economies and geopolitical tensions in some regions.

To create a more resilient tourism economy post- COVID-19, many countries are preparing plans to support the sustainable recovery of tourism, promoting the digital transition, moving to a greener tourism system and rating in tourism for the future. Our Tourism Sector Recovery Plan provides a good basis for the recovery of our tourism sector, working through multilateral institutions and platforms such as the African Union’s Specialised Technical Committee on Transport, Transcontinental and Regional Infrastructure, Energy and Tourism.

South Africa would pursue an integrated global approach to tourism recovery, as well as draw lessons from global best practices. Our country began phase two of the vaccination programme yesterday 17 May 2021. Our target is to have 130 sites in the public sector active by next week, focusing on the population aged 60 and above as well as vulnerable groups. The remaining health care workers will be concluded using Johnson and Johnson and Pfizer vaccine. However, the

distribution of the vaccine is likely to be uneven and it should also take time to achieve population immunity in many parts of the world.

The ... [Inaudible.] ... as ... [Inaudible.] ... of ...

[Inaudible.] ... in ... [Inaudible.] ... for Ramaphosa’s outstanding leadership in his capacity as the chair of the African Union in 2020. The tourism sector will for some months and maybe a few years have to live with the virus. The businesses in the sector will experience disruptions as a result in line with the evolution of the virus ... [Inaudible.] ... will place jobs ... [Inaudible.] ... That is why all stakeholders in the sector have to watch ... [Interjections.]

The ACTING CHAIRPERSON (Ms P T M Joemat-Petterson): Hon member!

Ms P T MPUSHE: Yes, mam. Yes?

The ACTING CHAIRPERSON (Ms P T M Joemat-Petterson): Your network is slightly unstable. So I will give you an additional minute.

Ms P T MPUSHE: Okay! The ANC supports the recommendations of the committee on the Budget Vote in particular we call on the department and the private sector to work closely together to maximise the impact of the appropriated budget through the creation of co-operative partnerships with further documentation of norms and standards for the safe operation of the tourism sector.

As a major tourist destination in Africa, we need a thorough policy review process that takes into consideration the principle of responsible tourism, enforcement tourism and climate change to drive sustainable tourism development and marketing in our country. The review must be accompanied by research into future trends that will drive tourism.

We summon on the United Nation’s World Tourism Organization in influencing policy shifts, harmonising the implementation instruments such as norms and standards for international travel and the Open Skies policy to facilitate air access and a regional marketing organisation to accomplish regional integration at the Southern African Development Community, SADC, level. The pledge made by the President in the state of the nation address to do away with silos and government must

be seen through the contribution from other departments in unlocking the ... [Inaudible.]

The department received an unqualified audit in the 2019-2020. The department has corrected the previous years’ findings which include insufficient audit evidence to the satisfaction of the Auditor-General. We are also encouraged by the independent investigation regarding the irregular, fruitless and wasteful expenditure incurred in the Expanded Public Works Programme, EPWP, projects.

And the committee will continue monitoring the financial and nonfinancial developments of the department and SA Tourism to prevent these organisations from regression in their audit findings. The ANC accept the Revised Annual Performance Plan for 2020-2021 as a result of the budget reduction of 66% due to the COVID-19 pandemic. In conclusion, as a ... [Inaudible.]

... of raising 1 000 ... [Inaudible.] ... 1,2 of our plan to grow the economy and creating jobs. The transformation ... [Inaudible.] investment opportunities in this sector should aim to address the gross inequality experienced by women, youth and persons with disabilities. This is the only way we can achieve inclusive growth. As the sector begins to

understand the value of domestic tourism, especially in the DA-run Western Cape, the ANC calls on businesses to change their business models and prices to advance such a goal which is to tip the scales and ensure that domestic tourism in Africa ... [Interjections.]

The ACTING HOUSE CHAIRPERSON (Ms T M Joemat-Petterson): hon member, your time has expired. I had given you an additional minute.

Ms P T MPUSHE: In conclusion ... [Inaudible.] ... oh, I was about to conclude, Chair. Thanks.

The ACTING HOUSE CHAIRPERSON (Ms T M Joemat-Petterson): Thank you very much. Hon member from the NFP. I’ve been told hon Sibisi is no longer speaking. NFP? It does not seem as if there is anybody. AIC ANC? None. Cope? PAC? ANC?

Mr M NYHONTSO: I’m not speaking. I am not speaking. The PAC is here but it is not speaking.

The ACTING HOUSE CHAIRPERSON (Ms T M Joemat-Petterson): thank you very much.

Ms M M GOMBA: Thank you very much, House Chairperson. Hon Minister and Deputy Minister and hon members, when President Ramaphosa stood in the National Assembly Chamber to address the Joint Sitting of Parliament for the first time as the Head of State, he said that tourism currently sustains 700 000 direct jobs and is performing better than most other growth sectors. There is no reason why it cannot double in size. We have most beautiful country in the world and we are the most hospitable people. During the inauguration state of address three years ago, neither the President nor any living human being could have foreseen that by 2020 the entire global travel industry was going to be shut down. Evidently, the Covid-19 pandemic has had severe consequences on tourism sector, with many of people losing their income for extended periods due to layoffs and closure of companies.

According to the United Nation World Tourism Organisation, the tourism sector will return to pre-crisis level only by 2023.

Therefore, many tourism businesses still remain at risk, while others phase the possible permanent closure. As the ANC, we welcome the resolve of government to drive the sector specific recovery plan for tourism. The plan rallies numerous

stakeholders, both in the public and private sector for its full realisation.

The tourism sector recovery plan, we are excited that, despite the fact that we are still in grief of the pandemic. The tourism sector recovery plan outlines a set of interventions to ignite the recovery anchored in three strategic themes, namely: protecting and rejuvenating supply, the reigniting demand and strengthening capability for long term sustainability. As the portfolio committee and Parliament, we must continue to support and maintain oversight to ensure the execution of enablers that have been identified. These include the strategic partnership between government and industry, safety of tourists, airlift capacity and quicker processing of tour operating licensing, deployment of the vaccine to frontline workers, and stimulating domestic demand through government consumption expenditure.

The ANC believes that this plan must be supported by all South Africans across political lines, because it will reduce the impact of the Covid-19 crisis on employment by 125 000 jobs.

In its attempt to mitigate the financial challenges imposed by Covid-19 on small, medium and micro enterprises, SMMEs, in the

sector, the ANC-led government introduced the tourism relief fund, which assisted 4 000 SMMEs in the tourism sector and further disbursed an additional R30 million in Covid-19 Relief Grants to tour guides. SMME play a vital role in the tourism sector, particularly in the accommodation and hospitality sectors. It is significant to note that approximately 58% of companies in the tourism industry generates less than

R5 million in annual revenue, with about 70% of accommodation and hospitality businesses falling into the revenue bracket.

Tourism, therefore, must be seen as the backbone of government’s strategy of promoting the development of SMMEs, corporatives and mass job creation. In the committee we have noted that South African tourism will continue to work with various tourism product owners and SMMEs to build partnership that enhance our destination brand offering. These initiatives include enterprise and supplier development, that is number one; dedicating 25% of total seats at the South African tourism trade show platform for SMME participants, that is number two; number three, 100% procurement from broad-based black economic empowerment, BBBEE, contributor status from level 1 to level 5, I hope AfriForum is listening to that one,

30% of things being SMMEs, 40% for women-owned, 30% for youth- owned and 70% for people with disability-owned enterprises.

Hon Chair, this is transformation that the masses of our people have been demanding from government for many years. We must congratulate our hardworking Minister, Mmamoloko Kubayi, and our Deputy Minister, Ntate Fish Mahlalela, for their courageous leadership in the face of the storm of opposition coming from the right wing, hoo, antitransformation forces the alliance of the Democratic Alliance and the Freedom Front Plus. We believe that the reigniting the regional and domestic components of the sector is our priority at the moment, even though South African brand continues to be under pressure due to the association with the variant of the Covid-19 virus first discovered in the country.

We look for the tourism for both African continent and domestic tourism seem to be more promising compared to other regions. In conclusion, hon House Chair, Covid-19 crisis is an opportunity to focus on the environmental sustainability of the tourism sector as structural transformation, and ensure greater use of technology. All these necessary ingredients towards a more sustainable inclusive and resilient tourism

sector. The ANC, hon House Chair, supports the Budget Vote 38. Thank you very much.

Ms H S WINKLER: Thank you and good morning to our colleagues. The blue flag status of three beaches in Durban famous Golden Mile are likely to be removed shortly as water quality tests revealed Escherichia coli, E.coli, levels in the region of

2 000. E.coli indicates the presence of species acceptable meetings for E.coli fall within the 200 range, whilst those from Durban Golden Mile beaches are ten times higher at 2 000. And yes, swimming in water contaminated with fisheries can make you very sick and is hazardous to children, the elderly and people with compromised immunity. It is criminal to expose people to these health risks, never mind that we are already in the midst of one of history’s worst health crises. Tourism in South Africa is at an all-time low in the wake of Covid-19 induce travel restrictions. The President, this department and South African tourism have called on all spheres of society to step up, save the sector, save jobs and have emphasised the importance of tourism to economic recovery. Yet, this department ideally stand by while some of our most significant tourist attractions degenerate into falls.

The Dusi Canoe Marathon in KwaZulu-Natal, which is considered the world’s leading Canoe Marathon, has been under perpetual threats of cancellations due to water quality concerns. Durban Harbour suffers from a similar fate with business and leisure seekers describing Wilson’s Wharf as a gigantic toilet, how it falls in the KZN Midlands, despite a visit from this committee remains a squandered opportunity with dumping sewage spills and poor maintenance hindrance to investment and tourists alike. Despite the enormous potential of tourism, there is no sense of urgency to engage Co-operative Governance and Traditional Affairs, Cogta, on long running service delivery failures in wasteful to treatment. Thousands of litres of raw sewerage pour into our rivers, harbours and onto our beaches daily destroying ecosystems, poisoning communities and degrading key tourism destinations.

In 2018, South Africa generated $8,4 billion from ecotourism. South Africa’s incredible landscapes of biodiversity and heritage underpin our tourism offer and must be protected.

Ecotourism and green tourism go hand in hand. In the department’s annual performance plan green tourism is only briefly mentioned in the form of the green tourism incentive programme. This programme has no targets besides four

adjudication meetings per annum. There is no mention of the budget, a recipient target, and there’re no markers to establish the success of this programme. This lacklustre approach to incentivise green transformation is very concerning.

This department also spends millions on Expanded Public Works Programme, EPWP, programmes that provide temporary jobs but did not impart valuable skills that lend to long term employability. It would be far more strategic to collaborate with the private sector in the upskilling of EPWP workers, with the intent of training environmental or green offices.

Offices that can gain meaningful employment in the private sector by monitoring the parameters of green targets, targets which are set out in an incentivisation programme to accelerate green transformation. Green transformation in the sector is not only driven by global demand, but also by a shared commitment to climate mitigation and adaptation.

According to the Intergovernmental Panel on Climate Change, IPCC, special report on the impact of global warming of 1,5°C above three industrial levels, effects of climate change on South Africa are projected to be catastrophic. As tourism, we have a responsibility to decrease our carbon footprint,

conserve our water resources and biodiversity, and to urgently adopt adaptation and resilience strategies to protect not only lives, but livelihoods. Minister Mmamoloko Kubayi-Ngubane, you have an opportunity now to preside over one of the most progressive green transformations through the tourism sector. This is an opportunity to meaningfully impact on the lives of millions of South Africans. Please do the right thing.

Ms L S MAKHUBELA-MASHELE: House Chair, hon members, hon Minister and Deputy Minister of Tourism, ladies and gentlemen, the tourism sector remains a labour intensive industry, thus it creates a number of the much needed jobs for the economy.

In the pre COVID-19 period, the tourism sector was performing very well in South Africa with 10,2 million international arrivals and 81,2 billion revenue contribution to the South African economy.

At the domestic level, the country recorded about 28,5 domestic trips which contributed to about 43 billion in the economy. The employment impact was more than 750 000 direct jobs. In addition, the government created a number of public employment opportunities through tourism. Tourism is a multifaceted sector that contributes to a number of other

sectors and it also benefit a myriad of other economic sectors.

Tourism products use various forms of infrastructure. This infrastructure is mainly provided by the government and for the use of the development of tourism and other economic sectors. The tourism industry is a wide sector that supports many other related sectors. These include but not limited to the railway passenger transport, food and beverage, road transport, air transport, transport equipment rental, cultural and industry, travel agencies and other reservation services.

All these economic activities and more are interlinked to tourism whilst operating as independent sectors. Accordingly, these economic activities contribute to mass job creation both in the private and the public employment. These sectors depend on sound infrastructure that is desirable for the success as individual economy sectors and collectively as the tourism industry.

This infrastructure then facilitates the development of the tourism products that include seaside tourism, rural tourism, ecotourism, wine tourism, culinary tourism, religious tourism,

cultural and heritage tourism, sports tourism, business tourism that includes meetings, incentives, conferences and events and many others.

It is therefore crucial for the department to always have these infrastructure considerations whenever allocating their budget to various programmes. The success of the tourism as an economic driver in South Africa depends on the presence of policies and strategies that cater for the needs of these sectors. In the year 2021-22 financial year, the department will implement a number of these infrastructure projects.

Chief among these will be the 30 community-based tourism projects that will be implemented throughout the country with a budget allocation of over 573 million. The upgrade and the maintenance of these tourism infrastructure projects will contribute to job creation for the unemployed youth, retrenched youth and women.

This will also facilitate local enterprise development as the supply chain will involve sourcing material from local communities. The committee has always advocated for the improvement of these state-owned tourism projects and their operation to be transferred to local communities.

According to the annual plans presented before the committee by the department, in the current financial year the tourism infrastructure maintenance programmes of state owned assets will be implemented. This will be done to improve the tourism supply in local communities. The infrastructure improvement and maintenance will be implemented in the tourism precincts, protected areas, national and heritage parks, botanical and zoological gardens, heritage sites and other state owned assets.

This infrastructure development and maintenance work to be done by the department shows a clear link between tourism and the mandate of other sector departments. For example, some of the parks that will be upgraded and maintenance will be done, belong to the Department of Environment, Forestry and Fisheries, while others belong to the provinces. This work will be done to improve South Africa as a tourist destination. The tourists do not care who owns what tourism facility, theirs is an interest in enjoying world class facilities. The collaboration among government sector departments is thus sacrosanct in offering high quality standard tourism facilities as destinations in South Africa.

Hon members, we, as the Portfolio Committee on Tourism, also call upon our sister departments and our local government to ensure that tourist sites such as museums, monuments sites are always maintained and looked after to enhance visitor experience.

The department has also faced challenges in implementing the infrastructure projects. The leadership of the Minister employing the efficient and effective methodology of implementation is commendable. In the year 2021-22 in this financial year the department will benefit from using the services of the Development Bank of the Southern Africa, DBSA, as an implementing agent for the infrastructure project. The outsourcing and the implementation of the infrastructure projects to DBSA is a stroke of a genius by the department as the DBSA has in-house built environment engineers who have a wealth of knowledge in implementing such complex projects.

This implementation methodology will ensure that the projects are professionally implemented on time and within budget. The number of historical challenges such as inconclusive project plans and lack of structural integrity of infrastructure projects will be a thing of the past.

On its own, the tourism sector is contributing massively to the public employment in the country. The department is planning to create about 12 000 work opportunities of the medium-term through the working for tourism projects with about 4 000 jobs created in the year 2021-22.

The working for tourism project facilitates the development of tourism infrastructure projects under the Expanded Public Works Programme through labour intensive methods targeting the youth, women, unemployed, disabled persons and SMMEs. The department is also facilitating skills development for the wider tourism industry. These training programmes, as outlined by the Deputy Minister, provides skills development along public employment opportunities.

Amongst other training and employment opportunities in the Medium Term Expenditure Framework, MTEF, period, the department will be targeting about 3 000 unemployed and retrenched youth for the hospitality and youth programmes with about 1 000 trained each year for the next three years. A total number of 60 women will be enrolled in the executive development programmes with 20 trained each year over the MTEF period. The Executive Development Programme has been a

resounding success with some women who have previously enrolled having ascended to the actuals of management in the various organisations.

The department will also train a total of 25 women-owned SMMEs in each of the nine provinces through the Women in Tourism business development and support programme. The multiplier effect is that these women-owned SMMEs create employment opportunities for multitudes of citizens. These programmes will be implemented over the MTEF period with about 75 women- owned SMMEs to have been trained in the year 2022-23 financial year. These are some of the training programmes that provide skills to the economy and to South Africa.

Hon members, as I conclude, let me remind hon members that South Africa belongs to all its people and we, the people, belong to one another. South Africans must be ambassadors of their country. We should fall in love with the country’s beauty and diversity. This will encourage us to discover more about the beauty and the diversity of our country and the South African pride is only guaranteed through this.

Hon members, we support Budget Vote 38 of the Department of Tourism. Thank you.

The MINISTER OF TOURISM: House Chairperson, firstly I would like to urge members as I respond, to read the Tourism Sector Recovery Plan because in the debate it is very clear many of our hon members have not taken efforts or time to go through the document. It is important for us to go through it because it really detail the plan that speak to reigniting tourism both in terms of international and domestic - what we are going to do.

The work around infrastructure, which areas the partnership will do ... [Interjections.] ... so, we will definitely do. One of the things that we flack which we highlighted during the committee meeting was the work that we are doing in terms of bringing back international travellers while we are working towards removing South Africa in partnership with other departments - removing South Africa from the red list.

Secondly, I think there is a continued view or perception that when we look at this, we seem to think that South Africans needs to continue to be what we call ... you know, many South

Africans, especially those from previously disadvantaged communities continue to be workers while they watch others being employers or owners. The Tourism Equity Fund, TEF, is meant to change this landscape, and I think we all need to commit to the transformation of the tourism sector. You can’t speak about people looking for jobs ... black people are good at being workers for an employer, and not employers themselves. The issue that you would like to camouflage by saying it is only going to be for the few will not be taken.

We have said that we would be open; we would be transparent like we have done previously so that you will be able to see those few who have benefited and who they are. That is why when you look at the criteria, it is very clear that these people are entrepreneurs that we are looking for. We have brought in credible systems, including the banking system, that would be able to see to it if those for example are Public Employment Programme, Pep.

I am not so sure why we think that previously disadvantaged individuals should remain as workers in this country and not owners of products in the tourism space. We shouldn’t be having a tourism sector that will look predominantly like we

are still living pre-1994. If we look at various reports, including the United Nations Development Programme, UNDP, that I always quote. I thought that members will make time to read that report. It speaks about the face of poverty in this country being a black woman.

We can’t continue with such a situation and think that it is normal and acceptable. As a black woman I stand ... maybe I am better off because I am privileged. I am sitting in a position of power, but my responsibility is also to lift other women and make sure that opportunities are created for those women who were left behind as mama Maxeke has asked us to do. When you have an opportunity, get in and lift others, and this is about all the women in the tourism sector.

The fact that this sector is dominated by women - the participation is by women, more than 70%, actually. Go and look for them, why are they not becoming CEOs. Where are they in middle management of this companies that we are talking about? By the way, I am talking about both black and white.

Why are they not owners of these products, and we think it is normal – in a country has majority of the population being women, it can’t be. It can’t be business as usual.

If we are used to sitting around and compromise, this is not a point of compromise where black women in this country must continue to be the face of poverty in South Africa. We have to turn the situation around, but it is not only for us – it is for the sustainability of this economy. It is for the sustainability of our democracy. It is the right thing to do. Consciously, we all have to agree, it must be done, and it must be done now.

The department, in terms of its annual performance plan, APP, has clearly outlined in terms of names, provinces, locations what we are doing. So, the inclusion of rural townships. – you will see it in our work. If you look at the domestic campaign that myself and the Deputy Minister led, it is predominantly showcasing what attractions exist in rural areas. We have been able to promote the areas that many South Africans have not known. So, one of the things I would also like to say is that the policy proposals that have been raised by various members, it would help that we put them in the policy review process.

We have started the process, and we are looking forward to it and I want to urge all stakeholders to come to the forth and assist us.

Another issue which is a challenge in terms of tourism is that we do have quite a lot of misunderstandings of the role of the department where you find some areas that are not mandates of the Department of Tourism being given to the Minister of Tourism. There are things that belongs to the Department of Environment, that the Minister of Environment would speak about. There are things that belong to the Department of Sports, Arts, and Culture, including the heritage museums and all that – they will be spoken about by the Minister of Sports, Arts, and Culture as they deliver their speeches.

We have to remind hon members in terms of the interaction between ourselves and various departments that we will continue to ensure that have conversations because some of these attractions are assisting us to gain, in terms of tourism. But in terms of the responsibility of doing quite a number of things that members are saying we should do - unfortunately they are not the mandate of the Department of Tourism - it becomes difficult.

We can’t go and have a conversation with them as we do in terms of sister departments, in terms of Cabinet and Cabinet committees. What I like is the portfolio committee’s approach

where they call us and are able to bring provinces as well and have sister departments to join the committees. In these collaborative efforts we will be able to achieve what we need to achieve, besides being able to stepping on each other’s toes and also conflating each other’s mandates.

We hear a lot of work that has been done, and we want to appreciate more importantly the support from the portfolio committee – the members who have been able to support this budget. It is a budget that is limited as members have said, but as the department - others talk as if we have a huge budget as a department. It is a very small budget. What we have been able to do is to be able to ask how do we do more with little. How do we go and find partners that can assist us to reach even goals that we cannot be able to reach alone.

This is what we have been able to do.

I want to say to chairperson Mahumapelo that under your leadership in the portfolio committee, we thank you. We thank you for the wisdom and the guidance in terms of what you have been able to assist us as the department, and being able to give us the feedback where we have done wrong and where there are gaps we need to fill. We appreciate that. I want to also

thank the Deputy Minister as we work together, in terms of making sure that we are able to steer the ship in difficult times. Actually, I want to thank the stakeholders, especially the Tourism Business Council of South Africa, TBSA, South African Township and Village Tourism Association, Satovito, communities that we have been able to meet with, the restaurant association. At times I have been able to call them, even on Christmas day I called them to say to them we need to have a meeting. They Have never ceased to respond positively to attend that meeting so that we can be able to find solutions together. I want to say thank you to all of you, the departmental team, SA Tourism, SAT, board, together with all the employees in both the departments and the entity. It has not been an easy year until now. We have worked under tremendous pressure. We have been criticised. We have listened to the criticisms and we have taken it back as constructive criticism so that we can build a better department and a better sector. I want to also take this opportunity to thank the SAT CEO as he will be leaving us. He has indicated that and I have also received an indication from the board that they will be recruiting a new CEO. He has intended not to stay long due to his own future endeavours. He will be leaving us at the end of this month. I want to take this opportunity Sisa

Ntshona to thank you as the CEO of the SAT I arrived and found. Thank you for your hard work and steering the ship, including during the difficult year that we come from.

We have taken heed of all the issues that have been raised both positive and negative, and we will continue to improve in our work as the department in a collective effort we have been. We are who we are because of you, including all South Africans who have heeded the call to support tourism and domestic tourism, and that is where we are seeing the green shoots because South Africans have heeded the call to go out and support the sector. We continue to remain tourism strong, and we shall see the tourism recovery in the future. Thank you.

The ACTING HOUSE CHAIRPERSON (Ms P T M Joemat-Pettersson): Thank you very much, Minister. Thank you very much hon House Chairperson. Thank you very much hon Deputy Minister, hon chairperson of the portfolio committee, and thank you to all the members who participated in this debate.

Debate concluded.

The mini-plenary rose at 11:54.