**NATIONAL ASSEMBLY**

**THURSDAY, 19 MAY 2022**

**MINI PLENARIES (VIRTUAL)**

**14:00 – 16:15**

**Vote 38: Tourism**
**Hon. KP Sithole, MP**

Honourable Chairperson,

It is safe to say that the tourism sector was one of the hardest-hit sectors when Covid-19 reached our shores. The Department is understood to be navigating through difficult waters, given the increase in local cost of living (interest rate hikes and fuel price increases), as well as the recent floods in certain parts of the country.

It has been reported that the hotel industry’s income is 33% lower when compared to February 2020, a month before the pandemic hit our shores. It is common knowledge that tourism is a major contributor to the country’s GDP and job market. It is therefore concerning that this Department is facing a budget decrease of about 6%.

We welcome the Department’s progress in signing Memorandums of Understanding with major airlines across the world, to make South Africa more accessible to foreign markets. However, we need more strategies that will place South Africa top-of-mind as a travel destination for the rest of the world, through bidding for more international sporting events, with the goal of bringing in more foreign revenue. To achieve this, the South African tourism sector needs to work with the Department of Sports, Arts and Culture, to successfully bring major events to the country. These two Departments - working in collaboration - should strategically identify and collaborate with influential sportsmen and women to support our bid in bringing sporting events and tourism to South Africa.

One such example is the recent interest by Formula One, led by Lewis Hamilton, to make South Africa the next destination for a Formula One Grand Prix. This is something that this Department must prioritise. They must work with the relevant associations to support their efforts in bringing premier sporting events and the accompanying foreign investment and tourism to our country. The need to bring sports-tourism to South Africa is well justified, given the move towards diversity within sports. Landing such big events in South Africa must include support for rural townships through tourism. Sports should not just be a preserve of the more well-established areas but must find creative and practical ways to include our rural areas.

Whilst it is important to support the call for international travellers to return to our shores, we must not forget the local travellers who supported our economy when the pandemic hit, and people were on the brink of losing jobs and going without food. We agree with the Committee’s recommendation that domestic tourism should be strengthened through making travel affordable for locals. As a Member of the Transport Committee, I have seen the challenge of the rising cost of transport in this sector. This is an ongoing increase, and will become the biggest obstacle for rural and local tourism. Furthermore, a recent article highlights that our middle-income earners spend almost all their income within the first five days of receiving it. This talks to the rapidly rising costs of living and this will surely hamper our efforts to support local tourism.

The IFP supports the Budget.

I thank you.