

Budget Debate on Vote 38: Tourism

Speech by Manny de Freitas MP

DA Shadow Minister of Tourism

House chair,

The R1 billion aborted Tottenham Hotspur issue brought tourism to the front pages of the media for the wrong reasons. The press conference held at the time led by Mr. Themba Khumalo, the then SAT Acting Chief Executive Officer of South African Tourism (SAT), was a titanic display of arrogance and speaking down to the public. Khumalo claimed that there was no deal, however media reports indicated that the deal was to be signed when the story broke.¹ There is no doubt that this ill-conceived idea was halted due to the unanimous public outrage.

How is it that such a proposal that would take up a third of the SAT budget was allowed to go as far as it did and why is the previous acting CEO and other officials not being held personally liable for this wasteful and most definitely fruitless expenditure? As is the norm with this government there is no accountability nor consequences.

Speaking of accountability and consequences, or the lack thereof, the Minister saw it fit to accept the recent resignation of Mr Themba Khumalo by letting him go without him working in his 3 month notice period. This means that an astronomical over R8 million² was spent on 1 person for doing nothing over this period. Why would you allow this huge amount to be spent without receiving anything in return? This is simply irresponsible and a display of the middle finger to the taxpayer who fitted this astronomical bill.

If anyone thought that the problems with SAT Acting CEOs were over after Khumalo's departure, they were sorely misled. Within days of the being appointed earlier this month, the newly appointed SAT acting CEO, Nomasonto Ndlovu, had allegations of bribery leveled against her, when she was allegedly implicated in accepting a R100 000,00 bribe from an airline for business class flights, accommodation and World Cup tickets. To add salt to the wound, the SAT Board chair confirmed to me that Ndlovu would not be suspended pending the outcome of an investigation into this matter, but that she would continue with her duties irrespective. This is highly irregular and only boosts the negative image that SAT already has.

¹<https://www.sportsbusinessjournal.com/Daily/Global/2023/02/01/tottenham.aspx#:~:text=Tottenham%20secured%20a%20three%20year,from%20its%20current%20sleeve%20sponsor%2C>

² National Department of Tourism (2023), written reply to question 1142, published on 31 March 2023, asked by KP Sithole (IFP)

But the situation gets worse when one considers that Ndlovu, who was the Tshwane strategic director of communications, marketing and events, was involved in the ill-fated *Dinokeng TribeOne* three-day music Festival which was to take place in Cullinan in September 2014. The festival was cancelled, despite millions having been spent. Ndlovu left the City of Tshwane in 2017 amid investigations into allegations that over R40-million had been misused in preparation for the music concert. Yet the SAT Board finds it prudent to allow such a questionable person to head South African Tourism.

But the problems with SAT are not confined to officials, in replies to parliamentary questions posed by myself³, Minister of Tourism Patricia de Lille admitted that since 2020 the South African Tourism board had spent an astronomical over R2 500 000,00 on SAT Board remuneration fees, travel and accommodation. This amount is not commensurate with tourism growth over the same period.

The replies reflect that the members of the previous SAT Board were clearly “milking” the system, as of the 57 board meetings held from 2020 to this year to date, 43 (or 75% of all meetings) were held virtually, with only 10 meetings held in person, yet an astronomical over R769 000,00 was spent on travel and accommodation on themselves. This averages a little under R77 000,00 per meeting on travel and accommodation alone. Board member remuneration fees over the same period totaled a sky-high amount of over R1 600 000,00 of taxpayer’s money.

But it doesn’t stop here! South African Tourism seems to be going from one scandal to the next.

Only this weekend, I read in a Sunday newspaper⁴ that 3 members of the portfolio committee, including myself were specifically nominated to participate in a pointless weekend junket in New York. I heard about this for the first time when the newspaper reporter called me about this. The SAT didn’t even have the plain decency to advise me about this in the first place. Besides the fact that all that such a trip would entail would be to celebrate Freedom Day in New York and that it would cost the taxpayer an excessive over R210 000,00 per person!

Although the Minister needs to be congratulated for disallowing such a pointless expense, SAT doesn’t seem to understand that they account to the Tourism Portfolio Committee, this means that members of the portfolio committee cannot accept such a trip from them as it then compromises members of parliament who are overseeing this entity.

³ National Department of Tourism, (2023), written reply to question 780 by Minister of Tourism to questions by MSF de Freitas (DA)

⁴ Makinana, A, 2 May 2023, The Sunday Times, De Lille pulled plug on SA Tourism-funded New York junket for MPs

It's clear that the Minister needs to appoint a proper board to head South African Tourism because as things stand, they appear more like a Charlie Chaplin comedy than a serious entity that has the interests of tourism at heart.