

Our tourism budget must reflect our policy priorities

By **Hlanganani Gumbi MP** – DA Shadow Deputy Minister of Tourism

Good morning chairperson and to the viewers,

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 & 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 and which must be 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 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. In the portfolio committee, we heard first-hand from the CEO of a prominent Cape Town hotel about the devastation of their business as he broke down and cried. He spoke about having to let go of staff and watching them lose everything and go hungry as they try to survive. So shaken was the portfolio committee, that the DA immediately proposed a disruptive and effective support package for many of those businesses. This initiative had unanimous support. This would have resulted in an instruction to the tourism minister to engage cabinet about immediate free grading, tax payment holidays for tourism establishments and a tax review on public flights. 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. It is the difference between the minister having a once off cookoff with Somizi and having restaurants thrive that promote domestic tourism.