

## **Government continues to fail tourism sector**

By **Manny de Freitas MP** – DA Shadow Minister of Tourism

House chair,

In replies to parliamentary questions I posed earlier this year, the Minister advised that the Key Performance Areas (KPA) in her performance agreement, as signed by the President, are political leadership contributing to the country's triple challenges, NDP priorities and medium-term strategic framework (NTSF). Other KPAs included *"building a capable, ethical and developmental state"* and *"political leadership and oversight"*.

Nowhere does the word "tourism" feature anywhere in the performance agreement. This makes perfect sense as this reflects the reality on the ground, because in reality this government has done very little for the tourism and travel sector. In fact, this sector has been able to slowly grow and develop despite this pathetic government.

It was embarrassing to listen to the Minister tell our portfolio committee this week about the many great achievements reached by her government. This is as delusional as believing that stilettos can be worn with a military uniform.

Interestingly enough, in September last year at the African Travel and Tourism Summit the Minister admitted that the tourism sector bled nearly a third of its jobs.

Let's then have a look at the achievements by the Department of Tourism.

The Auditor-General found that social security grant beneficiaries, UIF beneficiaries, persons with incorrect or invalid ID numbers and even people employed by the State and, wait for it; dead people received Tourist Guide Relief funds. Over R13 million later and not a cent has been recouped and no one has been brought to book. My colleague, Honourable Hannah Winkler, will discuss this matter more.

In the meantime, the tourism sector has lost an estimated 470 000 jobs due to this government's illogical job-destroying lockdown period. Thanks to government's unscientific regulations only 37% of employees within this sector were receiving 100% of their salaries in February 2022.

The tourism sector supports an extensive value chain, including hotel accommodation, restaurants, tourist destinations, transport, airlines, catering, food and beverage companies, tour guides and registration and support staff. This translates into hundreds of thousands of jobs, in turn supporting millions of people. But government clearly doesn't care about this.

In February, the online accommodation portal Afristay conducted a survey with its 15 000 travel accommodation establishments and found that the devastating effects of the destructive lockdowns still linger in South Africa today. This independent survey found that:

- Only one in three travel establishments say their business has returned to normal;
- 41% of establishments said their businesses are still severely impacted;
- Only 53% of establishments have returned to their normal staffing levels; and
- One in three establishments are still operating with less than half their usual staff.

When South Africa entered its hard lockdown in March 2020, it was initially expected to only last for a few weeks at most. However, South Africa's borders remained closed to all but essential travel until mid-August. Crossing provincial boundaries was also not allowed.

Not only had international travel been cut off, local tourism and business travel was also not permitted by this government. This is despite the fact that some tourism sub-sectors by their very nature already complied with lockdown regulations, such as, self-catering accommodation and country accommodation which have isolated and self-contained accommodation units. But government in its idiocy chose to outlaw rotisserie chickens instead.

This government seemed to have been oblivious to the fact that we are part of the international community. Instead of doing everything possible to attract international tourists, who bring their strong currencies to our shores, they simply exacerbated an already horrendous situation. In 2020 alone, the tourism sector lost R164 billion in spending by visitors.

Policy uncertainty and contradiction ensured that, for example, one of our largest markets, the United Kingdom, kept us on their red list for 10 months, costing our economy around R7.9 billion in 2021 alone. In reality, the reason why we were on so many red lists was because that despite the gradual relaxation of lockdown restrictions, there was no guarantee that this government won't simply re-impose the restrictions and leave tourists stranded. In fact this is exactly what happened in many cases.

This government still doesn't understand that it is the private sector that is actually building tourism and bringing visitors to South Africa. This is happening while government tinkers on the edges by, for example, providing courses that provide no real qualification and even when they do, thanks to this government's ideological straight-jacket regulations, graduates are unable to be employed. Instead, the private sector is already bringing in thousands of visitors to conferences, exhibitions, meetings and holidays.

We all agree that President Ramaphosa's tourism target announced in his 2019 State of the Nation Address (SONA), of 21 million tourists by the year 2030 is now unrealistic post the pandemic. However, the truth is that even before the hard lockdown in March 2020, this target was already absolutely unrealistic. For that original target to have been achieved, taking the pandemic out of the equation, it would mean that South Africa would have to grow its economy by 6% compounded annually. So even before the pandemic tourism wasn't growing at the pace that it ideally should have.

Statistics at the beginning of 2020 released by StatsSA showed a 2.3% decline in tourist arrivals. This translated into a loss of about 615 000 arrivals in 2019, which in turn meant a R5 billion loss in tourist spend in South Africa.

Government has been doing the wrong things all along. Tourism is a "quick win" that government should be focusing on in working to grow the economy. This would require political will on the part of the ANC to address the challenges of crime and xenophobic tensions which keep visitors away.

Government should focus on ensuring that tourism sites and attractions are well maintained, clean, safe, accessible and well marketed. It should stop trying to do everything and rather do a few things well. In doing this it will make our tenacious tourism sector flourish even more, contributing to growing our economy and creating jobs.