

Department of Tourism briefs parliament on plans to advance inclusive growth

The Select Committee on Trade and International Relations and the Portfolio Committee on Tourism has been briefed by the Department of Tourism on its strategic plan, Annual Performance Plan (APP) and Budget in Parliament on 3 and 5 May 2017, respectively. Tourism Minister Tokozile Xasa emphasised that the APP, premised on the Departmental Strategic Plan for the period 2015/16 2019/20, has taken into account the President's call at the State of Nation Address for radical economic transformation to ensure inclusive growth and the need to contribute to the reduction of poverty, inequality, and unemployment in South Africa.



Image Source: [Twitter](#)

A focus on inclusive growth

Xasa noted that while the overall economy has witnessed a slowdown, the tourism growth trajectory has been on the rise with regard to tourist arrivals, employment, GDP, and tourism spend. She cautioned that while these positive signs are welcome and impressive in all respects, there is a need to focus on achieving inclusive growth that benefits more people with increased broad-based participation.

She further added that the effective use of state procurement, particularly of travel and tourism value chain products and services worth more than R10 billion, will also ensure inclusive participation in the tourism economy, including by township and rural based enterprises. The Department also recognises the potential for leveraging from state-owned tourism assets to bring in black management capacity, concessioners, and expansion of affordable products for the domestic markets. This also includes land, particularly in prime areas, for new tourism investment which is largely in the hands of municipalities. The Department will work closely with provinces and municipalities, in that regard.

The Department's plan calls for focus on key areas to promote growth of the sector, including, amongst others:

- **Sector transformation** to improve the levels of broad-based participation within the tourism sector and to promote

inclusivity;

- **Enterprise development targeted at women and youth entrepreneurs**, with the view to increase value contribution of the small enterprise and medium size enterprises to the tourism economy.
- **Skills development** to improve the supply of required skills in the tourism sector with a special emphasis on youth development; and
- **Destination development**, including coastal and marine tourism, to enhance and diversify tourism offerings.

The Minister reported that the Department will also be setting up a tourism transformation fund in partnership with a local Development Finance Institute to promote access to funding for new projects and expansions, including for community-based projects. Details of the fund will be announced during the upcoming Budget Vote Speech on 23 May 2017.

Minister Xasa and Deputy Minister Elizabeth Thabethe will provide more information on the 2017/18 financial year's plans during the Budget Vote which will take place at 2pm on 23 May 2017.

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