

## TOURISM



# Tourism – a vital sector to grow the economy

By Tshithiwa Tshivhengwa, CEO of the Tourism Business Council of South Africa

According to the World Travel and Tourism Council (WTTC), the tourism sector now supports one in ten jobs on the planet and contributes 10% of global GDP. In the past 10 years, one in every five jobs created around the world was in this sector and, with the right support from governments, nearly 100 million new jobs could be created over the next decade.

**Travel and tourism plays a vital role in growing the economy and creating jobs. According to Statistics South Africa (StatsSA), South Africa has 16.2 million workers and tourism directly employs 4.5% (726 500) of this total work force.**

Tourism has created more jobs than manufacturing and mining between 2014 and 2017. It is critical that the industry is protected from forces that could impede its growth and sustainability.

In 2017, travel and tourism contributed R412 billion to our GDP and its direct and indirect contribution to employment is 1 530 500 jobs, according to the WTTC. This is a sector that government must fully embrace and nurture with the intent to further contribute to the economy and employment.

The tourism sector created 31 752 new jobs in 2017. This is the greatest number of new jobs generated by tourism within a year in at least the last eight years. This also represents the second year of employment growth after the sector saw a net loss of 12 262 jobs in 2015.

This highlights the strength of the industry and why it is imperative to build and strengthen the sector in a country that is facing a significantly high unemployment rate.

### South Africa, the destination of choice

South Africa has everything to offer, from world-class cities and tourism infrastructure, nature, wildlife, beaches, mountains, villages, wedding and conference destinations. This makes South Africa an ideal destination for leisure and business travel and we believe the future of tourism looks bright for South Africa - provided we do the right things fast.

### Growing the economy from the grass roots up

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This has a positive impact in addressing inequality and geographic spread of tourism.

### Untapped and alive with potential

In comparison with other world regions, Africa's tourism industry remains relatively underdeveloped. Of the 1.2 billion people traveling internationally in 2016, only 58 million arrived in Africa - roughly 5% of the world's inbound tourism.

To realise the full potential of the South Africa tourism sector's impact on economy and job creation, the departure point must be the urgent removal of regulatory barriers that are impacting growth. This includes immigration regulations (birth certificates for minors, eVisas, visa waivers) national public transport regulations and dealing with sharing economy concerns. These regulatory barriers are self-imposed and have damaged the tourism industry performance both inbound and outbound.

The TBCSA has done a study to project the impact of tourism in South Africa in 2030. The study shows that we can double the number of foreign tourist arrivals by 2030 to 21 million, with associated impact on creating 2 million more jobs, mobilising R1.4 trillion investment and generating demand for other sectors such as food, vehicles, construction and retail.

This can only happen if we urgently address regulatory barriers, work on a tourism strategy for growing China, India and Africa markets. There are many countries that are already ahead of the curve and we need to move with speed in addressing these issues. ■



Tshithiwa Tshivhengwa, CEO of the Tourism Business Council of South Africa.