

## Are the benefits of tourism just skin deep?

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The figures are certainly impressive. According to Statistics South Africa (Stats SA), a government agency, the country's tourism industry has experienced growth of over 100% since the demise of apartheid in 1994 - with the number of international visitors increasing from 3.6 million to 7.3 million by 2005.

Stats SA also notes that tourism contributed eight percent of South Africa's gross domestic product last year, generating income of more than US\$19 million in foreign earnings, and providing employment for 1.2 million people.

But, in a country struggling to overcome the effects of apartheid, these figures don't necessarily add up to a success story. There is concern that the bulk of profits generated by tourism is not filtering through to South Africa's majority blacks, still largely excluded from the ownership of assets such as private game parks.

"The industry is comprised of numerous smaller operators. They use their land, the farm they inherited, and turn it into a game farm. They take their home and turn it into a guesthouse," said Quentin Eister, chairman of the Free State Tourism Authority, one of nine provincial tourism bodies in South Africa.

But, "Those who suffered under apartheid &hellip; do not have a property on which to take out a bond and develop a tourist attraction," he told IPS. "Or if they do, it falls into a distinctly lower income grouping and they are forced to create township routes and guest houses in townships where the yield is low, both in terms of volume of tourists and the price they can charge."

The word "township" refers to an area that was demarcated for use by people of colour, under apartheid. Townships were situated away from urban centres as part of the campaign to entrench racial segregation; today, they are typically poor areas, with inadequate services and few amenities.

Lack of black ownership is reflected throughout the economy - a consequence of years of racist legislation that limited the movement of blacks and deprived them of a good education, medical care and other services - undermining their employment prospects and earning power.

Eister said that although a number of institutions were offering development finance to the tourism sector, they required prospective operators to contribute 40% to 50% of the investment - a prohibitive amount of money for black entrants to the sector.

"We need to create an environment that would make it possible for more people to enter the market," he noted. "A 20% deposit would be more acceptable."

Tshediso Matona, director general of the Department of Trade and Industry (DTI), said government was aware of these problems, and that the DTI needed "to design appropriate systems to give them (blacks) access."

These would include training programmes to enable people to enter the tourism industry more easily, and better access to finance, he explained - this during a press conference in May at the Tourism Indaba, a major tourism fair that takes place annually. (Indaba is a Zulu word used to refer to an important meeting.)

A poignant illustration of the challenges confronting the tourism industry was provided by the fact that all those who collected awards at this year's Indaba were white men. Both government and the private sector expressed serious concern over the lack of meaningful black participation in the tourism industry at various gatherings held during the event.

The face of tourism in South Africa is also set to be altered by government's policy of "black economic empowerment" (BEE), introduced in a bid to rectify the problems caused by apartheid. BEE seeks to increase black economic participation in a variety of ways, such as greater ownership of assets, more representation in senior management, and training. Government procurement is also used to advance BEE, with preference being given to companies seen as playing a part in addressing racial inequities.

Two years ago, Environmental Affairs and Tourism Minister Marthinus van Schalkwyk appointed the government-funded Tourism BEE Charter Council to encourage and monitor the implementation of BEE in the tourism industry. The members of the council are appointed from the private sector.

This was followed by the presentation in 2005 of the Tourism BEE Charter, a code of best practice that also provides a set of questions which allow industry members to assess their "BEE score" - a measurement of the extent to which they are attaining the objectives of black empowerment.

This year, the council launched a campaign to ensure compliance with the charter, and to make people more aware of the need for black ownership of, and representation in, tourism.

At present, says Tami Sokutu, executive director of African Bank and chairman of the Tourism BEE Charter Council, "The tourism sector is one of the least transformed sectors in South Africa. The state of transformation is up to a maximum of six percent."

This was in reference to the results of a survey of tourism companies listed on the Johannesburg Stock Exchange in 2003, conducted by the Tourism Business Council of South Africa. The study found that listed companies were, on average, only six percent in compliance with the requirements of BEE.

Sokutu says the council's mandate is to ensure that 21% of the tourism sector is either black-owned or black-managed by 2009: "We will also focus on the development of systems such as a database with a list of compliant suppliers and partners to support the implementation of the charter."

As preparations for hosting the 2010 World Cup get under way in earnest in South Africa, the country's tourism industry is likely to face even more scrutiny. Siphile Mdaka, operations director for Mbonise, a tour company focusing on cultural and wildlife tours in Hluhluwe, a popular tourist town adjacent to a national park in the eastern province of KwaZulu-Natal, is one of those who are optimistic about the prospects for BEE in tourism. (Hluhluwe is the Zulu name for a cockspur, a spiky plant that grows on trees in the area.)

"A lot has been done to assist the establishment of small- and medium-size businesses," he told IPS. "But BEE is not going to happen on its own. All those in the industry need to embrace BEE and to support government initiatives." This article appeared online at IPS NEWS as well as in the Pretoria News and the Mail & Guardian On-line.

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