

GIBS-GBCF
THOUGHT LEADERSHIP PIECE
SECTOR: Tourism
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HEAD: Tackling tourism bottlenecks a priority for Gauteng

KICKER: Consider that tourism in South Africa supports at least one in every 11 jobs in the country. In a country aching for more employment opportunities growing our tourism footprint is essential; and Gauteng province is working to do just that.

BODY:

Tourism is a major contributor to the world's economy. When you examine the figures you can see why. The sector contributes 10% to the globe's GDP and brings in US\$1.5 trillion in exports, which equates to 7% of total global exports and 30% of the world's service exports.

Getting tourism right is critical to the growth of any economy. Looking at how the tourism Industry can help transform an economy, the Gauteng Provincial Government recently singled it out as a sector in need of time, attention and transformation as part of its 2030 Greater City Region (GCR) Economic Development Plan for 2030. With Gauteng's unemployment sitting at an even higher rate than the national average, at 30.1%, tourism could be the elixir needed to spur on inclusive job growth, which brings more participants into the Gauteng economy.

At the first Gauteng Collaborative Business Forum (GCBF), designed to get government and business talking and collaborating effectively in this space, Gauteng Health MEC Qedani Mahlangu explained that the Gauteng Provincial Government believed the province had what it takes to excel in untapped areas such as medical tourism, as well as in township tourism, art and heritage tourism and sporting tourism. Additional areas that the province should focus on, in my view, would be business tourism, retail tourism and food and wine tourism, all of which the experts tell us have the potential for growth and job creation.

The potential for Gauteng to deliver on its tourism goals are highlighted by the MasterCard Global Destination Cities Index for 2016 report, which celebrates Johannesburg as the most visited city in Africa, with around 3.6 million overnight visitors expected for 2016. This figure is up from 3.39 million in 2015. The report indicates that 82% of arrivals into Johannesburg are flying in from Africa and the Middle East. The report also projects that visitors will have spent US\$1.73 billion in Johannesburg over the course of 2016.

Even though these stats are encouraging, the industry needs to turn its attention to getting visitors to increase their time spent in Gauteng, thereby increasing the amount of money they are contributing to the provincial economy. The question is how does the industry manage the current disconnect between identifying Gauteng's tourism opportunities and actually seizing and exploiting them to draw in tourists, give them a wonderful tourism experience and, in the process, keep their valuable dollars circulating in the Gauteng economy?

Gauteng Premier David Makhura and his leadership team believe this is very possible, if government works hand-in-hand with the provincial private tourism sector. But when two parties have such a fundamental distrust – sometimes bordering on a dislike - for each other that this may prove challenging. Mahlangu, however, told the gathering held at the Gordon Institute of Business Science in Illovo, Johannesburg that the provincial government has high hopes that strategic sessions like the GCBF will yield positive results, because getting people around the table is the first step.

The question is although government is willing to engage, can they actually deliver on private sector concerns? Mahlangu took the forum through the provincial government's strategy to boost the sector with some of government's key touch points being: High-impact tourism infrastructure projects; infrastructure upgrades and maintenance; revitalisation of the township tourism offerings and products; workforce development; strengthening of institutional relations; and launching the 'People, Parks/Reserves and Tourism' Programme.

These are necessary projects and upgrades, but it can be argued this strategy merely forms part of any administration's mandate when it comes to its tourism sector. There are far deeper fractures within the sector that need healing. Issues raised by Gillian Saunders, Deputy CEO of Grant Thornton Johannesburg, at the GBCF gathering included a lack of trust between the public and private sector; poor cohesion within government departments; the lack of a cohesive branding strategy; safety and security; overly rigorous red tape; poor public transport; poor record keeping; a depressed economy; complex visa requirements and, finally, a lack of agility to implement plans. There are just a few of the complaints being voiced by a very frustrated industry, and need to be addressed.

To address private sector concerns, requires a high degree of self-reflection from government's side. There is a need for real structural changes within the public sector. And to be fair to the Gauteng Provincial Government some of the issues are out of their hands. Visas, a cohesive tourism strategy, a depressed economy, are just a few issues that are being driven at a national level. One thing the Gauteng Provincial Government can do, however, is heed one delegate's comment: "A lot of us in the private sector are looking to move from talk to action."

Frustration within the industry, however, runs both ways. Government believes that the private sector needs to step up too, especially in terms of transformation and SMME development. Makhukhu Mampuru, the man heading up the Cradle of Humankind World Heritage Site and Dinokeng Game Reserve projects, summed up government's feelings in this regard: "There is still a lot of transformation that needs to happen in tourism. Transformation is big for us, in terms of race, class and poverty alleviation."

Even with tangible concerns on both sides of the table, there is willingness from both parties to move beyond their past distrusts and start working together to push forward and make meaningful change. At the GBCF forum, the first engagement between industry stakeholders, five key touchpoints were ultimately identified a critical issues, they were: A lack of trust; transformation and SMME development; fragmented government coordination; communication, data and intelligent sharing; and the need to define rolls and create a shared vision.

Bearing these points firmly in mind, Mampuru's final comments summed up what government wants to achieve through these tourism GCBFs: "We subscribe to the notion that tourism is government lead and industry driven, and community centred. That is what we want to see emerge in actual practice. All of us are somehow implicated in ensuring that tourism becomes a success and, in the context of Gauteng, we'd like to see that realised."

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