

Tourism contributes 8% to GDP: small businesses helped to benefit

Tourism in 2010 is the fastest growing sector of the economy, contributing more than 8% to GDP and employing more people than the gold mining industry. But according to Minister of Tourism Marthinus van Schalkwyk it's a sector that needs continued development; a goal that can only be achieved with real partnerships.



Minister Marthinus van Schalkwyk at TEP annual results presentation

Speaking at the recent launch of the Tourism Enterprise Partnership (TEP) annual report, van Schalkwyk acknowledged the public/private partnership created and nurtured by the Business Trust, its brainchild TEP and his department: "This is one of the best examples of a public/private partnership we have in the county and government's huge investment in the last ten years would not have happened if we didn't have this partnership."

The Minister outlined a plan to take the tourism contribution to GDP to double digits within four years. He stressed the importance of partnerships, such as those the Business Trust has established, as an important ingredient for success.

At the event, Chief Executive Siva Pillay presented TEP's latest results. Between July 2008 and June 2009, TEP registered 2 200 new tourism businesses as clients, and supported enterprises to do transactions worth R513million. This takes the total number of enterprises supported since inception in 2000 to 6 662 and the value of transactions to R4,5billion. This has created 58 992 person years of work, which is equivalent to employing nearly 6 000 people for 10 years.

The Tourism Enterprise Partnership was established by the Business Trust in 2000 to develop small enterprises in the tourism sector as a means of creating jobs and helping those who had previously been excluded to gain access to the tourism economy. This work was undertaken in close consultation with the now Department of Tourism who helped to shape the

programme and from 2005 onwards began to provide the funding needed to take the initial idea to a scale that could have a meaningful impact on South Africa.

To forge ahead means co-operation and commitment, but Minister van Schalkwyk believes even more impressive results can be achieved. He ended with a reminder not to underestimate the FIFA soccer World Cup: "We still don't seem to understand what 2010 entails. We will have hundreds of thousands of people visiting this country and billions more watching worldwide. We urgently need to utilize this opportunity to take our industry to the next level."

TEP has been working since 2005 to prepare small businesses for the 2010 FIFA World Cup™. After completing a nationwide small business survey to assess the readiness of small and medium sized tourism products available in the market, TEP assisted accommodation owners (mostly previously disadvantaged) to sign up 5 000 rooms for use during the World Cup. These properties will be displayed on the official FIFA.com website and have been provided with financial assistance to gain 3 star grading over a three-year period between 2007 and 2010.

Mr Rick Menell, a director of the Business Trust and Chairman of TEP, said 'we should also thank the tourism entrepreneurs who are the clients of the Tourism Enterprise Partnership. They are the true heroes of the story. They are the ones who risk their resources in a very uncertain world and often under extremely difficult conditions. They deserve the support they get from this initiative. As the vuvuzelas and cries of "laduma" fade, we look forward to seeing the entrepreneurs supported by the Tourism Enterprise Partnership take their place in an increasingly prosperous South Africa'.

For more information on the Business Trust, see www.btrust.org.za

For more information on the Tourism Enterprise Partnership, see www.tep.co.za

Tel: 011 612 2000 | Fax: 086 504 1772 | Web www.btrust.org.za | Email info@btrust.org.za