

We need to work together if we want to revive South Africa's tourism industry

By [Jerry Mabena](#)

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In early 2020, South Africa shut down. Businesses closed their doors, airplanes were grounded, and people became all too familiar with the inside of their homes. The country's economy took a huge hit as a result of necessary lockdown measures, but the tourism sector has borne the brunt of the pandemic's negative impact, losing billions of Rands in revenue and over 300,000 jobs since the outbreak began.



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While other sectors of the economy have shifted to adapt to our current economic environment by implementing remote work and accelerating digital transformation, the nature of the tourism industry has made it difficult to respond to the challenges brought on by Covid-19 travel restrictions. Simply put, no travellers mean no tourism. According to a [2020 report](#) released by Statistics South Africa, foreign arrivals dropped by 71% from just over 15.8 million in 2019 to less than 5 million in 2020.

Saving the tourism sector and the livelihoods that depend on it will require both the public and private sectors to collaborate and inject more resources into the sector to ensure that the worst possible scenario can be avoided.

Collaborative reinvestment will reinvigorate the industry

South Africa needs to prioritise robust private-public partnerships to reignite the country's tourism sector and ensure that the industry can meaningfully contribute to the national economy. The tourism sector requires comprehensive investment in order to grow to its full potential and this will only be achieved by both the public and private sectors working together to achieve the same goals.

The industry is in need of investment that will balance both short-term and long-term recovery, help spark innovation, and enhance sustainability.

The government has begun to take steps to invest in reviving the local tourism sector such as the recent launch of the Tourism Equity Fund where Tourism Minister Mmamoloko Kubayi-Ngubane announced that the government would be committing R1.2bn towards the renewal of the South African tourism sector over the next three years. But, given the country's slow vaccination programme and the reality that the virus and its impact might be with us for many more years, more needs to be done.

Rebuilding tourism must become a priority and ordinary South Africans have a part to play. By travelling within the country and spending money at local travel and hospitality establishments, local South Africans can help to save the industry too. Domestic tourism will be the key in the ignition restarting the sector, helping to mitigate the impact on jobs and businesses in key destinations in the country and ensuring that the industry becomes more resilient in the future.

Investing in the country's tourism sector now could redefine the industry for years to come. The world is starting to open up as more and more regions carry out their vaccination rollout. Today, [half of all adults in the US](#) have already been vaccinated and people are itching to travel. Not only that, but they're also looking for more cost-effective places to travel to.

While South Africa remains on the UK's red list - a key market for the local tourism industry - the good news is that cautious travel between the two countries is planned to resume in the coming weeks, with the British Airways announcing that it'd begin international travel this month.

Reopening international travel and accelerating South Africa's vaccine rollout could help the country position itself to welcome the huge spike in international travel we are likely to see as more people receive their vaccinations, generating greater revenue for the economy.

Tourism is more than just an extra

The travel, tourism and hospitality industry might often be seen as a sector that is not as important in South Africa as, let's say, manufacturing or agriculture, but it is one of the largest employers in the country and one of the biggest contributors to the country's GDP.

In 2018, the direct contribution of the tourism sector to GDP was R130.1 billion Rand, constituting nearly 3% direct contribution to GDP, and around 4.5% of total employment in South Africa, employing more than 740 000 South Africans in that year.

Additionally, the tourism sector's value chain touches on almost every other sector of the country's economy. The sector has a mutually beneficial relationship with just about every sphere of economic activity in the country from agriculture through catering to logistics through car rentals to arts and craft and entertainment – even sports is part of the value chain. It is certainly one of the most important industries and therefore requires special attention if the country is to effectively rejuvenate and grow the economy, save jobs and create more opportunities to get our people working.

While South Africa's economy is seeing upward momentum, it's not enough to offset the losses sustained over the past

year. In its [2021 World Economic Outlook](#), the International Monetary Fund has forecast South Africa's annual growth rate at 3.1% for 2021, but the country's economy had contracted by 7% during 2020, and so the country will find itself significantly behind our pre-Covid growth.

The tourism industry has the greatest potential to stimulate growth and reduce the current unemployment rate (at 32.6%, a 13-year high); therefore breathing life back into South Africa's tourism industry could boost national economic growth and see the country recover faster from the long-lasting impact of the pandemic.

The tourism industry is on the backfoot. It's standing on the edge of the cliff and, more than merely saving it, we need to revitalise it and use it to save the jobs and livelihoods directly and indirectly linked to it, and help facilitate a rebound in a sector that is vital to the country's economy.

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