

ADDRESS BY THE PREMIER MR. TSP MAKWETLA AT THE OPENING OF THE HOTEL SCHOOL MPUMALANGA HOSPITALITY AND TOURISM ACADEMY KANYAMAZANE (NELSPRUIT)

15 MARCH 2005

Program Director
Honourable MEC's
Honourable Mayor and representatives of our local government
The CEO of the Mpumalanga Regional Training Trust
Distinguished Guests
Ladies and Gentlemen

Thank you for this opportunity to be with you on the occasion of the opening of the Hotel School of the Mpumalanga Hospitality and Tourism Academy.

May I take this opportunity to pay tribute to all that have made this event possible. Indeed it is a significant milestone in our province's advance towards realizing its enormous economic potential and improving the lives of our people.

I wish to thank all the stakeholders that were involved in these efforts including our colleagues from government, the relevant Further Education and Training colleges, the Tourism, Hospitality and Sport Education Training Authority (THETA), our agencies and parastatals, and the Tshwane University of Technology.

It is thanks to your dedication, your commitment, and the conviction and energy of the CEO of the Mpumalanga Regional Training Trust, Mr. David Moropane, that we are opening this important chapter in the history of the tourism sector in our province.

We are excited by this development because the success of our tourism efforts depends largely on 'people' in the sector. This hotel school will greatly enhance our provincial human resource platform for the tourism industry. We are also confident that this school will assist us to achieve a high quality of service on a consistent basis.

We could not ask for any less as we begin the countdown of our preparations for 2010.

Without the right 'people' or appropriately skilled individuals with the necessary frame of mind to be welcoming and courteous to all our visitors, our province will surely fail. As the saying goes in the tourism and hospitality sector, 'it takes months to find a customer and seconds to lose one'.

We are also heartened by what we see as the deepening of 'smart partnerships', both across spheres of government and between private and public institutions, for skills development, service excellence and the promotion of tourism.

It is a quite a revelation for me to see that we have not lost the momentum from last year's Tourism Indaba, which to me signalled a radical departure from the fragmented manner in which the sector handled challenges in the past, towards an embrace of unity and commitment towards transformation.

Programme Director, Ladies and Gentlemen; in his State of the Nation Address our President Thabo Mbeki has enjoined upon us the urgent historic task of eradicating poverty and underdevelopment during the second Decade of Liberation.

Accordingly, as a province we have chosen this year as a one where the emphasis on job creation is paramount and that no stone should be left unturned in improving access to better opportunities in the labour market for all our working people and those who are unemployed.

Today's opening of the Hotel School is a fitting response to our observation that we will not be able to create a climate conducive to job creation in our province unless all our economic sectors, including tourism, match their true potential.

The tourism industry is an important driver of our provincial economy and we will continue to take a personal interest in helping it grow. Steps such as this opening of the Hotel school complement our own efforts to position this sector to take a lead in growing this economy at the levels that are necessary to make a difference in the lives of our people.

For a long time I have marveled at the unrivalled scenic beauty of our province and the numerous tourism attractions we have including the well known ones such as the Kruger National Park and the Blyde River Canyon, and the lesser known attractions such state of the art trout fishing sites, hiking, camping and mountain climbing spots second to none, exotic caves, waterfalls, gold panning sites, to mention but a few.

Yet as a province we have been beaten off the mark by regions that offer qualitatively less but have managed to package themselves in a manner that proves more attractive to both foreign and domestic markets.

Not only are we the fourth most popular destination for foreign tourists, and only the sixth most popular domestic attraction, but our visitors also choose to spend fewer nights in our province than elsewhere.

These statistics should be disappointing to all of us and signify the extent of the challenge that we face in positioning this sector in the medium to longer term.

Our ability to contribute towards job creation, as we promised our people in the State of the Province Address, in February, will also depend on how we fashion the necessary partnerships to take advantage and a greater share of the huge economic benefits generated by tourism in our country's economy.

In 2002, the World Travel and Tourism Council estimated that South Africa's travel and tourism industry generated R108.5 billion.

You should note that these were the figures presented even before it was announced that we would stage the FIFA World Cup event in 2010.

The industry's direct impact on the economy is estimated at close to half a million jobs and three percent of the Gross Domestic Product. This contribution is hugely amplified once the multiplier effect on the rest of the economy is taken into account, so that the total contribution to GDP is estimated as equal to 7.1%.

Therefore, it is my view that there is scope for increasing our share of the tourism market in ways that spur further growth in our regional economy, creates jobs and supports the transformation process.

Today's launch of the Hotel School is a timely initiative because without such an intervention we would clearly be unable to adequately respond to improvements in tourism supply and demand favourable to our efforts.

We would not have the numbers of sufficiently trained individuals to staff our hotels, B&B's or guesthouses. We would continue to be reliant on the generosity of training facilities in other provinces and be likely to fail to provide high quality service on a consistent basis.

Programme Director, this opening of the Hotel School presents an opportunity for the emergence of a virtuous cycle for our tourism sector as better training will improve perceptions of our province and encourage other visitors to come and experience what we have to offer.

As the provincial government we wish to reiterate our commitment to the establishment of a viable and sustainable tourism industry.

Recently we have announced our move to merge the Mpumalanga Tourism Authority (MTA) and the Mpumalanga Parks Board (MPB) in an effort to provide the appropriate institutional support for our interventions in this sector. As we all know, people travel to far and wide to admire and enjoy the wonders of nature. Therefore we saw the possibility for synergies between nature conservation and the promotion of tourism within a single provincial entity.

I am happy to report that the merge process is proceeding smoothly and should be completed before the end of the third quarter of this year. At the same time we do not anticipate any disruptions in our work within this sector during this period.

Programme Director, among the major challenges we face with regards to tourism is the urgency of improving our marketing strategies in order to position Mpumalanga as the most popular destination in South Africa.

We shall continue to work with all our partners and stakeholders to meet this challenge and to also realize other commitments we made at the Tourism Indaba and the recent Provincial Growth and Development Summit held in Badplaas in February 2005.

At the Summit, Government also agreed to take further steps including,

- Establishing a knowledge and information sharing facility for best practice, including centres for information dissemination in the sector.
- Develop a single, unified unique marketing and branding strategy for the province.
- Develop the relevant human resources for tourism in the community and based on research, as we have seen with today's event
- Develop a program that synergizes sport, arts, culture and recreation with tourism
- Implementation of the broad-based BEE scorecard
- develop a strategy to enhance business tourism
- promote implementation of the National Crime Prevention Strategy by all stakeholders

We will shortly be putting together project plans and identifying the necessary steps and resources for us to achieve these stated commitments.

Allow me to conclude by again thanking all who have made today possible.

As I look around the audience I see that we are making progress in driving the message home that 'tourism is everyone's business' here in Mpumalanga.

With this kind of spirit and enthusiasm that has seen us opening this Hotel School I am convinced that we can achieve our goal of making Mpumalanga the most popular destination for visitors in our country.

It might not happen this month or this year but I am quite confident that it will happen soon.

I thank you