

**Address by Hon: SW Lubisi MEC for Economic Development and
Planning on the Occasion of Premier Protea Hotel-Nelspruit Protea Hotel
on 22nd April 2005.**

22 April 2005

Her Royal Highness-Lambikiza (Swaziland) MEC Finance-Mmathulare Coleman MEC Public Works-Candith Mashego-Dlamini Ehlanzeni Municipality Mayor represented by Cnl. Ms Chemebi Sohi Mbombela Municipal Manager-Bruno Vilane Heads of Departments Representatives of the media SABC-Management Print Media Ligwalagwala FM Standard Bank Protea Hotel-Shareholders and Directors Corporate Affairs-Zwilenkosi Mdletshe Ladies and Gentlemen

In the budget speech I delivered in the legislature on Tuesday, I emphasized the importance of Tourism as an industry that is a key panacea to generate a critical mass of job opportunities to sponge up the acute quest for jobs in our province.

The hospitality industry becomes, therefore, the heart of tourism while the roads, rail and air transport infrastructure are the arteries and veins that feed air and blood to and away from the heart. This symbiotic network of interwoven industries needs to be nurtured with care for the Province to realize a growth rate that can sustain and support our vision of a better life for all.

What is gracious about today's official opening is the fact that this particular hotel has a significant black ownership, which, is a serious breakthrough in hospitality industry in and around our capital city, Nelspruit. The IDC/Sunrise Investment, that holds 40% of shares in this establishment is very encouraging in Government. We want to encourage BEE participation in this venture and many others to rise to majority shareholding status.

Ladies and gentlemen we appreciate the very location of this hotel. When many businesses are taking a flight away from the CBD of our city, it is hugely gratifying to see an enterprise such as yours exhibiting unprecedented confidence in the inner city's ability to provide the necessary infrastructural and service support to sustain your myriad daily transaction. We hope your brave stance is richly rewarded and stands out as a case study for other investors to learn from.

Normally, we associate a roadside hotel with establishments Road Lodge, City lodge and Formula One, which target a certain category of customers. Again, you have surprised me by going against the grain and locating your business on the N4. usually such, locations are occupied by Hotels and Inns that are devoid of luxury but concentrate on provision of essentials such as a bath/shower and a bed. You have challenged the norm and the copious amounts of market research and I know you will succeed.

The fact that you have decided to locate East of Nelspruit must be applauded by our government. The trend is that businesses are looking along the R40, from Nelspruit to White River, for location because that area has been tried and tested and virtually guarantees success. The R40 route has many attractions for a hotel, the casino, the Riverside mall, the Botanical Gardens, the Reptile park, the Seasonal Lowveld Show, the Government Complex, the Red Light district along the Lydeburg junction and many more.

Your location is flanked by Valencia Park, Nelsville and any Mayfin Crocodile Estates which are inhabitants to a varying degree of previously disadvantaged communities. The location is in keeping with governments dream of creating a vibrant economic hub of that sprawls towards the East of Nelspruit towards Karino. This would reduce the big buffer zone between black dormitories like Lekazi, Pienaar, kabokweni, Matsulu etc. It will take time but government will finally establish a sub-corridor development vibe along east of Nelspruit.

With the advent of 2010 World Cup, Nelspruit has to be ready to provide nothing but the best in the hospitality sectors. As it is now, the carrying capacity of all hotel establishments is not providing enough beds for our visitors. Your establishment could not have come at a better time than this.

Programme Director, Our country requires an economy that can meet the needs of all our economic societies in a sustainable manner. This will only be possible if our economy builds on the full potential of all persons and communities across the length and breadth of this province and the country. Our main objective as government is to achieve this vision of an adaptive economy characterised by growth, employment and equity by 2014.

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It is this broad economic objective that compelled us to invite the private sector to work together with us in meeting the following prioritised strategic goals, which are to:

- Stimulate sustainable economic growth and development
- Reduce unemployment, poverty and inequality
- Contribution towards the campaigns against the spread of HIV and AIDS
- Facilitate humane resource development with relevant skills and entrepreneurial culture
- Drive and monitor integrated planning in the province and
- To implement policies and legislation that contributes towards the creation of an environment conducive to business development and fair trade.

Tourism Industry in Mpumalanga generated approximately R6.1 billion revenue from, both domestic and international tourism activities in 2003. Direct spending by international tourists amounted to R4, 5 billion with the main sources of visitors being UK, Germany, France and the Netherlands.

Mpumalanga has registered a total of 2,5 million of South Africa's domestic trips and 1,1 million international tourists visiting the Province, Gauteng being the main source of domestic tourists at 46,6% followed by Limpopo with 10,5% and KwaZulu Natal at 4,2%.

We further acknowledged that this industry employs directly approximately 353,431 people. The continuous development of new business centres, lodges and other tourism facilities were the main drivers for the creation of new formal employment opportunities in tourism related industry.

Today as the province, we have 904 registered tour guides, of which only 260 are from the previously disadvantaged individuals and only 33 are females. This picture poses a challenge that, collectively we have to attend without delay, transforming this industry will increase its potential to grow the economy of the province and the country as well as bringing the poor communities to the tourism mainstream.

As part of attending to the challenge of unemployment and inequality, during the current financial year, we will make sure that we:

- Identify and develop 16 sustainable tourism high impact enterprises that will create quality jobs, over the next 4 years.
- Increase the market share in the tourism industry.
- Increase the number of international tourists visiting the province to at least 6,6 million,
- Increase the number of domestic tourists visiting the province to at least 12,5 million
- Contribute towards relevant education and training programmes that will address present and future provincial economic and tourism skills needs and
- Ensure capacity building of 200 SMMEs in the tourism industry.

Programme Director, The Department of Economic Development and Planning, with the help from the Department of Environmental Affairs and Tourism, as well as the French Embassy has funded a project that has 16 tour guides doing a French language training which will equip them with understanding of cultures of our visitors and communicate with them in the language of their birth. This project started on 07th March 2005 at French Alliance centre at White River.

Another group of 16 tour guides, from around Kruger National Park and the surrounding Private Lodges will start attending French classes in June at Skukuza.

I am making this briefing to reflect how much do we value the tourism industry and its contribution towards the growing of our economy.

Programme Director, like I said in the beginning that this industry is very important and it afford me with the possibilities to be a tourist and travel to discover the natural beauty of our province, country and continent. Indeed our province is natural rich, as a tourist I would like to travel and see the elephant and the leopard, the lions and the giraffe, the buffalo and the mamba and the crocodile, the tall trees of the indigenous tropical forests, the eagles, the owls, the vultures, the rivers, the seas, hear the funny stories the Africans tell, and many more.

Therefore I would have to come to you, to take me where I should go, to provide me with food and water, to provide me with a place to rest, relax, sleep and dream, because I am a tourist.

In conclusion, may I request my colleagues in government, my friends in Africa and around the world to come and discover the natural beauty of Mpumalanga.

Thank You.