TOURISM, HOSPITALITY & SPORT
EDUCATION & TRAINING AUTHORITY

THETA
SECTOR SKILLS PLAN
2005 –2009

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AUTHORISATION OF THE SECTOR SKILLS PLAN – 2005 - 2009

We, the undersigned, hereby endorse and approve, on behalf of the Tourism, Hospitality and Sport Education and Training Authority [THETA] and Management, the contents of this Sector Skills Plan for the period 2004-2005. After comments and approval has been received from the Department of Labour [DoL], this will be implemented by the Tourism Sector.

Approved By:

Signature:

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THETA Chairman

Date: ____________________

Signature:

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THETA CEO

Date: _____________________

Signature:

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Department of Environmental Affairs and Tourism
Director General

Date: ______________________

Signature:

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Sport and Recreation South Africa
Head of Department

Date: _______________________

Foreword

This document is the submission of Sector Skills Plan (SSP) for the Tourism, Hospitality and Sport Education and Training Authority (THETA) for the year 2005-2009. This Plan is based on research into different chambers and consultation across the sector. Additional information was gathered from secondary research in tourism both within and outside the country. This Plan provides an overview of the status quo, identifies skills gaps, analysis the demand and supply side, and finally provides a strategy for implementation. The plan lays the foundation for implementation of the National Skills Development Strategy (NSDS) for the next five years a statutory requirement for all industries in the country.

The Tourism, Hospitality and Sport economic sector is diverse and comprising more than 40,000 enterprises and an estimated work force in excess of 600,000. However, many of these enterprises are small, medium and micro enterprises (SMMEs). Based on several studies many of these SMMEs in the industry are unable to operate profitably.

Due to the spatial geographical spread, and the many and small role players in the industry, there is little meaningful labour market data. The problem is compounded by the fact that industrial scope of coverage does not coincide with accepted Standard Industrial Classification (SIC) codes used by Statistic South Africa for data collection. Thus, nationally available data sets do not necessarily reflect the status of the Theta's own landscape.

The above notwithstanding, THETA has accumulated data by commissioning primary research and utilising its in house resources to gather information. Among the researches commissioned for the purpose of enriching the SPP is the Sector Skills survey done by the Human Science Research Council (HSRC). Complementing the HSRC study is the Competitiveness Study done by Monitor Group that provides vast information on the tourism sector. Therefore, unlike previous years, this Plan reflects closely the profile of the sector.

The authors of this SSP acknowledge the assistance from all the stakeholders who contributed in many ways. While it is not possible to single out all organisations who have contributed enormously to the initiative, the THETA Management and Board have shown remarkable commitment to the process. The commitment shown gives hope and some assurance that the SPP implementation will be a resounding success.

Executive Summary

Introduction

The Department of Labour, together with the Department of Education, is the primary custodian of human resources development. In 2001 it launched the National Skills Development Strategy (NSDS), to address national skills priorities and provide guidelines for the implementation of the Skills Development Act (SDA) and the Skills Development Levies Act (SDLA). The NSDS aims to drive skills development across all sectors of the economy. National priorities outlined in the NSDS include:

- Prioritise critical skills for growth and development.
- Stimulate quality training for all in the workplace.
- Promote employability and sustainable livelihoods through skills development.
- Assist new entrants into the labour market and self-employment.
- Improve the quality and relevance of provision.

The Theta Sector Skills Plan (SSP) will lay the framework for implementation of appropriate skills for the next 5 years. This being the case, the process mandated a comprehensive review of pertinent documents and consultation with many stakeholders. However, there are key documents and an event that are of particular importance to the process. These are: the competitive study, the 2010 World Cup and The Thaba'Nchu Declaration. The latter generated the Tourism Plan of Action. Given the economic implication of the 2010 World Cup, it is fit to highlight the event in order to broaden the skills strategy in order that South Africa fully benefits from the most important sports event. Finally, the competitive study provides in details key issues, challenges and associated problems facing South African tourism.

Theta's scope covers the following industry sectors that are represented by chambers:
- Hospitality
- Tourism and Travel Services
- Gaming and Lotteries
- Conservation and Guiding
- Sport, Recreation and Fitness

Theta has produced the SSP following research into the different chambers and consultation across the sector. Data has also been gathered from a variety of sources, which include national statistics, publications, stakeholder workshops, workplace skills plans, annual training reports, local and international reports, and the results of the National Skills Survey. In addition, Theta commissioned the Human Science Research Council to perform a Sector Skills Survey.

The analysis of the information collected has enabled Theta to develop a framework that will give direction to skills training and development over the next four years.

Sector Profile and Driver of Change

The tourism industry in South Africa has experienced significant growth levels since the 1994 elections. Currently, South Africa's share of the tourism world market stands at 0.4%, and it is predicted that this will increase within the next few years. The predicted growth will increase the ability of tourism to contribute towards and promote economic growth in the country as it translates into the creation of jobs and eases the burden of post-apartheid transformation by generating sustainable employment and reducing the income/wealth gap. The recent acceptance of South Africa's bid to host the 2010 Soccer World Cup greatly boosts this ability. It should be noted, that even with the growth experienced in the tourism industry since 1994, South Africa still lags behind its rivals in Europe, America and East and South Asia.

Economic and social factors that affect the Tourism sector have been identified. The most critical of these are:
- the Aids pandemic and its negative impact within the tourism sector and the economy as a whole

- The importance of developing SMME's within the tourism sector. Since SMME's account for a large proportion of this industry, they are potential drivers of growth in the industry
- The importance of transformation, specifically Employment Equity and Black Economic Empowerment.

On a global level, trends that impact on the local industry are:

- Industry is increasingly organised at global levels
- The industry is experiencing more frequent, shorter length tours
- Consumers are more knowledgeable and savvy regarding products and country offerings
- Reservations are increasingly 'last minute'
- The internet is increasingly being used as a source for finding suppliers
- Umbrella bodies assist in setting up government – business partnerships
- Umbrella bodies co-ordinate and integrate tourism education and training and assist in the monitoring of emerging market trends

Demand for Skills

Based on information gleaned from the focus group meetings and literature review, various training interventions were identified. The following interventions were viewed as key:

Interventions

- Four of the stakeholder groups felt that management and leadership development should be a core area of training within the industry.

- The retraining of specific target groups, such as unemployed graduates for employment within industry and teachers to improve training delivery against industry needs, was highlighted by all seven stakeholder groups as important.

- Other areas of training emphasised by the stakeholder groups included:

1. Education and Training Practitioners (Assessor/moderator training);
2. HIV/Aids training,
3. Adult Basic Education and Training (ABET),
4. Computer literacy/information technology training and
5. Financial management skills.

Supply of Skills

Trends in the labour market are reflective of general global trends. Community services, trade, manufacturing and business services account for the bulk of employment in the formal sector. This has raised the demand for skills in these areas. The mining, manufacturing and community social and personal service industries were the only ones to reflect annual increases in employment. Electricity, gas and water supply industry; the construction industry, the financial intermediation, insurance, real estate and business services industry, the wholesale and retail trade, repair of motor vehicles, motor cycles and personal and household goods, hotels and restaurants industry and the transport; communication and storage industry all experienced employment declines during 2003. Advances in technology seem to indicate a trend towards the recruitment of more skilled workers while jobs for mainly unskilled and semi-skilled workers are being shed.

To facilitate the supply of skills specific to the tourism industry, Theta, by August 2003, had registered 38 qualifications with SAQA across four of the five chambers within the tourism industry. A further 13 qualifications are currently in the public comment phase or are awaiting registration, 7 new qualifications are being developed and 7 qualifications that were developed have been withdrawn by the Standards Generating Bodies (Appendix 1).In the Further Education band, approximately 2000 schools are offering Travel and Tourism as a subject for grades 10 to 12. The South African Tourism Institute (SATI) has been largely responsible for training these educators. Public providers, private providers and enterprises that provide their own in-house training programmes offer training at both Further Education and Higher Education levels.

Skills Development Priorities

In determining the skills development priorities, Theta employed the economic principle of resource allocation. This dictates that an optimal balance across different skills development objectives be established, in a way that yields greatest training returns for all inputs made by Theta.

The key training objectives are:
- Maintenance of Skills Base
- Eliminate Skills Shortages
- Fill Skills Gaps
- Keep up with Trends
- Innovation
- Transformation

In addition, the economic principle also dictates that programmes and activities that do not benefit enterprises or help learners find jobs, must be avoided. Low skills level Learnerships fall into this category, where the sum costs of implementation far outweigh the benefits, both direct and indirect.

Skills development priorities have been identified using sector profile information coupled with skills demand and supply information. The level of knowledge and skill required differs from chamber to chamber, but certainly specialised training is crucial in most. Other priority areas identified include the provision of and upgrading of management skills, particularly individuals from historically disadvantaged groups, the upgrading of communication skills, ABET interventions, HIV/Aids management and awareness training to preserve the existing skills, IT training, training in conservation and cultural tourism, and business skills training for SMME's.

In order to meet changing technological demands in business and changes of customer needs, training in IT is a priority. Training that is targeted at the meetings, incentives, conventions and exhibitions (MICE) segment is also required if the local sector is to keep up with trends, and establish itself as a leading MICE destination. High economic returns can be generated, especially in niche markets where South African businesses can provide a unique product. Training initiatives that support eco-tourism and cultural tourism will contribute towards sustainability of the tourism resource.

Transformation needs to be tackled head on. In established business, this means that training interventions need to be prioritised towards the needs of PDI's/HDE's, with a particular focus on training for black managers. In order to transform the industry as a whole, an integrated training strategy that builds skills and enables emerging SMMEs to tap into a sophisticated market is vital.

Strategic Plan

The last chapter of the SSP includes a strategic plan that will assist the sector to meet the ideals and targets established in the NSDS.

Theta initiatives are hampered by a relatively low level of funding as most businesses in the sector that contribute skills levy are SMME's. Accordingly, resources need to be strategically applied and the plan to manage this includes:
- Systems strengthening
- Stretch and leverage
- Strategy and knowledge creation through benchmarking of best practice.

1. Sector Profile and Drivers of Change

1.1 Introduction

Tourism has the potential to act as a catalyst for economic growth and social development across the country. Since the first democratic elections in 1994, business in South Africa has changed substantially; experiencing growth on several fronts and South Africa has become one of the world's leading new tourism destinations

Tourism gained prominence in the country's efforts to accelerate growth and development. Tourism is considered to present the best opportunities for development of small and medium businesses and creating quality employment, thus resulting in reasonable wealth creation through the multiplier effect. This view is shared by all interest groups and decision-makers in the sector.

Even with the success and growth of tourism since 1994, South Africa still lags behind rival destinations such as Australia and Singapore. The level of spend per tourist visiting South Africa relative to those who visit Australia is low.

Standards may also be compromised as the available human resource pool in some industry sectors is insufficient to meet anticipated future growth needs. The matter is exacerbated as weak links exist between training providers and industry resulting in gaps in the provision of training to meet industry needs.

The domestic market currently provides significant value to the South African economy but spend is seasonal in nature. There is untapped value and potential for growth exists in the following areas:

- Domestic travel to and from PDI/HDE communities
- Rural, township and cultural tourism

A development intervention to provide access includes:

- Knowledge and Skills development (in existing businesses and emerging businesses)
- Development and support for Small Medium & Micro Enterprises (SMME)
- Knowledge of available products and the destination (to create an awareness)
- Entrepreneurial skills

1.2 Literature Review

To fully understand the problem at hand and to generate an effective SSP, an extensive literature review was performed. The complete literature is too lengthy for inclusion in this document but a condensed version is included as Annexure F. The outcomes of global competitiveness study on tourism, the 2010 World Cup and the Action Plan for Tourism have implications that are of special importance to the skills development in the industry. Their respective overview and implications to development of skills will enrich the formulation of SSP and are thus included here.

The Competitiveness Study

This comprehensive study evaluated the status quo of tourism industry, benchmarked with international standards, looked at the structural issues and associated problems in tourism and provided some intervention and suggestions on optimal delivery. Among the key issues raised in the study are:

- South Africa is attractive to a very narrow set of international travellers – the current potential market is very limited. Among the identified problems were that international travellers need to overcome significant barrier – based on perception of lack of Safety and Security.
- SMME have difficulty in growing their businesses in the industry - due to lack of collateral, poor marketing, low margins, and lack of skills among other factors. Thus, majority of SMMEs are unable to sustain profits.
- The channel of tourism delivery is not transparent and there is lack of an integrated channel delivery. Among the problem cited is lack of clarity within the industry and government on how the channel functions.

- Poor linkages within the cluster. Among the problems sited were; weak moderate linkages within cluster, low levels of information sharing, weak linkages between industry and educational institutions.
- The industry itself is not well organized and as a result, it is not possible to have meaningful discussions with the "industry". Among the problems cited are that national industry associations are not representative of the industry, majority of the industry associations are not organized by sub- sector, and there are many SMMEs and HDI type organisations and many small players who are not interested in joining organisations.
- There is lack of institutional capacity at the local level and in some cases at provincial level. A major problem related to this issue is that local and provincial authorities seem not to understand the importance of tourism sector.
- Quality control is an issue in the industry and given that – application of word of mouth need ensure quality and satisfaction of tourist experience.
- There is a lack of relevant skills and experience in the industry, which is constraining growth, service levels and value extraction. Among the problems cited were; poor linkages between industry educational institutions and THETA, private sector stance on skills development i.e. that higher institutions are not producing the appropriate skills, SMMEs lack of skills, THETA not functioning optimally. .
- Lack of informed co-ordinated and informed investment into the sector, and a lack of monitoring of investment values and trends. Among the problems influencing are; lack of integrated tourism infrastructure planning, no incentive schemes, poor collateral for HDIs, challenges facing financial houses in evaluating business plans due to systematic lack of data on the performance of the industry and lack of integrated investment framework.
- Tourism enterprises find it difficult to access finance. Problems related to the issues were; businesses lack depth when it comes to marketing, evaluation of risks in the industry is problematic, complex challenges facing SMMEs.
- Both industry and the tourists have identified key infrastructure investment areas. Safety and security are seen as a major perceptual barrier, lack of good public transport, lack of tourism information facilities, lack of public amenities in key tourist areas among others.
- The South African Tourism industry is still largely untransformed. Among the problems cited were; limited opportunities for transformation, lack of score card in the industry, current state finance support not being successful, government procurement should be improved.
- Product configuration and positioning. Problems associated are; small domestic market, limited product set for domestic middle class, domestic traveller being out-priced with regards to South Africa's own attraction.

While many other issues and associated problems were raised, the aforementioned are key to the SSP development and they form the basis from which the skills strategy should anchor.

The Thaba'Nchu Declaration – Plan of Action for Tourism:

The Declaration was the Second Tourism Conference held to celebrate the achievement of South Africa as a preferred tourist destination.

The goals of the conference were to:

- To get all the participants to recognise the challenge faced in implementing tourism growth strategy.
- To establish South Africa as world-class destination of choice;
- To unite all role players in our resolve to establish a unifying tourism brand behind growth South Africa.
- To get all role players to commit to our achievement of our tourism product, quality of service and transformation of our industry.
- To get all participants to be proud of the achievements over the last ten years of freedom and democracy, and remain confident of our abilities to exceed these achievements over the next ten years.

The outcome of the conference was Action Plan, which outlined the initiatives and the bearer of respective responsibilities. These are:

- Marketing and branding
- Investing in product development
- Quality tourism
- Human resource development
- Transformation and empowerment.

The medium to long-term skill strategy should align with the issues raised with the Competitive study as well as Action Plan.

1.3 Methodology

The research methodology employed to determine the skills priorities for the sector for the period 2005 to 2009 comprised a number of components, *viz*.:

- enterprise survey
- stakeholder meetings
- literature review
- interviews
- public comments

The Theta commissioned enterprise survey by the HSRC in early 2004 involving some 1700 enterprises, both formal and informal, in all nine provinces. In total these enterprises employed 128714 individuals, which represent more than 20% of the labour in the sector. Given the size of the sample, the results are thought to be very representative of the sector as a whole. The results of the survey suggest that while training is important for enterprises of all sizes, smaller and informal enterprises experience a more pressing need, especially for management skills. In addition to the Theta commissioned survey, use has also been made of the Department of Labour commissioned *National Skills Survey 2003*, also conducted by the HSRC.

For each of the five chambers, Theta has held focus group meetings to identify the skills priorities in each of the chambers. These meetings were well attended by enterprise representatives, industry bodies, trade unions and bargaining council representatives. The meeting results confirm the broad based assessment of skills priorities found by the HSRC survey. A description of the stakeholders that attended the focus groups and interviews as well as a description of the development process are included in Annexure E.

In addition stakeholders were also interviewed to get a specific and detailed understanding of the issues facing the sector and the implications for skills requirements in particular. Interviews were held with the following organizations or types of organizations:

- Tourism South Africa
- some leading employers in the following areas
    - hospitality
    - horse racing
    - travel
    - gaming
    - fitness
    - sport
    - conservation
- Government Departments
    - Department of Sports and Recreation
    - Department of Environmental Affairs and Tourism
- Industry umbrella organisations
- Trade Unions

Subsequent to the release of the first draft, public comments have been received and where relevant incorporated into the SSP.

1.4 Industrial and occupational coverage

Theta's scope encompasses a wide range of enterprises that operate in different sectors, and while Theta is often referred to as the tourism Seta, its coverage is more than just tourism related enterprises. Each sector is represented by a "chamber", namely:

- Conservation and Tourist Guiding.
- Gaming and Lotteries,
- Hospitality,
- Sport, Recreation & Fitness
- Tourism and Travel Services,

The size of each sector varies. Representation is depicted in the chart below:

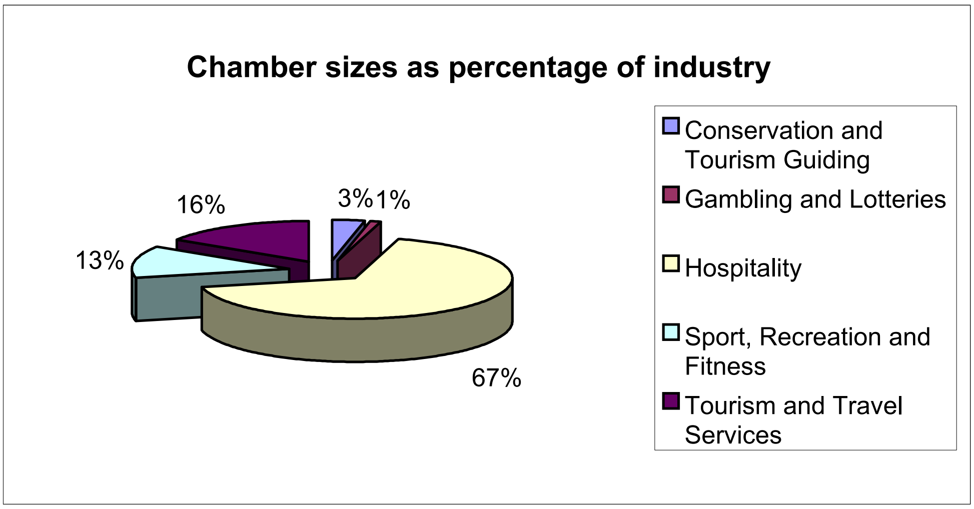


Figure 6, Chamber sizes. Source: Enterprises Registered through SARS with Theta 2004

Conservation and Tourist Guiding The conservation and tourist guiding chamber represents all forms of tourist guiding, wildlife conservation, trekking and safari operators, museums, cultural and natural heritage sites and botanical gardens. In conservation, the overall responsibility for the management of tourism and the environment rests with the Department of Environmental Affairs and Tourism. The sector is largely made up of small, often one man businesses that do not contribute a skills levy or submit WSPs (15-20% of these organisations fall outside the levy system). As such, it is difficult to track training needs, training programmes on offer by private providers or an accurate number of people working in the sector.

Gaming and Lotteries. The chamber represents all gambling and includes casinos, horse racing activities, bookmakers and lotteries. This chamber is highly regulated and often demanding. There are a wide range of professional disciplines that fall within the scope of other chambers. The chamber works closely with casino operators, the National Gambling Board and provincial gambling authorities to explore and develop qualifications.

Hospitality. Hospitality is the largest of the sectors. International estimates suggest that 70% of tourism spending is in hospitality. The hospitality chamber represents accommodation services; food preparation; catering; food and beverage services and fast foods. It is in this field that the largest number of people is employed. Restaurants and hotels are often franchised (and many operate as SMME's. The challenge in this sector is that many of the jobs are low level jobs requiring unskilled or semi skilled workers. These jobs are low paying; a low-skilled job, so skills levy collection is limited.

Sport, Recreation & Fitness In addition to sport recreation and fitness, sport event management, health, fitness and wellness centres, indoor and outdoor sports and fitness, sporting events and related activities, recreational fairs and shows fall within the scope of this chamber. The industry is a catalyst for job creation in other sectors such as multimedia, equipment, clothing, footwear, arena and facility constructions, finance/legal/insurance services and gambling. Sport contributes towards directly and indirectly to economic growth. Various employment opportunities exist in sport – for professional sportspersons as well as support and administration personnel.

Tourism and Travel Services. This chamber consists of retail and general travel operations, inbound tourism services, destination management, international inbound airlines and car rental. Tourism and travel services have been identified as having the potential to create significant economic growth that results in employment opportunities through sector expansion and increased foreign exchange earnings. South Africa, through South African Tourism, has a number of marketing initiatives aimed at promoting the country as a destination of choice and encouraging visitors. Working with partners such as South African Tourism, Department of Environmental Affairs and Tourism, The Tourism Grading Council of South Africa, SANparks and others – the tourism industry is making strides in recapturing its share of the global tourism market.

Due to the diversity of organisations and industries in this sector attempts to enumerate the size of the sector in terms of organisations, employees, job classifications and skills has been difficult. Most businesses in the sector are small and only a small proportion of the organisations in this sector have submitted WSPs to Theta. The only available measure of the sector is based on primary research conducted in 2000 by Grant Thornton, which suggest that the tourism industry in South Africa comprises approximately 42 000 enterprises and 600 000 employees (table 1). In some sectors, where employer associations have conducted more recent research, the figures have been adjusted.

The different types of enterprises are listed by chambers and SIC code, with an estimate of the number of employers and employees in the remaining two columns. These figures are not current – they are based on research conducted by Grant Thornton in 2000.

Table 1: Estimated employee numbers; Source: Grant Thornton in 2000.

Group	SIC Code	Standard Category	Estimated no. of employers	Estimated no. employed
HOSPITALITY				
	64101, 64104	Hotels, motels, boatels and inns registered with SAT, not registered with SAT	1,500	73,500
	64102	Caravan parks and camping sites	450	3,300
	64103	Guesthouses and guest farms	3,600	24,500
	64105	Bed and breakfast	4,500	21,500
	96195	Operation and management of convention centres	150	2,500
	84111	Timesharing (including resorts and parks, self-catering apartments/cottages, Game lodges	2,300	51,000
	64201, 64202	Restaurant or tearoom with liquor license, without liquor license	800	14,500
	64203; 64205; 64206	Take-away counters, take-away restaurants, fast-food establishments	8,500	168,000
	64204	Caterers (including private clinics)	8,000	53,000
	64209	Other catering services incl. pubs, taverns, night-clubs	550	21,000
	96195	Event and Conference management	250	3,000
		Other	5,500	45,000
		TOTAL	**35,830**	**477,800**
GAMING AND LOTTERIES				

	96494	Gambling, licensed casinos and the national lottery (incl. Bookmakers, totalisators, casinos, bingo operators	850	20,500
		TOTAL	**850**	**20,500**
TOURISM AND TRAVEL SERVICES				
Group	**SIC Code**	**Standard Category**	**Estimated no. of employers**	**Estimated no. employed**
	71223 85111	Safaris and sightseeing bus tours, renting of land transport equipment (incl. Inbound tour operators, outbound tour operators	550	7,200
	73002	Inbound International flights	50	850
	74140	Travel agency and related activities	1,300	17,000
	99048	Tourism marketing, tourism authorities, tourism associations and tourism information centres	700	10,000
		TOTAL	**2,850**	**39,700**
.2.0.0.0 SPORT, RECREATION, FITNESS				
	96000	Recreational, cultural and sporting activities	370	2,200
	96410	Sporting activities	140	3,800
	96411, 96412	Operation of sporting facilities and clubs, sport and game schools	720	18,000
	96413	Promotion of sporting events and activities	60	400
	96415	Operation of horse racing events and clubs	15	100
	96416	Operation and management of recreation parks and beaches, fairs and shows and recreational transport activities	250	9,900
		TOTAL	**1,555**	**34,400**
CONSERVATION AND GUIDING				
	96320	Museum activities and preservation of historical sites and buildings	Guides	
	96322	Provision and operation of monuments and historical sites	Guides	
	96333, 11520	Game parks (incl. Wildlife parks, zoological or animal parks and botanical gardens), hunting and trapping including related services	880	30,000
	96334	Activities of conservation bodies	20	300
		TOTAL	**900**	**30,300**
		GRAND TOTAL	**41 985**	**602,700**

A large percentage of the tourism industry is made up of small and medium enterprises. The tourism industry is diverse and a more accurate overview of the sector profile remains to be assessed. The table (2) below provides a list of enterprises currently paying levies to Theta. Most enterprises employ fewer than 10 employees and there are a large number of informal enterprises in the sector.

Table 2, Percentage of total SMME's by enterprise size and chamber; Source: Enterprises Registered through SARS with THETA 2004

Chamber	Number of Employees 0-9	10-49	50-149	150-249	250+	Total
Hospitality: Accommodation	79.89%	15.07%	3.66%	0.89%	0.50%	100%
Hospitality: Food	81.16%	17.30%	1.11%	0.13%	0.29%	100%
Tourism and Travel Services	87.75%	9.44%	1.98%	0.46%	0.38%	100%
Sport, Recreation and Fitness	86.29%	11.22%	1.93%	0.09%	0.46%	100%
Conservation and Tourism Guiding	77.43%	15.28%	3.13%	1.04%	3.13%	100%
Gambling and Lotteries	80.43%	7.61%	4.35%	2.17%	5.43%	100%
Total	82.45%	14.61%	2.01%	0.39%	0.53%	100%

1.5 Enterprises and Employment

The tourism sector provides employment to a range of employees with diverse skills and qualifications. Job categories fall within all Standard Occupational Categories.

It is estimated that the proportion of managerial/supervisory positions relative to operative positions (see table 3) is not particularly high by international standards, with an average of 1:6 ratio in both the hospitality and the tourism and travel sectors. The hospitality sector is considered to be overstaffed, while skills are lacking at both the supervisory and operative levels Three quarters of existing managers in the hospitality sector are white, highlighting the need for transformation. Supervisory and management skills shortages are indicated in all sectors. In the Gaming sector only six (6) percent of all employees are in managerial or supervisory positions.

Table 3, Employee Classification; Source: HSRC 2004

	Total	All Chambers			
	%	White	African	Indian	Coloured
Managers	14.23%	78.21%	12.86%	3.47%	5.47%
Craft workers	28.55%	12.33%	66.89%	3.58%	17.21%
Admin	9.43%	39.29%	26.23%	14.34%	20.15%
Technical	11.58%	8.43%	77.61%	9.21%	4.75%
Unskilled	21.90%	1.61%	82.78%	0.64%	14.97%
Other	14.32%	6.68%	70.40%	14.35%	8.57%
Total	100%				

The table confirms that white people hold higher skilled jobs that attract high wages, while most unskilled positions are held by Africans.

There has been a notable increase in bed and breakfast establishments and game reserves or lodges. At the time of the study there was consensus in the catering sector that there was a decline in the number of skilled chefs and cooks.

The equity profile for the tourism sector is similar to that reflected in other sectors of the economy. Historically disadvantaged persons dominate low skilled occupations whilst there is a concentration of white males in senior positions. Using the HSRC data, the racial profile of owners/managers in formal and informal businesses in the tourism sector is identified below. The HSRC data set is made up largely of formal and informal SMME's. Enterprises categorised as larger, formal enterprises in the sector still fall within the accepted definition of an SMME.

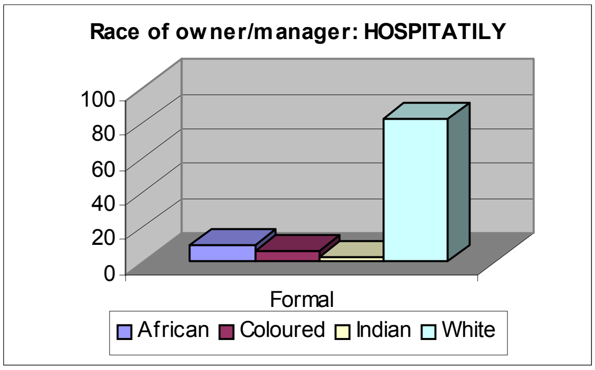


Figure 7, Race of owner/manager. Source HSRC 2004

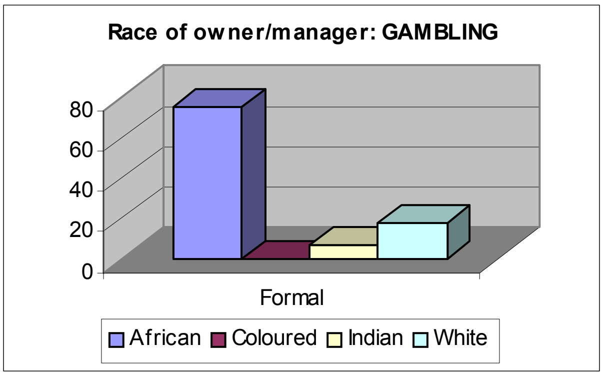


Figure 8, Race of owner/manager. Source HSRC 2004

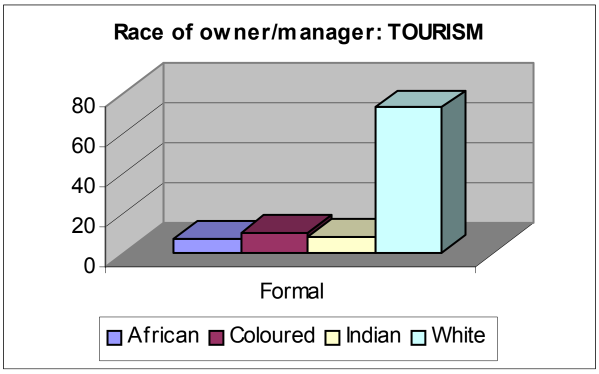


Figure 9, Race of owner/manager. Source HSRC 2004

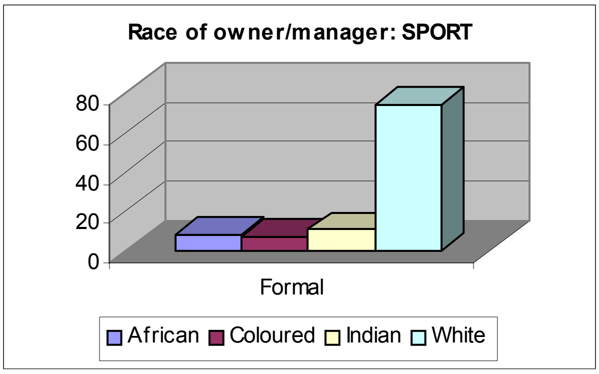


Figure 10, Race of owner/manager. Source HSRC 2004

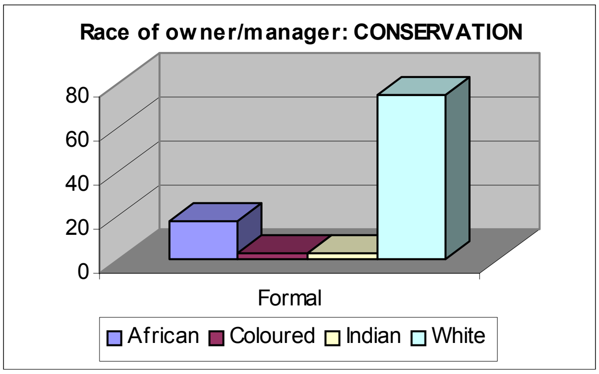


Figure 11, Race of owner/manager. Source HSRC 2004

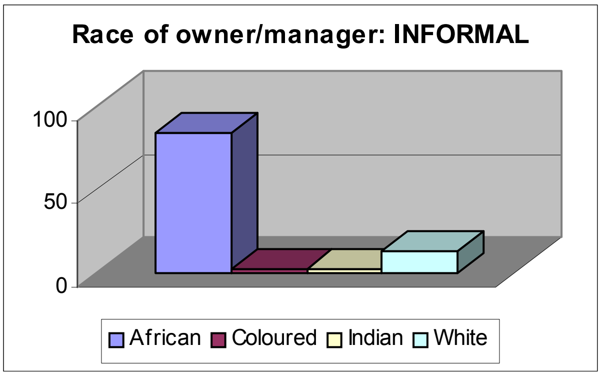


Figure 12, Race of owner/manager. Source: HSRC 2004

Table 4, Summary Percentage Managers / Owners by Race; Source: HSRC 2004

	Hospitality	Tourism and Travel Services	Conservation and Guiding	Gaming and Lotteries	Sport, Recreation and Fitness
White	79.38%	74.79%	77.91%	52.76%	83.83%
Black	20.62%	25.21%	22.09%	47.24%	16.17%

White owner/managers dominate in the formal SMME sector, whereas Africans dominate in the formal Gambling sector and in the informal sector.

The distribution of employment by race according to occupational level and income, and the distribution of employment by level of education and/or training - within the tourism industry - seems to conform to trends within the labour market as a whole (Chapter 3: Supply of skills).

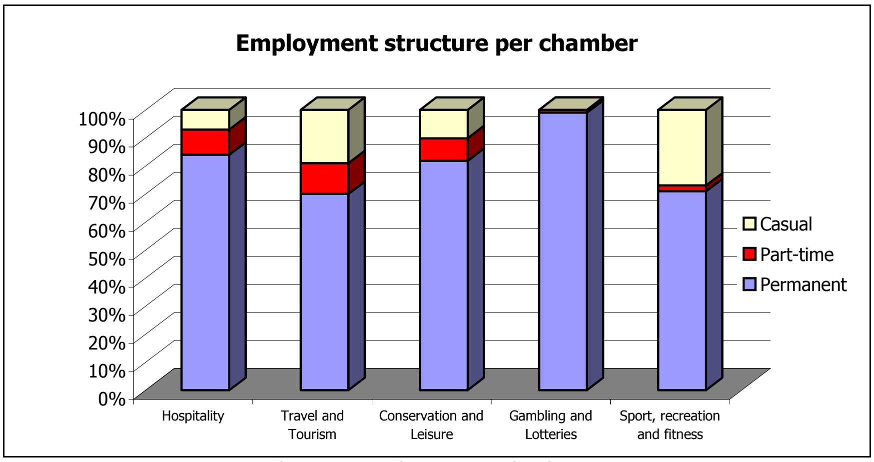


Figure 13, Employment Structure. Source: HSRC 2004

Almost one third of the people who work in tourism are employed part-time. The seasonal nature of the hospitality industry lends itself to a substantial part-time employee contingent during high season/peak periods. Jobs offered during these peak periods require little or no skill. Training costs are high and employers are often reluctant to invest in these temporary employees, preferring to focus on the permanently employed.

Tourism employment is based on regional needs and is concentrated in urban areas or around major tourist attractions. This limits tourisms potential to provide even economic growth especially in rural areas where unemployment is most severe.

The research findings indicate that the Gaming and Lotteries and Hospitality chambers are adequately representative (HSRC 2004) of the population, whilst representation by white employees is high in the Tourism and Travel Services and Sport, Recreation & Fitness sectors. The research would seem to indicate that the level of skill is directly related to employment opportunities. Black employees with lower skill levels find more employment in sectors requiring low skill levels and subsequently earn lower salaries. Conversely, white employees are over-represented in occupations demanding greater levels of skills and consequently, earn better salaries.

The breakdown of estimated employment in tourism per province, based on businesses that are registered with Theta are as follows:

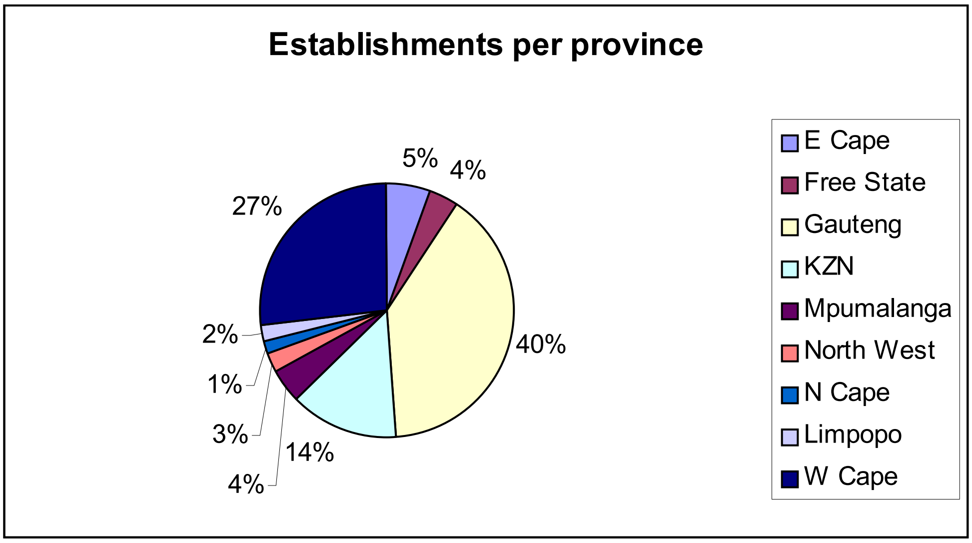


Figure 14, Establishments per province. Source HSRC 2004

1.6 Drivers of change

1.6.1 Tourism Growth

According to the World Travel and Tourism Council (WTTC), South Africa's travel and tourism industry is expected to generate approximately R93.6 billion worth of economic activity in 2004. The direct impact of tourism accounts for R37.7 billion or 3% of Gross Domestic Product (GDP) which translates to an estimated 539,017[1] jobs. However, since travel and tourism touches all sectors in the economy its real impact is even greater. South Africa's travel and tourism economy directly and indirectly accounts for or 7.4% of GDP, *viz.* 93.6 billion mentioned above and is responsible for estimated 1,208,720 jobs directly and indirectly. Capital investment in tourism infrastructure during 2004 is projected to be 13.3% of total investment in South Africa. Travel and tourism exports will account for 14% of total exports (Travel and Tourism Economic Research, 2004).

The number of international tourist arrivals was fairly stagnant between 1998 and 2001. There was a decrease in the number of arrivals in 2001. In 2002 the number of international tourist arrivals increased by 11%, with 6.4 million travellers visiting South Africa. There was an additional increase in 2003. The surge in the number of international tourists to South Africa can be attributed to the war in Iraq, terrorism (9/11) and the outbreak of SARS in the Far East since South Africa was considered a relatively safe destination. Of these arrivals, just over 1.8 million arrivals were tourists from regional African countries.

Figure 15, Tourist arrivals to SA. Source: DEAT and DTI Global

Over the next ten years, Travel and Tourism demand in South Africa is projected to experience real growth of 5.9% per annum. Travel and Tourism demand (Travel and Tourism Economic Research, 2004). Consequently, the industry will experience an increase in the number of jobs, reaching an approximate estimate of 751 762 direct jobs and 1 705 500 indirect jobs. . With this estimation, 8.2% of total employment will be in the travel and tourism industry. Capital investment in tourism will increase to 14.2% of total investments. Similarly, tourism exports will increase to eventually represent 14.4% of total exports.

Table 5, South Africa at a Glance. Source: 2004 Travel and Tourism

Demand ($ US millions)	19,522
Demand (% of Real Growth)	5.6%
Demand Market Share (% of Total World Demand)	0.4%
Industry GDP (% of Total GDP)	3%
Economy GDP (% of Total GDP)	7.4%
Industry Jobs ('000)	539
Industry Jobs (% of Total Employment)	3%
Economy Jobs ('000)	1,209
Economy Jobs (% of Total Employment)	6.8%

[1] This figure differs from the previously mentioned employment figure (tables 1 & 3) since it is not likely that the WTTC included the chambers of gaming and sport in their calculation.

Capital Investment (% of Total Investment)	13.3%
Capital Investment (% of Real Growth)	4.8%
Government Expenditure (% of Total Expenditure)	0.6%
Personal Travel and Tourism (% of Total Consumption)	6.3%
Visitor Exports (% of Real Growth)	5.1%
Visitor Exports (% of Total Exports)	11.1%

The promotion and acceptance of fair trade practices in the South African tourism industry is growing, however and the development of small and medium enterprises (SMME's) is impeded by unequal access to markets and market knowledge, business finance and other resources (www.fairtourismsa.org.za). National efforts to build, diversify and transform the tourism industry are underway. These efforts include, but are not restricted to, the establishment of fair wages and working conditions, fair distribution of benefits, ethical business practice and respect for human rights, culture and the environment.

South Africa is still battling to fulfil its potential to create jobs in the tourism sector, as a result of the following:

- Poverty
- Inadequately trained workers and inadequately funded tourism promotion efforts
- Crime and violence
- Governmental corruption
- Negative perceptions of apartheid and racism and that the country is underdeveloped
- Poor infrastructure
- lack of government funding
- Seasonality

Research undertaken by Wynne et al (2001) has found that the global tourism industry is changing rapidly. In order for tourism in South Africa to grow, the following needs to be taken into account:

- Industry is increasingly organised at global levels
- The industry is experiencing more frequent, shorter length tours
- Consumers are more knowledgeable and savvy regarding products and country offerings
- Reservations are increasingly 'last minute'
- The internet is increasingly being used as a source for finding supplier

1.6.2 FIFA World Cup 2010

The awarding of the 2010 World Cup to South Africa could be a great boost to South African Tourism in the medium to long term. The anticipated direct and indirect, tangible and intangible benefits are astronomical. It is anticipated that over 400,000 visitors will come to South Africa for the occasion and 3 billion viewers in over 200 countries. It is therefore a showcase for South Africa. The multiplier effect is equally substantial. It is in this context that SSP addresses the skills needed to effectively host the World Cup but more important to ensure the industry and the country at large reap the optimal benefits.

While associated institutions and bodies involved have not yet set the goals on the implementation strategy, there is definite need for THETA to anticipate the required skills. It is correct to assume that if within the next few years skills implementation is optimally driven to address the many challenges facing the industry and as elucidated by the competitive study, The 2010 World Cup will be a good show-case and will promote tourism in South Africa. While there are few specialised skills needed for the World Cup, it is within the macro context of skills development in the industry that the anticipated milestones in hosting the cup will depend. Finally, the industry, government and institutions will have to debate and apply their minds on the implementation strategy of 2010 World Cup before THETA can establish the specific skills required.

1.6.3 The Labour Market in contemporary South Africa:

As mentioned before, the National Skills Development Strategy (NSDS) is a comprehensive strategy that aims to bring a broad view to skills development. Its ultimate expected outcome is to create an economy of skilled people, that will enable it to compete more successfully in the global economy, attract investment, enable individuals and communities to grow, to eradicate poverty, and to build a more inclusive and equal society (extract from Moleke, 2003-2004). The Department of Labour's role, i.e. to proactively steer skills development and ensuring delivery of training is critical.

GEAR is the macroeconomic strategy adopted by the Department of Finance in June 1996. This five-year plan was intended to strengthen economic development, increase employment and redistribute income and socio-economic opportunities in favour of the poor (Knight, 2001). Many hold the view that the strict monetary and fiscal targets of GEAR are in conflict with the goal of job creation and a more equitable distribution of wealth and it is acknowledged that GEAR failed to meet these stated goals.

According to (Bhorat, 2002, the economy created jobs between 1995 and 1999 but these were insufficient to accommodate new entrants to the labour market. Whilst there was not jobless growth, the study found that skilled and semi-skilled workers benefited more from this growth than unskilled workers.

In expanding its capacity to create jobs (thus fulfilling a stated GEAR goal); the tourism industry presents South Africa with a number of opportunities. Links exist between tourism and the entertainment industry, which also shows potential for growth. South Africa can take advantage of the revolution in technology, communications and transportation to further expand the multitude of services that can be traded internationally (Stryker and Rajaratnam, accessed at www.eager.co.za, 6/04/04).

1.6.4 Partners in Tourism

A number of organisations, governmental bodies and other institutions are committed, actively involved in and support tourism in South Africa. These organisations include the Tourism Business Council of South Africa, SAT (South Africa Tourism); DEAT (Department of Environmental Affairs and Tourism); the Tourism Grading Council of South Africa (TGCSA); Theta; South African National Parks (SANparks; National Lotteries Distributing Agency- Arts Culture and National Heritage, RETOSA (Regional Tourism Organisation of South Africa) and private industry associations.

A new initiative is the development of a BEE tourism charter.

The Broad Based Black Economic Empowerment Act was promulgated this year. The aims of the act are to:

- Promote the rights of people as indicated in the Constitution of South Africa and the Bill of Rights
- Increase participation by "black" (Africans, Coloureds and Indians/Asians) people in the economy
- Promote increased growth and employment
- Ensure a better distribution of income amongst the population

Industry role players in each particular sector will discuss and agree targets that must be achieved by those businesses within a given time frame. The targets will be measured under the following criteria:

- Equity and Ownership – which aims to increase the level of equity and ownership of "black" people
- Management – to increase the number of "black" managers in business
- Skills Development – to increase training and development initiatives to "black" people to grow the skills in the country
- Procurement – to increase the purchases made through "black" owned businesses

The TBCSA, established in February 1996, is the umbrella organisation that represents private sector businesses involved in tourism. DEAT leads and directs tourism policy formulation and monitors implementation in partnership with other role players. DEAT has also assisted in the development of a tourism safety and security communications strategy. TGCSA facilitates the development and accreditation/grading of tourism establishments, SANparks focuses on environmental conservation of dedicated areas as well as tourism development and community empowerment. RETOSA deals with legislation, training and marketing issues as well as product and community development for the Southern African region. Private sector industry associations also play a pivotal role by coordinating the efforts of their members and dealing with issues that impact directly on their sector...

Ongoing research is vital and the need to monitor trends, recognise the global context in which tourism is promoted, listen to consumers, avoid conformity and differentiate your product offering is essential to create and maintain a positive tourism image for the country. Few countries actively perform research, strategise their findings and disseminate the results to the industry. Wynne et al (2001) highlights the move towards “experience” tourism while Benavides (2002) stresses the need for developing countries to move away from mass tourism and towards adventure and eco-tourism, where more profit and fewer leakages lie. Ongoing research will highlight key industry developments that should be communicated to the industry.

Strategic data is essential to meet current and future industry training needs to be able to adapt to new trends. Profitability will only be realised if the industry is prepared and trained to meet the challenges. There should also be ongoing analysis of the education structure and its ability to meet these needs.

1.6.5 Development of Small and Medium Enterprises (SMME’s) in South Africa

The World Travel and Tourism Council (WTTC) emphasises that governments have within their power, the ability to unlock the tourism industry’s potential to create jobs and generate prosperity (Blueprint for New Tourism, 2003). As illustrated in tables 2 & 3, the tourism sector lends itself to the development of small enterprises; however as illustrated in figure 5 below, roughly half of those businesses operate from informal premises (30% are street vendors) and are most likely employ few people. Tourism growth is dependent on government recognition of the multiplier effects for all sectors of the economy and population that are generated by tourism.

The most effective policy responses are those that focus on core government interventions such as co-ordinating infrastructure, development and the fostering of competitiveness and a decline in short-term protectionism and micro-intervention in market mechanisms. :

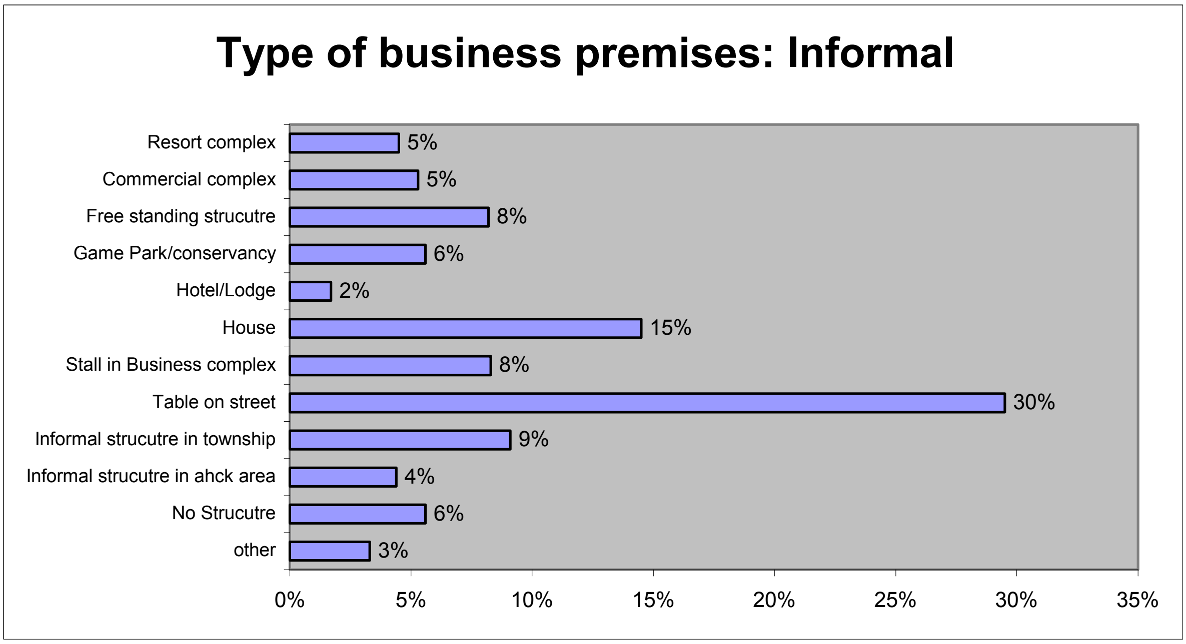


Figure 11, Types of business premises. Source: HSRC 2004

The partnership between the private sector and public authorities is essential to ensure that commercially successful products continue to be produced and sold, using mechanisms that benefit those businesses and emerging SMME’s. The intention of the partnership should be to generate benefits for the people who travel, and the people in those communities visited by tourists for their natural; social and cultural environments that can be experienced (Blueprint for New Tourism, 2003). In this regard, SMME’s operating in the tourism sector is expected to make a substantial contribution to poverty alleviation and to black economic empowerment (BEE) (Preliminary assessment of the tourism industry, 2003).

A new development impacting on the tourism sector is the revisiting of the Sport and Recreation South Africa's (SRSA) order of priorities. Essentially, these changes aim to speed up delivery of services; to give effect to stated government policy of a better life for all and to get the nation to play. Sport and recreation facilities in disadvantaged areas will be upgraded and sports will be made accessible to the majority of the country's citizens. Ultimately, it is hoped that sports' profile will be raised and that there will be maximisation of the probability of success in major events, such as the 2010 bid, and that South Africa will be represented as a rightful contender in the global sporting community. The implications of this for the tourism industry are vast, not only increasing the amount of domestic tourists but also bringing in increased foreign and mainland Africa travellers. The multiplier effect of this is expected to give a much-needed boost to the economy.

1.6.6 Social Issues
HIV/Aids and the South African Labour Market

HIV/Aids affect business, both large and small, because of:
- Reduced productivity due to increasing loss of experienced staff;
- Growing costs of employee welfare packages, including medical services and pension funds; and
- Low morale in the workforce when companies are unable to respond to the challenge of HIV/AIDS in their workplace.

It is thought that the hospitality industry has been affected most as the sector is labour intensive and is characterised by labour mobility, seasonality, casual labour, both rural and urban locations, staff quarters in certain areas, high levels of unskilled and semi-skilled labour. Sub-sectors that include significant elements of transportation are those that are likely to be seriously impacted on by HIV/Aids, possibly to a great extent (Department of Health and HIV/Aids Hospitality Working Group, May 2003). The Competitiveness Study (June 2004) gives the average life expectancy within the tourism and hospitality sector to be only 32 years of age.

Given the importance and potential tourism creates in the economy, it is vital to gain a better understanding of how HIV/Aids is affecting the sector, the scale and the costs of the impact, how the tourism/hospitality industry is responding to the epidemic and what the future scenarios are in terms of the likely effect (Department of Health and HIV/Aids Hospitality Working Group, May 2003). Up until 2003, there was very little knowledge of the extent and impact of HIV/Aids in the hospitality and tourism sector. Although there is currently some activity in certain arenas, commentators in the industry suggest that employers are largely ignorant and inactive when it comes to understanding and managing the effect of HIV/Aids in their sector.

Prevention efforts have worked when information, skills training for protected sex and information regarding support services available have been implemented. Countries that have vigorously implemented such a package have succeeded to stabilise or even reduce infection rates (UNAIDS – International Hotel and Restaurant Association). Through proactive HIV policies and education programmes geared towards prevention, employers will be able to inform their workforces, and this in turn will protect their businesses. In addition, these interventions will contribute towards national and international efforts to slow and eventually contain the HIV epidemic.

High levels of infection in the working population may result in a need to replace formerly productive workers. The epidemic could also become a disincentive to training provision as a result of cost and inefficiencies will follow. These challenges have to be tackled both within and outside the labour market (Moleke, 2003-2004). High unemployment rates, the marginalisation of Africans and women, as well as the growing HIV/Aids pandemic need to be tackled through active labour market policies. The government must take the lead in this regard as such policies will not and cannot be provided by private enterprises.

1.6.7 "Second Economy" - Dualism

An integrated and comprehensive strategy on skills development in the tourism industry has to be part of the process of redressing the challenges of the prevalence of second economy. The President of the Republic of South Africa has raised the debate on this issue in many of his recent addresses. Second economy is simply the existence of economic dualism in which some members of the society are very well to do while the majority live under abject poverty. Dualism is not easy to-dismantle and it is often a recipe for instability. Accordingly government's world-wide aim at minimising dualism. Given the historical legacy of South Africa, the challenges are formidable.

1.6.8 Global trends in tourism

According to research undertaken by the World Tourism Organisation (WTO) in 'Tourism 2020 Vision', 2000, Europe will remain the world's largest tourist region by a considerable margin even though it is slowly losing market share. It has been estimated that Europe's growth rate will stand at 3% during the period from 1995 to 2020 whilst other regions such as the Middle East, East Asia, and the Pacific and South Asia are expected to grow by 7.1%, 6.5% and 6.2% respectively.

Table 6, Travel and Tourism Demand Market Share - % of Total World Demand. Source: The 2004 Travel and Tourism Economic Research

Country	Percentage Demand
Caribbean	0.7%
Central/East Europe	3.4%
European Union	36.1%
Latin America	2%
Middle East	2%
North Africa	0.7%
North America	30.7%
Northeast Asia	15.3%
Oceania	2.1%
Other Western Europe	2.5%
South Asia	0.9%
Southeast Asia	2.6%
Sub-Saharan Africa	1%

Uncertainty regarding travel to America following the 9/11 attacks in New York and Washington led to a shift in tourism demand. Overall, business and consumer confidences were negatively impacted and many people elected not to travel closer to home or not at all - this was reflected in late bookings; trips closer to home; trips to familiar destinations and price sensitivity. Major structural changes were forced upon the air transport system and costs for fuel and insurance (airline and airport) increased. Transportation by car, coach or train was perceived to be safer travel options and this resulted in airline revenue losses. . Income generated from travel was reduced and individuals travelled on their own instead of taking "group" trips.

Medium term factors that will impact on the sector include increased concerns for safety and security; more mature and experienced travellers; and increased competition.

Consumers have a greater focus on value for money and a shift from service to experience. To meet the latter challenges (service and experience), a permanent investment in quality is needed; as are a focus on sustainable destination management and the incorporation of new technologies. , and public-private sector partnerships.

1.6.9 Relevant initiatives

Initiatives are being implemented by industry role players to achieve agreed goals. Firstly, the sector commissioned the Competitiveness Study to identify important issues, better understand the nature of the market, and to gain insights on how to progress. Secondly, the Domestic Tourism Strategy and the Tourism Growth Strategy have been implemented in order to increase and sustain the growth that the sector has experienced in recent years. Finally, both the DEAT Strategic plan and the BEE Charter aim to achieve transformation.

Benchmark can be drawn from one of the most successful international moves towards tourist industry training and development i.e. Australia's Strategic Workforce Development Plan (SWDP). The SWDP aimed to encourage lifelong learning (a key South African goal) by establishing an advisory board to take the initiative and ensure that skills development in Australia was demand led. These goals are achieved by aligning government and industry efforts, by using international best practice and by forming partnerships between government, educational institutions, business and communities. The SWDP places the responsibility for workforce development on industry. This is similar to the SETA charter. The SWDP is also a top down programme that requires the support and drive of government. The SWDP demands that training be conducted on two levels: both for individuals and for the business. As such, focus is on the enhancement of the individual's life skills and employability and not just business outcome variables such as productivity and profitability. Business is required to provide their employees with a broader range of skills and through this, a broader culture of learning within the organisation.

The business and individual skills do not remain vague and general in nature. The SWDP makes provision for an assessment of current skills, business goals and future industry trends. The current skill level amongst employees and future employees is then compared to business goals and future industry needs. This results in an alignment of training and industry objectives, and reduces shortages and skills gaps. A further requirement of the SWDP is that education providers must use industry standards that are set and updated by industry.

Another key element of the SWDP is the focus on SMMEs. The programme recognises that SMMEs need more sophisticated, customised and flexible programmes and as such, a "one size fits all" approach to training has been rejected.

2 Demand for Skills

The purpose of this chapter is to describe the pattern of skills demand in the South African tourism sector. Since reintegration into the world economy, South Africa has once again become a destination on the international tourist map. Global tourism trends keep emerging, and the local tourism sector has to adapt its skill base in order to meet new requirements.

Current employment is the best approximation for skills demand for skills. A holistic picture of the demand for skills in the sector will need to take cognisance of existing and emerging trends, in order to provide an indication of the pattern of skills demand over the next five years. In this section we will use the findings of several surveys conducted with enterprises in the industry to identify skills currently in demand.

2.1 Existing Employment

The tourism, hospitality, gaming, conservation and sports industries are service industries, and accordingly the industry is relatively labour intensive. The existing employment profile provides a rough indication of the skills demanded. The information presented in this section is based mostly on Theta commissioned research by the HSRC.

2.1.1 Occupational and educational profile of the tourism sector.

Table 7 shows the employment category profile for the sector as a whole. While on average 14.23% of employees are managers, the proportion is larger for tourism and travel services and much smaller in the gaming sector

Table 7, Employee categories per chamber. Source: HSRC 2004

	All Chambers	Hospitality	Sports	Conservation	Gaming	Travel
Managers	14.23%	15.75%	18.20%	13.08%	1.79%	24.16%
Craft workers	28.55%	31.72%	21.18%	21.77%	28.88%	24.70%
Admin	9.43%	8.10%	21.15%	7.57%	0.90%	24.26%
Tech	11.58%	9.05%	9.01%	13.06%	24.77%	4.21%
Unskilled	21.90%	29.54%	25.04%	20.77%	0.72%	16.09%
other	14.32%	5.84%	5.41%	23.75%	42.94%	6.58%
Total	100%	100%	100%	100%	100%	100%

Hospitality employs proportionately a greater number of unskilled workers than the other chambers. Many of these workers are cleaners and if the workers in the outsourced cleaning services were to be counted, the proportion of unskilled workers in this chamber would be higher still.

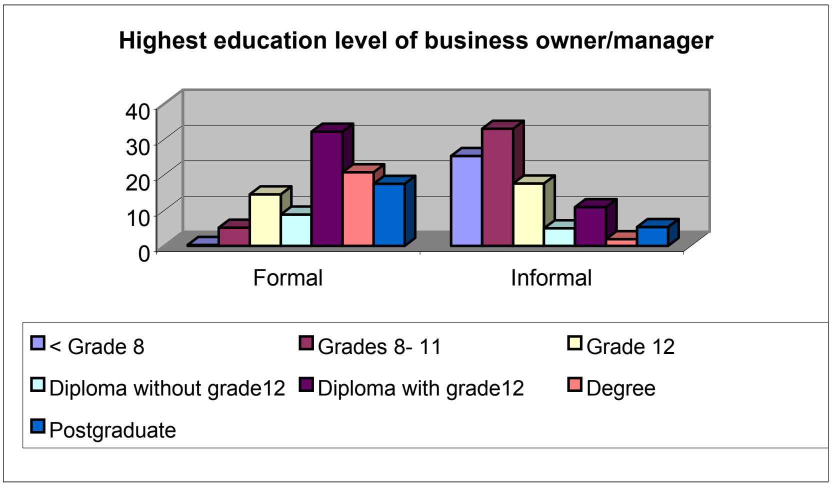


Figure 1216, Highest education of owner/manager. Source HSRC

The HSRC findings with regard to the educational profile are shown below.As can be seen, for formal enterprise owner/managers, the skills level is in fact quite high, with 38 percent of owner/managers across all chambers achieving degrees and post-graduate degrees.

In contrast with the profile for larger firms, smaller less formal firms, have a concentration of mid-level educational attainment, mostly matric and post matric diplomas, but few degrees. There is also a large portion of business owners (25.3%) that have less than high school level education.

2.1 Increasing demand for skills

As discussed in chapter 1, various global social and political events resulted in South Africa becoming more desirable as a destination for foreign tourists. Figure 17 shows that of seven priority sectors, tourism has experienced the greatest growth in employment.

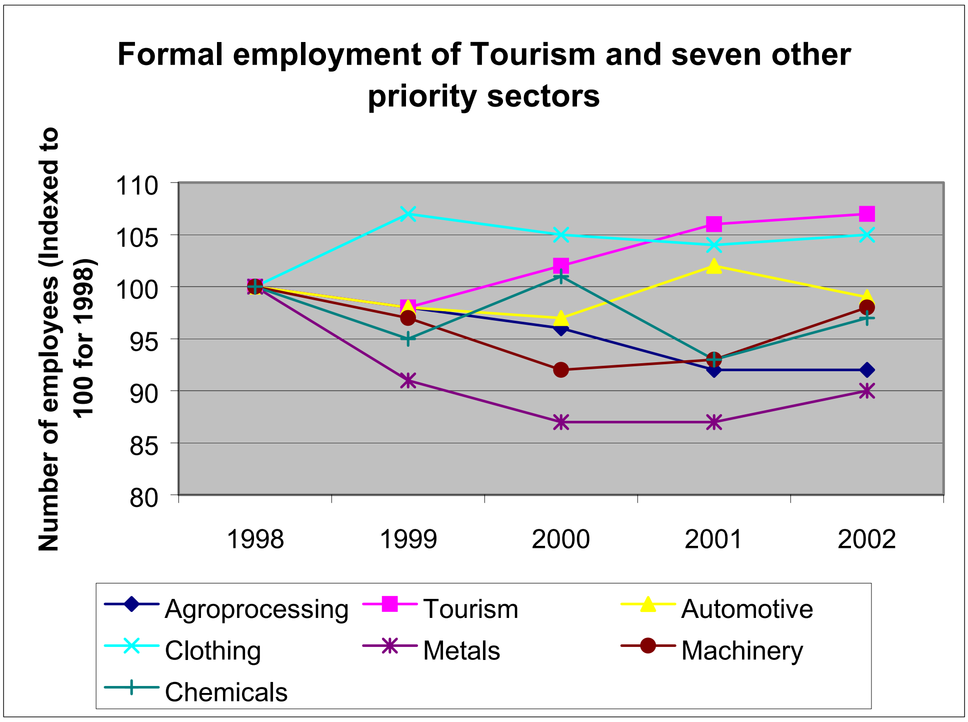


Figure 13, Formal employment of tourism and seven other priority sectors. Source: Competitiveness study 2004

This surge in growth has increased the demand for skilled labour, but there appears to be insufficient supply of skilled workers to accommodate this growing demand. In the formal sector, less than half the respondents stated that they could find the appropriate skills. In the Hospitality and Gambling chambers only 1 out of every 4 formal enterprises said that they were able to find the skills needed.

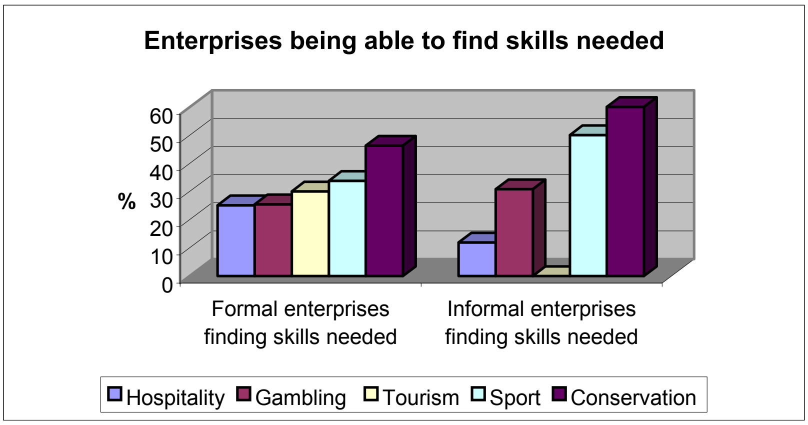


Figure 14, Enterprises being able to find skills needed. Source: HSRC 2004

This is reinforced by the findings of the Competitiveness Study (2004), which revealed that 'Specialised education and training programs' rank in the top 5 priorities for government intervention, with 82% of the industry stakeholders identifying it as a priority.

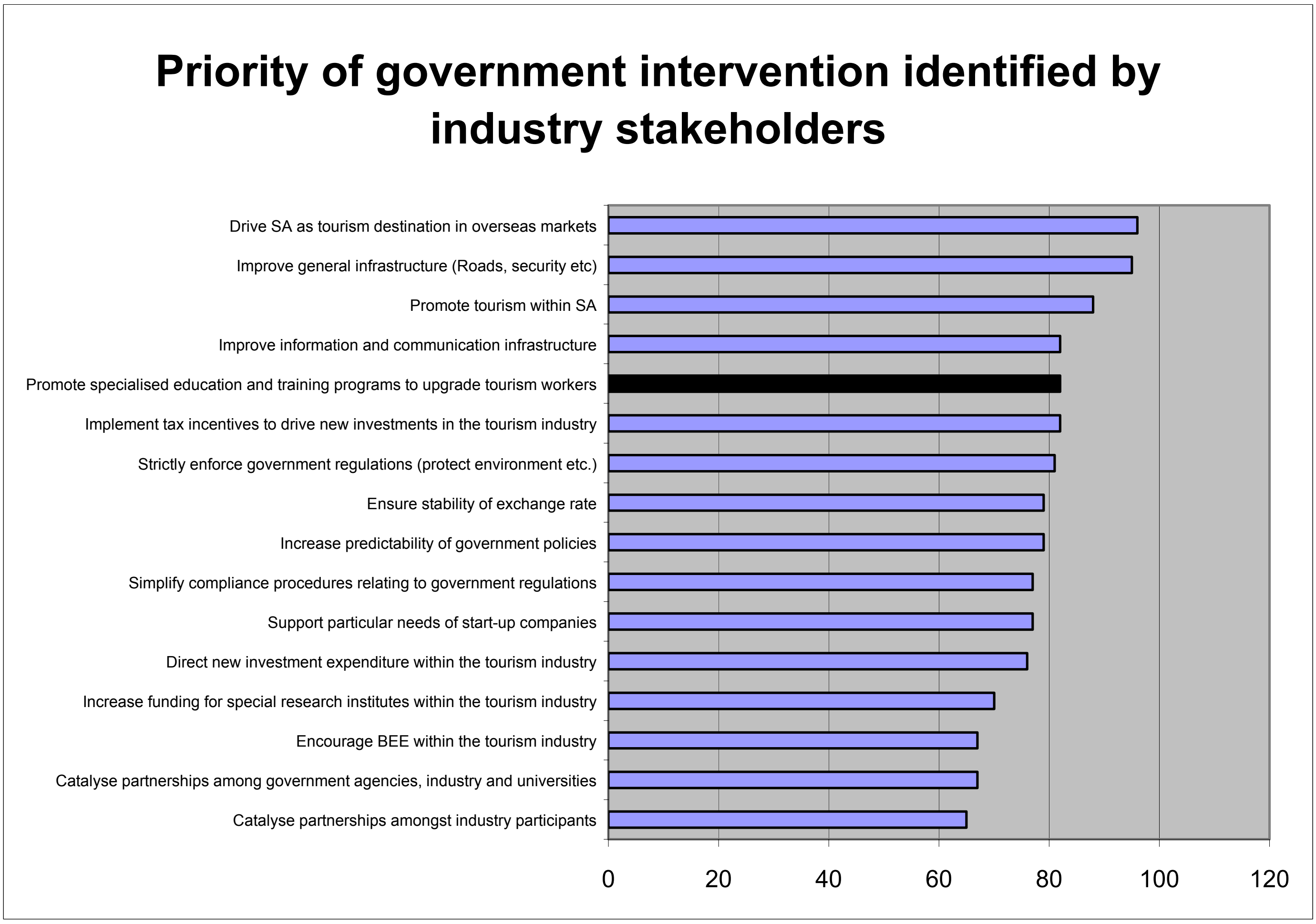


Figure 15, Government intervention priorities. Source: Competitiveness study 2004

The specific types of skills required are presented in figures 20 to 26, which are based on the Theta commissioned HSRC surveys. The information is divided into skills needed by formal firms across the five chambers and by smaller, informal firms. As was seen in chapter one, informal smaller SMME's account for the majority of enterprises, and clearly the skills needed by owner-run SMME's are vastly different to those required by larger enterprises.

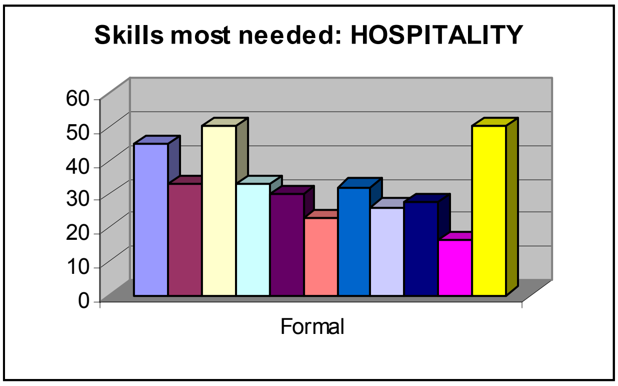


Figure 16, Skills most needed. Source: HSRC 2004

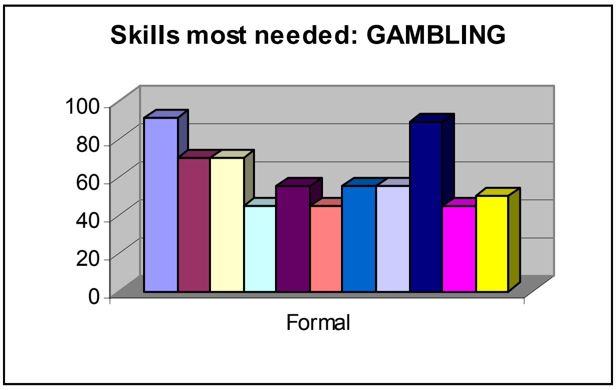


Figure 17, Skills most needed. Source: HSRC 2004

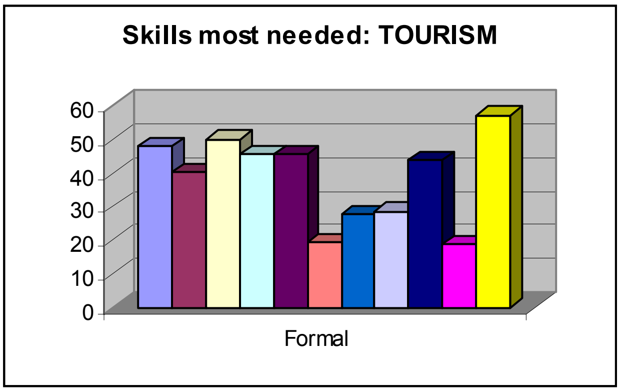


Figure 18, Skills most needed. Source: HSRC 2004

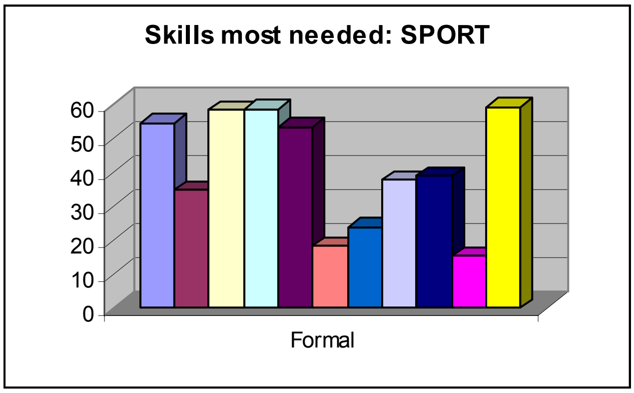


Figure 19, Skills most needed. Source: HSRC 2004

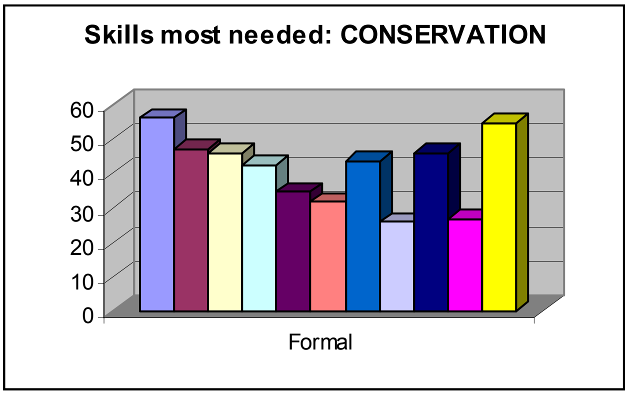


Figure 20, Skills most needed. Source: HSRC 2004

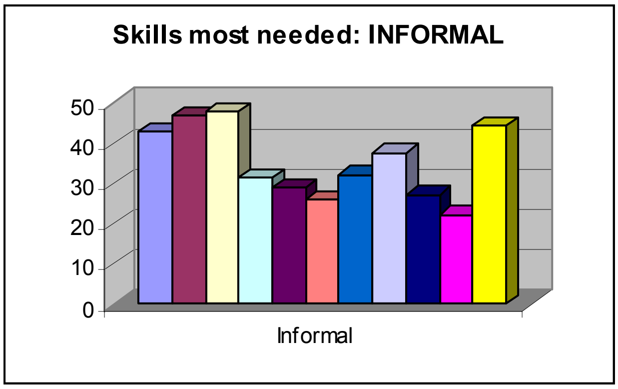
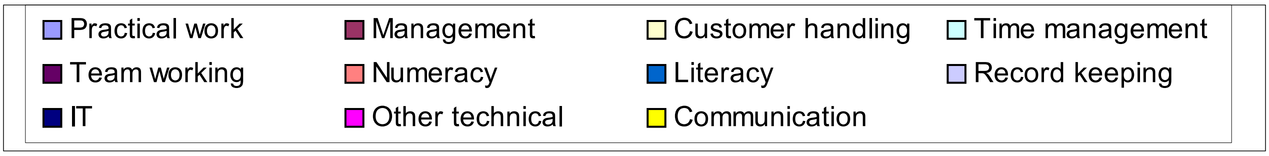


Figure 21, Skills most needed. Source: HSRC 2004



As the tourism industry is highly service-orientated, it is not surprising that the skills most in demand across all the chambers are communication and customer handling skills. Close to 60 percent of respondents in all chambers identified these skills as necessary. The gambling chamber further seems to be in specific need of technical and team working skills.

What is also interesting is the fact that the skills demands in the informal sector is more pressing than in the formal sector and management skills in particular are most needed. This may be related to the fact that the educational level of owners/managers is considerably lower in the informal sector compared to the formal sector. In addition the owner/manager in informal enterprises is required to fulfill a wide range of functions for many of which he or she may not have the requisite training.

Figure 26 present the enterprises' reasons for their decisions to increase training expenditure. The most important reasons are: increased competition, quality requirements, increased demand for the firm's products; and productivity targets. This suggests that market conditions play a significant role in the training investment firms are prepared to make.

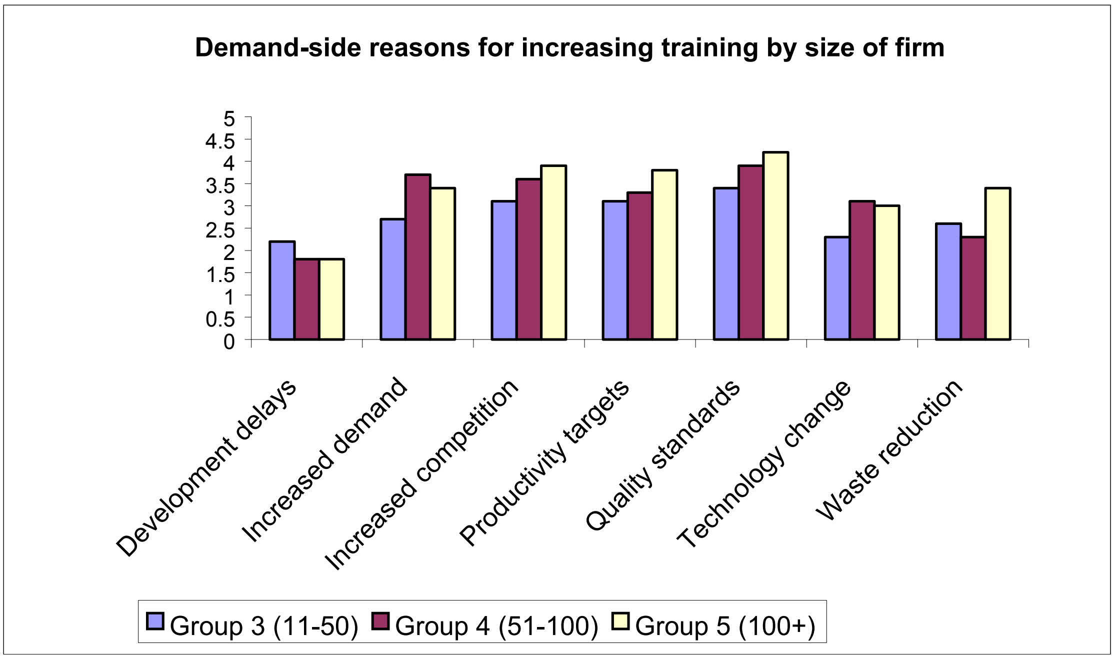


Figure 22 Demand side reasons for increasing training. Source: National Skills Survey: HSRC 2003

2.2 Conclusion

Overall the primary training needs for the sector are for generic skills such as communication, customer service, health and safety, hygiene and computers. There are also needs for supervisory and management training, for businesses both in the formal and the informal sector.

3. Supply of Skills

3.1 Introduction

This chapter analyses the supply of skills to the sector. The supply of skills consists both of a stock of skills and a flow of skills. The stock of skills refers to the existing skills base available to enterprises, whereas the flow of skills refers to the formation and upgrading of skills on a continuous basis. An efficient and growing tourism sector requires that the supply of skills matches the demand. At present, unfortunately, the stock of skills in this sector does not match the demand, and the flow and formation of skills is not optimally geared to remedy the situation or to meet the requirements of the near future.

3.2 Stocks of skills

The NSDS 2005-2009 consultation draft highlights an important dual problem in the South African labour market. On the one hand there are very high levels of unemployment, especially amongst youth, but on the other there is a persistence of scarce skills. This is true for the tourism industry.

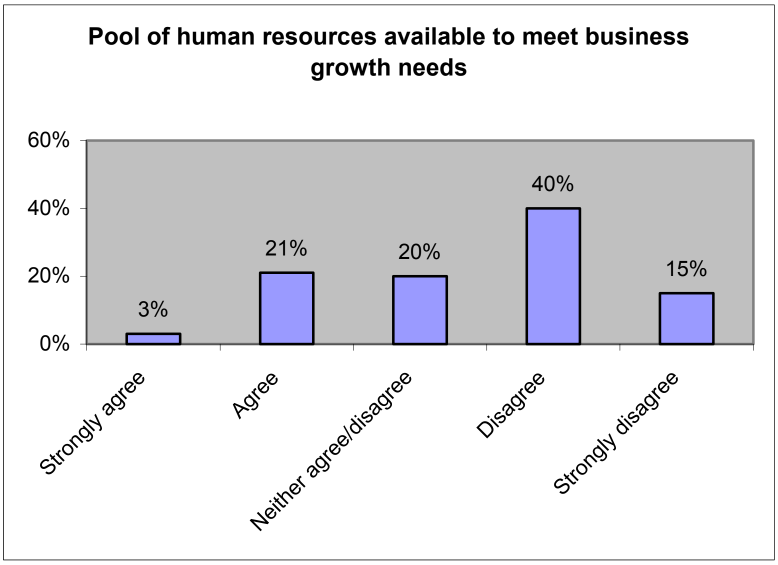


Figure 17, Availability of human resources. Source: Competitiveness study 2004

According to the Competitiveness study, only 24% of employers are of the view that there is a pool of human resources available to meet their requirements for business growth (see figure 28). In other words the stock of skills to the sector is inadequate to the enterprises' needs.

The September 2003 Labour Force survey estimates that the official unemployment rate is 28.2%. The term *official* denotes those people within the economically active population (age 15-65) who did not work during the seven days prior to the Labour Force Survey (LFS) interview but who want to work and are available to start work within a week of the interview. (Labour Force Survey, September 2003).

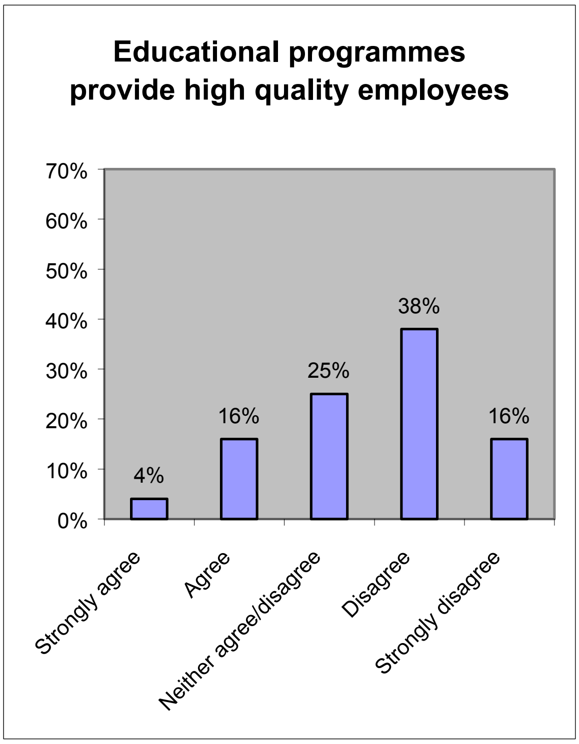
According to the General Household Survey July 2002 of individuals aged 20 years and above and no longer attending any educational institution, 31.1% left school with some education but before finishing grade 12, 20.6% had completed grade 12 and 8.2% had qualifications above grade 12. Generally, the lower the level of education, the less likely it is for the individual to be employed in the formal sector. The same applies conversely: that is, the higher the education, the more likely it is that the individual will be employed in the formal sector.

As is evident, the South African Labour market is experiencing slow growth rates. The rate of unemployment is extremely high, encompassing nearly a third of the population if using the official definition of unemployment. The formal non-agricultural business sector also reflects an annual decline in levels of employment across all industries barring the mining; manufacturing and community social and personal services industries. However, annual average monthly salaries and wages are increasing across all industries except the transport, storage and communication industries. This is suggestive of a trend of appointing higher paid employees whilst retrenching lower paid employees.

3.2 The Formation of skills

Skills in the tourism industry are supplied from several sources. The enterprises themselves may provide on-the-job training directed at their specific needs, outside firms and formal education institutions offer industry related skills directly to individuals who later form part of the industry workforce. In addition to this, Theta facilitates skills projects.

The most important feature in the supply of skills to the sector is the leading role played by employers in the formation of skills. Figure 30 shows that enterprises generally do not believe that educational programmes provide high quality employees. Accordingly, most enterprises accept that responsibility to upgrade labour skills lies with the private sector, as shown in figure 31



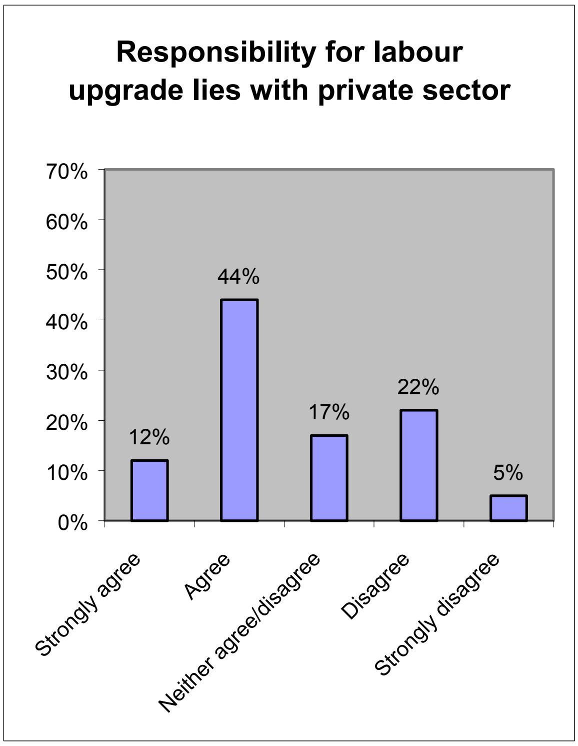


Figure 24: Educational Programmes & required skills Source: Competitiveness study
Figure 25: Responsibility for Skills with employer. Source Competitiveness study

It is therefore no surprise that most of the training is provided in-house and on-the-job. Figure 32 shows that this is true for enterprises irrespective of size.

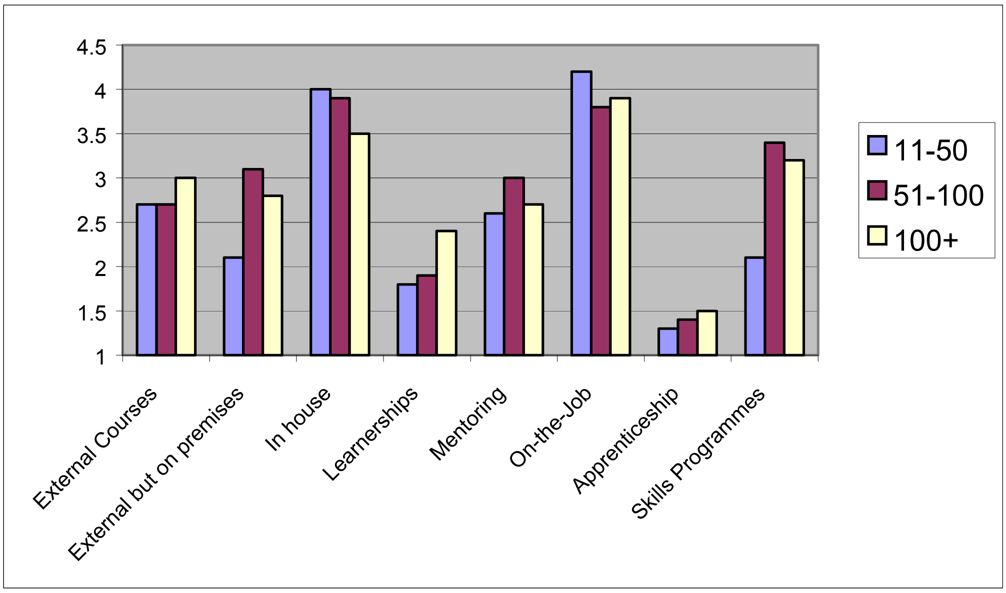


Figure 26: Types of training courses offered per size of firm Source: HSRC, 2003, National Skills Survey

3.2.1 Training of employees

The figures below show that on-the-job training is the dominant method of skills development in the sector, followed by in-house formal training and then courses from outside agencies.

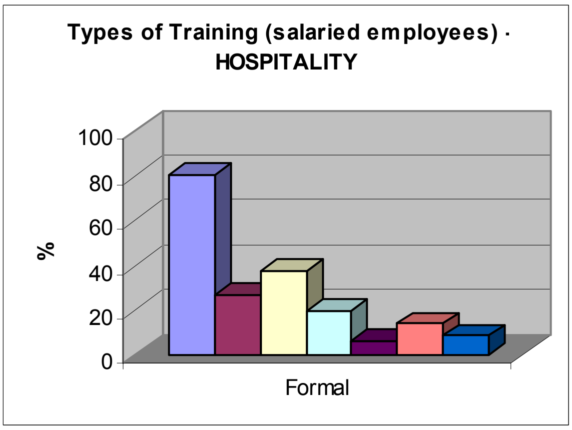


Figure 27, Types of training. Source: HSRC 2004

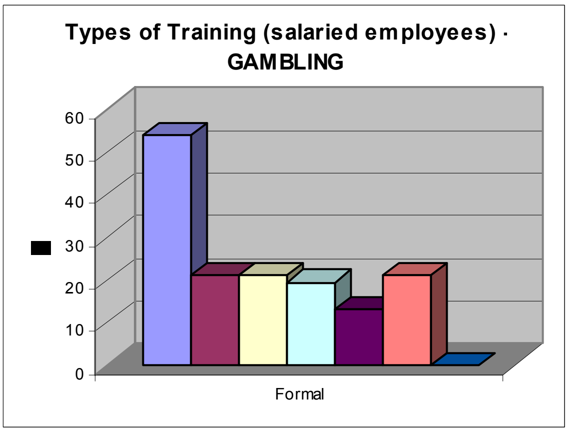


Figure 28, Types of training. Source: HSRC 2004

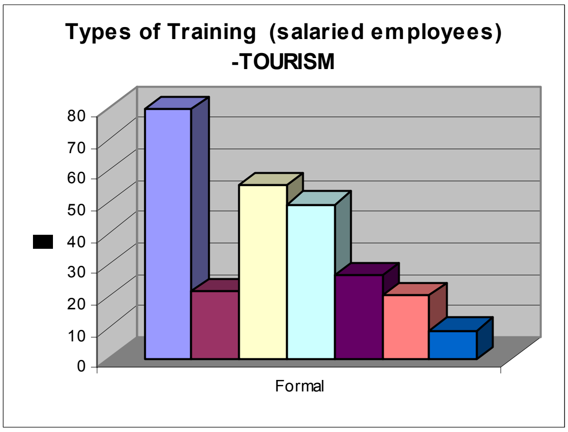


Figure 29, Types of training. Source: HSRC 2004

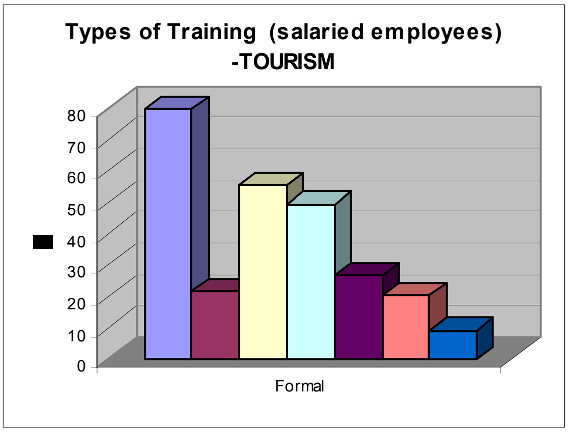


Figure 180, Types of training. Source: HSRC 2004

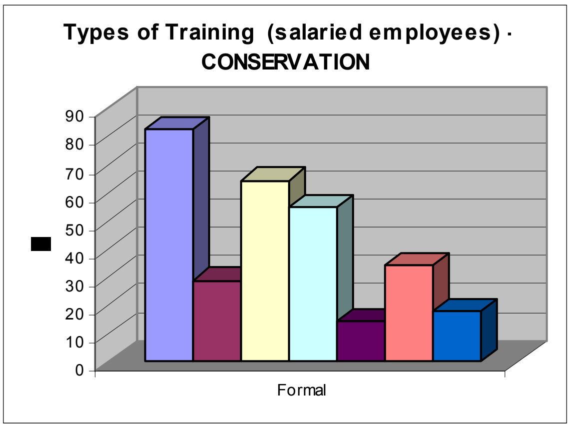


Figure 191, Types of training. Source: HSRC 2004

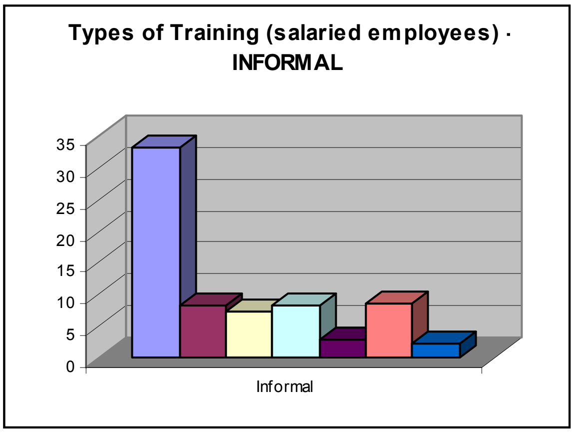


Figure 202, Types of training. Source HSRC 2004

On the job
Mentoring from staff member
In-house formal training
Course from outside agency
Registered Apprenticeship
Learnership
Other

As can be seen, on the job training makes up the greatest share of training provided both in the formal and informal SMME sector. Table 7 presents the enterprise training intentions per occupational group and race. In terms of the Sector Skills Plan.

Table 8, WSP. Source: SETA Management System

Occupational Group	Black	% per training for black	White	% per training for white
Senior Managers	6,629	8%	10,778	35%
Professionals	1,072	1%	1,864	6%
Technicians	6,979	8%	6,428	21%
Clerical workers	10,813	12%	4,339	14%
Service workers	33,421	38%	5,485	18%
Agricultural and fishery	288	0%	32	0%
Skilled Workers	5,534	6%	558	2%
Plant / Machine Operat	1,298	1%	152	0%
Labourers	19,515	22%	779	3%

The importance of different obstacles to skills training is presented in the figure below. In addition to direct cost factors, the labour time lost to employee training is the next biggest factor in formal enterprises. High staff turnover seems to be a bigger problem in informal than formal enterprises.

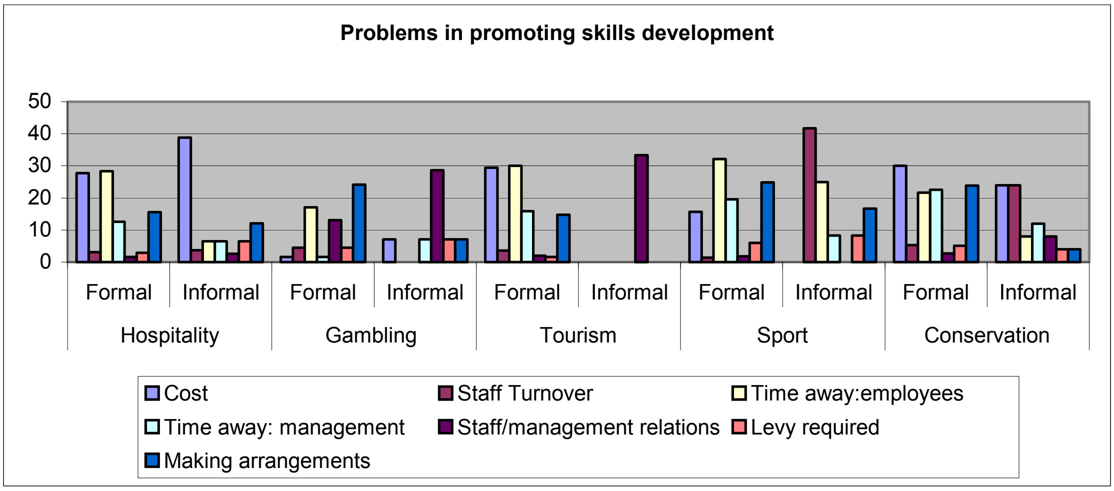


Figure 213, Problems in promoting skills development. Source HSRC 2004

3.2.2 Training provided through Theta projects; NQF qualifications

NQ's were first established in the Hospitality sector for accommodation, front house, food preparation and cooking and food and drink, ranging from NQ1 to NQ4. By June 2000, 8000 candidates had obtained 9800 NQ's. Theta achieved the following in light of set targets through the tourism learnership projects:

Table 9, Training targets, Source: Tourism Learnership Quarterly Report

Action	Achieved by 30 September 2003	Target for 30 June 2004	Achieved by 30 June 2004
Training practitioners trained	290	700	653
Assessment practitioners trained	290	1,000	911
Employed learners achieved hospitality unit standards	8,500	12,000	13,401
Employed learners achieved skills programmes	2,873	6,000	4,136
Employed learners who have achieved qualifications through Learnerships	637	3,000	1,072
Unemployed learners registered for Learnerships	2,349	5,000	6,142

The largest number of the NQ's achieved in 2000 were obtained in Gauteng and Kwa Zulu-Natal. Given the tourist boom in the Western Cape this province appeared to be lagging behind significantly in terms of training in 2000. Research on Tourism in the Western Cape by Grant Thornton indicates that this could have been due to confusion or ignorance concerning the NQ framework and Theta in general. At the time, NQ's had been registered with SAQA for travel, tourism, sport, hospitality, gaming, guiding and nature conservation. Fitness and recreation was the only area for which NQ's were outstanding. In terms of Learnerships, the Tourism Learnership Project (TLP) in conjunction with Business Trust was expected to make strides in improving training. This project incorporated 15 000 Learnerships that would take place over a four year period at a cost of R115 million. By May 2003, 3500 Learnerships were registered with THETA. In addition, SA Host is a programme that was instituted in 2003 to provide customer service training to 5000 learners.

Currently, NQ's have been developed for travel, hospitality, gaming, guiding, nature conservation and tourism. The deficit in for developing and registering NQ's in the fitness and recreation industry was addressed (Appendix 1).

Theta is managing three main projects in addition to a number of other concurrent Learnerships (Appendix 2). These three projects are the South African Tourism Institute (SATI) project, the Tourism Learnership Project (TLP) and the Integrated Nature-based Tourism and Conservation Management project (INTAC). The SATI project, assisted with donor funding from the Spanish government, aims to upgrade teacher skills in tourism-related subjects, and to develop learning materials. A partnership with the National Business Initiative (NBI) provides support to teachers and pupils of 541 schools offering travel and tourism. Furthermore, the National Student Financial Aid Scheme (NSFAS) was and is used as a mechanism through which SATI distributed bursary funding to 106 students to study tourism or hospitality at Technikons.

The TLP is currently drawing to a close. The span of the project was from January 2000 to June 2004 and the aim was to improve productivity and service standards in the tourism, hospitality and conservation sub-sectors as well as to improve knowledge and skills and ultimately the employability of learners within these sub-sectors. In order to achieve these aims, the TLP team set out to achieve a number of targets and deliverables (bearing in mind budget constraints of R115 million) including registration of learners for Learnerships; completion by learners of full qualifications; completion by learners of skills programs and the assessment of learners according to hospitality unit standards. To support these objectives, the TLP team was to develop, submit and register NQ's with SAQA; support employer providers; provide learning material and provide incentives to learners to participate in the TLP.

A total of 211 employers/lead providers at 414 sites participated in the TLP. An accurate estimate of the total number of learners could not be ascertained and is expected to fall within a range of 3722 – 6888. Research undertaken by Prodigy and Grant Thornton indicate that a number of issues detracted from the potential of the TLP to fulfil stated objectives. Some of the main issues include internal THETA project mismanagement; inadequate analysis of demand for skills within the tourism industry; employer and training provider issues such as limited mentoring and inadequate support of learners in the post learnership period; skewed learner selection and geographical distribution and placement; inadequate workplace exposure and learner defection from one learnership to another with no interim employment. Despite these problems, the TLP project provided the following benefits:

- Improved learner service levels
- Improved learner knowledge
- Improved learner productivity
- Improved employment opportunities for learners

Employers and providers had been unable to provide precise examples of how service levels and productivity improved, highlighting the necessity for effective project management, ongoing stakeholder support and efficient monitoring of trends. INTAC aimed to facilitate the training of 6500 people from communities adjoining or within nature-based tourism development areas with a view to improving socio-economic conditions within these communities. The main goals of the project were to produce competent people to staff wildlife and tourism infrastructure; contribute to the improved sustainability of tourism SMME's; train new entrepreneurs in tourism and assist in the training of community public and private partnerships. The pilot phase was implemented in following ten sites:

- Northern Cape – Kgalagadi Tran frontier Conservation Area
- Eastern Cape – Greater Addo Elephant National Park
- Eastern Cape – River Rangers
- Eastern Cape – Thunga-Thunga Tourism Route
- Free State – River Rangers
- Kwa Zulu-Natal – Greater St Lucia Wetland
- Mpumalanga – Blyderivierspoort Game Reserve
- Limpompo – Great Limpompo Tran frontier Conservation Area
- Limpopo – Waterberg Biosphere
- North West – Madikwe Game Reserve

Additional sites will include sites within Gauteng and the Western Cape to allow for the training of 5000 more people. To date, 1000 people have been trained across the aforementioned sites.

3.2.3 Training provided by education institutions

Technikons, technical colleges, private institution, workplaces and schools, provide skills and training. Presently 2000 schools offer Travel and Tourism as a subject for grades 10 to 12. The South African Tourism Institute (SATI) has been largely responsible for training these educators. There has been some concern that the courses run by tertiary institutions are too long and lack practical application. Tertiary institutions must address industry needs more adequately and do so in formats that is accessible to industry and its current employees. These issues should be addressed in the in NQ framework and accreditation of the relevant institutions. Training is also available in private colleges (e.g. hotel or chef schools) and from enterprises that provide their own training programmes. However, private institutions also tend to offer full-time programmes and are not geared to provide for current employees' skills needs or NQ gaps on a large scale. Theta is responsible for accrediting these programmes and incorporating them into the NQ framework. Accreditation will extend to on-the-job training to incorporate this and recognition of prior learning into the NQ framework.

The study conducted in the Western Cape found that out of forty-two education providers interviewed only seven were accredited by Theta. There seemed to be widespread confusion concerning THETA and the operations of the NQ framework. Only half the institutions surveyed were aware of THETA and the NQ framework, awareness of Learnerships was poor and the vast majority of education providers cited difficulties in contacting Theta and obtaining information. The tourism industry in the Western Cape appeared equally uncertain about accreditation and it may be that the lack of demand for accredited courses from industry has not provided the impetus for education and training providers to seek accreditation.

The majority of tertiary education providers in the Western Cape were optimistic that tourism would grow and consequently demand for their services would increase. On average the cost of completing a course at tertiary institutions is estimated at R2500 per person. Given the costs involved such tuition may be beyond the reach of many historically disadvantaged persons. This is confirmed by the fact that 75% of learners studying tourism at the tertiary level are white.

The competitiveness study commissioned by SA Tourism found gaps in the tourism education system, where skills highly valued by industry are not covered in education institutions. These include:

- Local, national and international tourism knowledge
- Promotion and advertising skills
- Marketing and accounting skills
- Computer skills
- Market research skills

The potential use of formal training appears limited and it is essential to accredit on-the-job or employer in-house training in this sector. Many of the SMMEs in the sector cannot afford to send staff on formal training and rely on more informal methods. In the Western Cape most tertiary providers have small teaching staff complements, one third have less than five teaching staff members and few (30%) have links with industry and are thus not able to place students as interns to get practical training.

3.2.4 Innovations in the supply of training.

The Grant Thornton 2003 report that Theta considers the viability of mobile training units (MTU's). These units will be able to provide training and education, information on funding and general information on tourism to the rural areas where it is most needed. THETA should select accredited training providers in specific regions to help design the content and materials of the mobile courses. The courses will thus be specific to tourist needs in particular regions. MTU's can also assist rural communities in production and marketing of local crafts. There are various NGO's that could assist THETA in this endeavour. The involvement of rural communities in arts and crafts is a viable alternative for generating income and ensuring that the producers of the crafts and arts derive a fair share of the profits.

4 SKILLS DEVELOPMENT PRIORITIES

4.1 Introduction

This chapter discusses the employment and skills needs currently experienced and likely to be experienced in the future. As such this chapter brings together the salient points from the preceding chapters. In addition, this chapter will also highlight the constraints that may contribute to skills shortages and gaps. These constraints may be at the level of the individual workplace or at the level of the institutional system in operation.

4.2 Chamber Specific Skills Concerns

4.2.1 Hospitality

Over the past ten years, there has been a steady increase in the proportion of staff with a Matriculation certificate in the hospitality sector. As the average level of education increases, so the required type of further training will be more specific and less generic in nature. It should be noted that a significant proportion of services (e.g. cleaning services) are outsourced by the larger enterprises, so the skills issues discussed here should also be read in conjunction with the skills priorities discussed in the Services Seta. The staff in the direct employ of enterprises in this chamber is demonstratively educationally more mature and confident than ten years ago. Accordingly they perform their duties with more independent initiative and require less direct supervision and direction than was the case in the days of Apartheid.

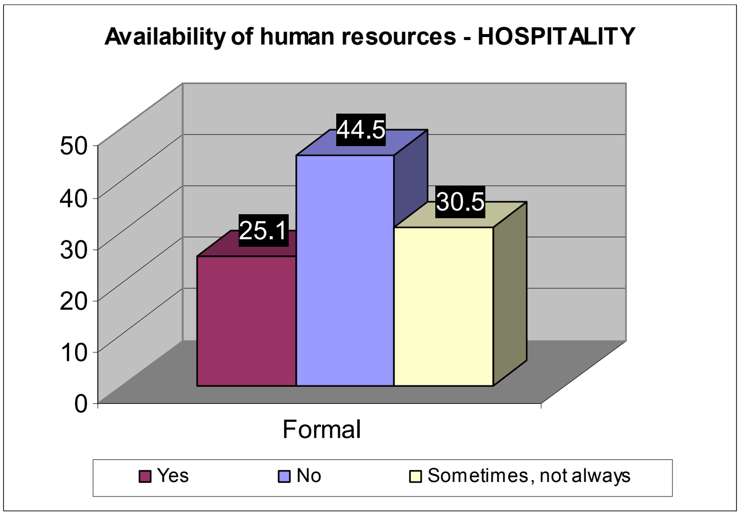


Figure 22, Availability of HR. Source HSRC 2004

The need for basic types of training (e.g. ABET) is beginning to fall away, and instead, specialized types of training are required to increase the productivity of workers. For instance, IT skills, time management, administrative, customer handling and communication/language skills emerge as training priorities. This sector is relatively labour intensive, and not surprisingly HIV/AIDS is an important issue and HIV/Aids management and awareness training should continue to receive priority.

A critical problem area for large hospitality enterprises is the shortage of specialized skills, such as executive chefs. This type of shortage is still more pressing from the perspective of employment equity. There are just not enough highly specialized black employees. Employment equity targets are also difficult to meet for the senior executive and high management categories of employment. Skills priorities for informal enterprises are not unlike those of the large enterprises, but management and administrative skills gaps are still more pressing.

4.3.2 Gambling

This chamber includes two technologically very divergent sub- divisions, the horse-racing and the casino- and related- activities industries. While they target similar clients, their respective 'value chains', and accordingly skills priorities, are very different.

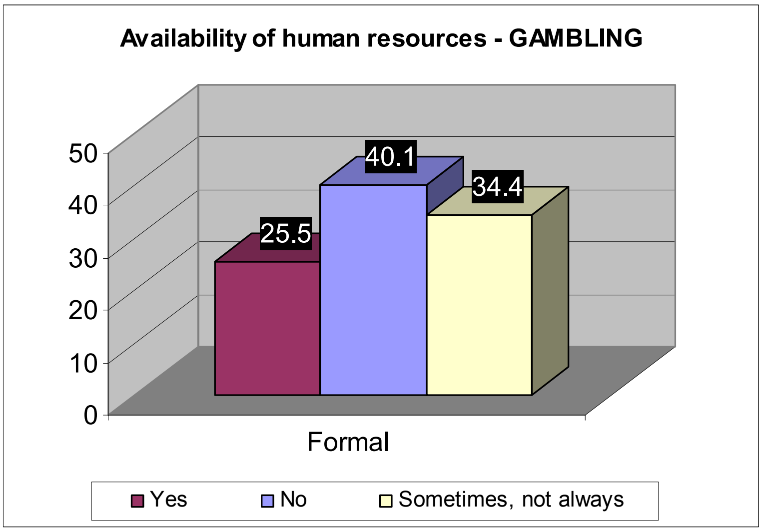


Figure 23, Availability of HR. Source: HSRC

Casinos and lotteries started operations in 1996 and have experienced phenomenal growth since then. However, the skills supply has not kept up with this growth. In particular, specialized skills are in very short supply. The technical skills relating to pay-out machines, its software and the actuarial science behind gambling are often imported in the absence of local specialists.
This skills shortage is further exacerbated in terms of employment equity targets, where the pool of existing and potential black employees is very small in relation to the demand. These shortages of black personnel is attributed to the fact that gambling is quite 'new', and, therefore, there has been 'little time' to realistically and sufficiently develop the skills base among blacks. As in other chambers, the casinos experience a shortage of senior black managers and executives. In this chamber, it is still further pronounced as a result of the prerequisite understanding of the technical and technological aspects of the business.

The horse racing industry, which has been in decline since the emergence of casinos and lotteries in South Africa, has a 'value chain' that extends from farming-type activities of rearing and caring for horses, to racecourses, bookmakers, and stable owners. As a declining industry, skills supply often exceeds the demand. Thus, skills priorities relate mostly to the betterment of the lives of the lowly-skilled workers in this industry. There are high levels of illiteracy among black workers in the horse racing industry. Consequently, they are confined to low-skilled jobs. By and large, black workers are grooms and there is no upward progression for them towards which to graduate to become trainers or jockeys.

Many black workers in the horse racing industry are employed on a part-time basis, and some employers use this as justification for not investing in employees' training needs. ABET and HIV/Aids awareness training high on the skills priorities list.

4.2.3. Tourism and Travel Services

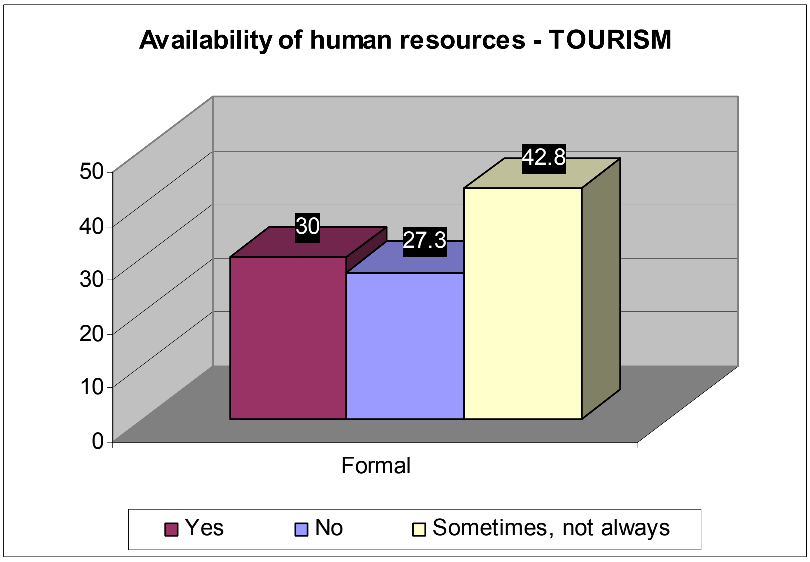


Figure 36, Availability of HR. Source HSRC

The skills concerns in the tourism and travel services chamber are not unlike those found hospitality chamber, in that most new entrants have a Matriculation certificate and require specialised skills training as opposed to basic skills training. Employers generally provide induction training and the progress of the new staff is monitored, resulting I competent employees. But, to further their productivity they require specialised skills training, including improving their geographical knowledge base, equipping them with sales, communication, IT (Internet, e-commerce etc), and writing skills, stress and time management skills.

The lack of technical and specialised skills of black employees hampers their ability to graduate to senior positions, including that of senior consultancy. in the industry. ‘Learnerships’ have failed to solve the skills problem, as offerings have been aimed at entry level while upgrading of existing skills is a priority. ASATA has resorted to conducting their own skills audits to determine skills shortages within the sector. This procedure will enable it to be in a position to inform the relevant training providers about the specific skills needs of the industry.

Here, as in other chambers, employment equity targets pose a challenge with regard to the more senior management and executive positions. To increase the pool of competent black managers, financial management skills need to be transferred.

4.2.4. Conservation and Tourist Guiding

South Africa is blessed with some of the finest natural beauty in the world and many of the world’s greatest animals can be seen here. Wildlife and the protection and conservation thereof form a large portion of the chamber’s responsibilities. As mentioned in chapter 1, the nature of the chamber makes it difficult to assess the specific skills requirements but feedback from industry experts revealed that among other, the following skills that are required to adequately fulfil this role: environmental impact assessment, integrated coastal management, wetland restoration, determination of ecological carrying capacity, waste minimization, water demand management approaches, energy conservation, biodiversity management, sustainable resource use, environmental auditing and water quality assessment. While some of these topics are covered in university courses there remains a huge need for them to be deliverable as short courses facilitated, resourced and accredited through Theta.

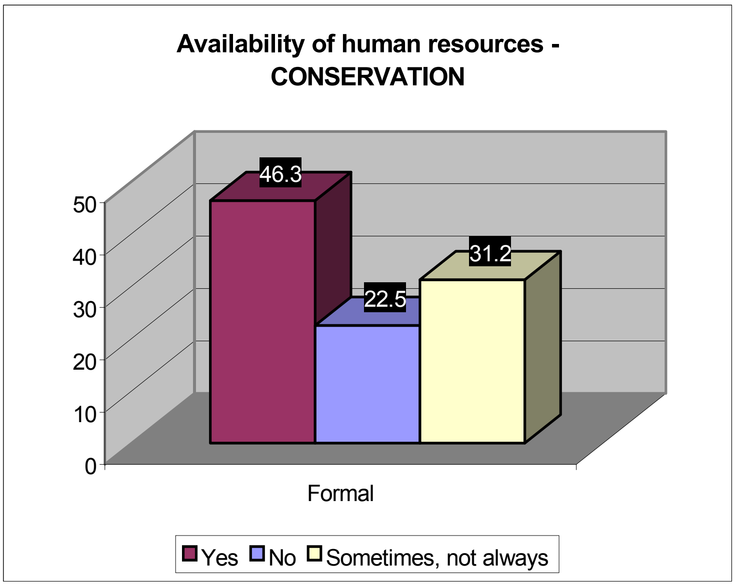


Figure 24, Availability of HR. Source: HSRC 2004

Another large portion of this chamber is made up of tourist guides. SMMEs are the main drivers of activities in the guiding sub-divisions of this chamber. There are approximately 8 000 tourist guides and about four or five tourist operators in South Africa’s tourist industry.

Tourist guides are regulated by DEAT and have to be assessed before being allowed to register. Although DEAT has been promoting black tourist guides, the decision to grant jobs to tour guides is in the hands of the few big players who are the tourist operators. The tourist operators are the ones hiring the tour guides. South Africa’s past has dictated that the tourist operators ‘happen’ to be white and this has far-reaching consequences for the chamber. The tourist operators are the ones who decide the itinerary and do not seem to be able to tear themselves away from the ‘run of the mill’ type of tourist spots and to target in their place ‘authentic’ cultural spots. Competitiveness studies show that modern-day tourists expect to get, among other things, ‘cultural tourism’ in their packages. For example, they might show some interest in the Apartheid museum but the thrust of what they expect is, perhaps, to go to the people, meet the people, see their houses and abodes and spend time, not in the so-called elite ‘ white’ suburbs but the ‘black’ suburbs and, in so doing, get a ‘true taste’ of the real South Africa. Authentic cultural spots are what are demanded by the discerning tourist but the supply of these, by the tourist operators, falls short.

So, besides skills problems, there is a 'hidden' transformation problem. There might be a skills gap where tourist guides do not speak the more popular international languages and there would be an opening for communication and languages training in say Italian, French, Portuguese, German and Arabic. Also, many employees are employed on a part-time basis. For this reason, they lack basic training skills, such as IT. Accordingly, comprehensive IT training as well as SMME development training is necessary if it is to become a success story.

As concerns the conservation chamber, various government bodies dominate it. The different legislations that govern this chamber clearly spell out some of the key skills that are required. These are mostly very specialized skills. At all levels of government, it is the scientific, legal, management and social skills that need to be developed most. In particular, the following skills gaps have been identified in the various Acts[2]: natural resource management skills, knowledge of ecological resources and processes, decision-making and research-skills. In addition, this chamber needs individuals who have knowledge of environmental legislation, legal frameworks, quality norms and standards, as well as, individuals who are, both, competent in all areas of management while, also, able to work closely with communities.

4.2.5. Sport, Recreation and Fitness

The sport and recreation subdivision of this chamber is characterized by volunteerism. . Although sport is a multi-billion Rand business in South Africa, this financial value is located mostly in the 'big' sports, and even in these it is only a few organizations and clubs that draw the bulk of income from sponsorship. This uneven distribution of finance is responsible for a low level of professionalism. Due to budget constraints at the grass roots level, there is a serious shortage of qualified sports personnel.

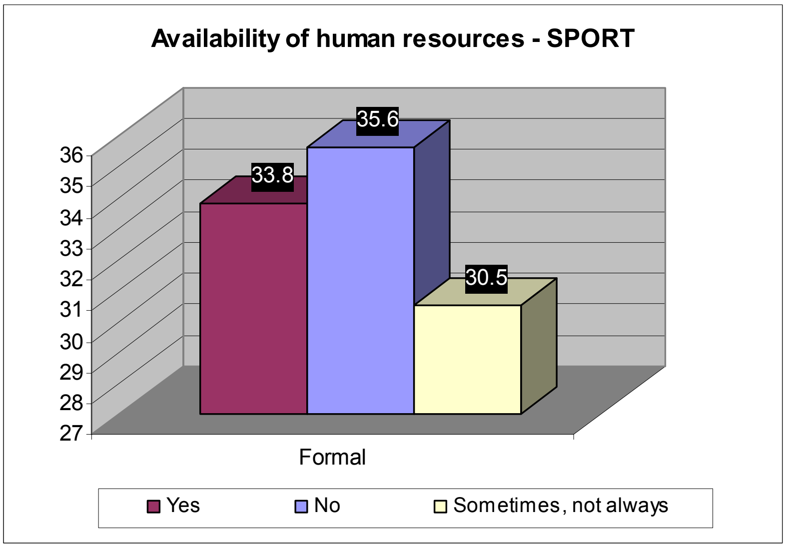


Figure 38, Availability of HR. Source HSRC 2004

Many sports practitioners are volunteers, and for this reason, they lack the basic skills. Some organizations or clubs can suddenly attract large sums of sponsorship, but as a result of the skills shortage in the sector, they may not be able to efficiently make use of these funds for the betterment of the sport.

The future development of sport in this country depends on sound organization. Therefore, it is managers and administrators of sports and recreation facilities and sports federations that are most needed. These administrators or managers need to take charge of a whole spectrum of activities which are important to the growth of clubs, federations and facilities: viz. attracting participants and advertisers, managing physical activity and sports programmes, handling finance, and so forth. In addition, there are the much specialised skills that are in short supply: trainers for beginners, specialist trainers to take promising talent all the way to the top level, talent identification, and so on. Valuable lessons are to be learnt from top players that leave because South African sports is not professional enough to train, nurture and monitor them to world heights. The loss recently of a prominent rugby player from the South African Springbok team to Australia's international rugby team and all the controversy that accompanied this switch bears testimony to this.

The fitness industry is experiencing a high turnover in its entry- level posts. Improved training and Learnerships might make the fitness industry more attractive as a permanent career path. Skills development is most crucial, however, for higher- grade trainers who tend to definitely stay in this

[2] National Environmental Management Act, Biodiversity Bill, Protected Areas Bill, Air Quality Bill, Waste Management Bill

sector. Multiskills training (fitness, sport and coaching), followed by specialization training, is recommended for these employees. An adequate supply of professionals coming through this type of training programme could also serve to fill the skills gap identified above for sports and recreation. While the fitness industry is making progress with regard to employment equity in general, at the senior management level this is not yet the case.

4.3 2010 FIFA World Cup Skills Priorities

South Africa is one of the few developing countries that have been given the golden opportunity to host the FIFA World Cup. This is not an untenable dream or supposition but a definite event that is taking place in the future and, as such, it, in itself and all it spill over effects become a key flagship for country and sports alike. There is no 'groping at straws in the dark' here. The FIFA World Cup will be the main 'testing ground' for various experiments in the political, social and economic arenas so to speak! The results will be with us for years to come. South Africa must, at all costs, avoid negative post World Cup phenomenon (like that experienced by Japan when two stadiums had to be bulldozed as they were not necessary) and South Africa must reach new heights and successes as she 'flies on the wings' of the FIFA World Cup. Opportunities that come with a worldwide sports event of this stature cannot be lost.
For FIFA, however, the event is first and foremost a business from which they expect to earn about $3.2 billion. To achieve this, the event must be run professionally. It will largely be run by FIFA staff or contractors. In the 2002 event, of 500 FIFA professionals only 2 came from the African continent, one having been Danny Jordaan. With sufficient training and preparation, the contingent of African and South African professionals can be significantly increased. If hosting the event is to create the maximum number jobs for South Africans, we have to start gearing up immediately. There are three levels from which to operate:

*FIFA Professional
The challenge faced by the South African World Cup organising committee is to come up with a team of skilled professionals who will also help in the organization of a successful world cup. As of now, there is a serious lack of quality administrators (our administrators lack the organizational skills and event management skills). There is, possibly, a need to send South Africans to Germany to see, and experience first-hand, how they are preparing for the 2006 world cup. In addition, for capacity building and to help the Soccer World Cup organizing committee, administrators should be co-opted from other South African sporting disciplines that have successfully hosted major events, such as, the organizers of the Rugby World Cup in 1995 and the Cricket Cup in 2003. Sports administrators must be adequately trained. In addition, all the peripheries to administration, for example security personnel, media personnel, to name but just a few, must be adequately trained and monitored so the FIFA World Cup in South Africa will not be run by a team of experts from abroad, making the South Africans spectators of their own event.

*Sports Industry Staff
The whole 'value chain' in the sports industry will require development in order to cope with all aspects relating to stadium and event management, trainers and coaches,

*Sports Economy Staff
The various industries that make a sports event an enjoyable experience have to be equally geared up. These include the security, catering, entertainment, travel, transport and accommodation industries.

4.4 Priority Training Areas

The approach adopted for the analysis of skills development priorities is an economic approach. The Sector Skills Plan is a tool to guide the allocation of limited resources and effort to the best possible use. The best possible use is simply the one that yields highest output or return per Rand spent. The implication is not that we need to go and measure the output per Rand. Rather the implication is one of finding a balance with regard to the different types of training that can be pursued. Simply identifying a particular area of shortage does not mean that the bulk of resources have to be used to reduce this shortage. As more resources are used for a particular purpose, so the impact of those resources will diminish and another area of resource allocation may emerge as yielding a higher impact.

In skills training this principle is easily recognisable. Even if a particular skills shortage is in evidence, only a certain portion of funds will be directed towards it. Another portion will still have to be used, even in areas where there is no shortage, otherwise a shortage will unfold.

Accordingly, this skills plan considers various categories of training objectives all, or most of which, will absorb, to varying degrees, some of the resources available for training. The following seven training and education objectives have been identified:

Table 10: Objectives for education and training

Objective	Motivation	Description
1. Maintain Skills base	Do the basics right	Training that will ensure that we continue to be able to do in the future what we have done in the past.
2. Eliminate skills shortage	Do more of the right basics	Train more individuals, often newcomers to the industry, in areas where there is a shortage
3. Fill skills gaps	Become better at what we have to do	Train existing employees in areas where they are inadequately proficient
4. Keep up with trends	Be on top of the game	Train employees and newcomers to the industry in areas where there is likely to be future growth
5. Innovation	Be ahead of the game	Train for new tourism products, markets, and ideas
6. Transformation	Let others share in our success	Provide training that will help achieve more widely spread participation in the sector

The sector as a whole performs well in terms of the services delivered in the industry. Accordingly, the strategic implication is that the greatest impact per Rand spent on training is likely to be had in terms of keeping up with trends and innovating. Nonetheless, the right balance must be found and the existing skills base must not only be maintained but also improved.

Below are specified skills priorities for each of the different objectives.

4.4.1 Maintain and Develop Skills base

Future Outlook: At present, we have a sound overall skills base and, by most accounts, service delivery in the industry has improved in the past decade. Nonetheless, our skills base is under threat. Average life expectancy in South Africa has been reduced to below 50, mostly as a result of AIDS. HIV/Aids related diseases have affected efficiency too. Emigration has a minor impact on the sector since there is a substantial two-way flow of skills.

Priority Training Area: *In-house Training*

Rationale: The tertiary education system does not furnish employees with the appropriate skills. Employers in the sector have acknowledged that it is their responsibility to train new entrants into the industry

Chambers: All

Priority Training Area: *HIV Training*

Rationale: HIV awareness is the first line of defence against infection. Staff retention, rather than recruitment, is the predominant enterprise strategy to keep its staff and it follows logically that it is in the enterprises' interest not to lose their staff to HIV/Aids. HIV management, planning has a role here.

Chambers: Hospitality, Tourism and Travel Services, Sport, Recreation and Fitness

4.4.2 Eliminate skills shortage

Future Outlook: While lower skills levels seem to be adequately provided, technological advancement places a premium on higher skills levels. It is a sad reality in South Africa that despite high levels of unemployment, there is a shortage of qualified and skilled personnel. The tourism industry is no exception to this and the skills shortage at this level is likely to be exacerbated by a higher Aids mortality rate, coupled with the expected absolute growth of the industry.

Priority Training Area: Specialized Skills Training-IT

Rationale: The labour demand pattern shows clearly that the industry requires an increasing proportion of skilled employees. It is especially the increasing prevalence of IT in the industry that is driving this change. IT is a crucial system's backbone that affects efficiency. Where clients expect efficiency, be it at the front desk, booking terminal, on the website, or anywhere else, sound IT systems and operators is a pre-requisite.

Chambers: Travel & Tourism services, Gaming and Lotteries, Hospitality, Sport

Priority Training Area: Management training for new entrants

Rationale: See discussion on management training in section below on skills gaps.

Chamber: Hospitality

4.4.3 Fill skills gaps

Future Outlook: In a world of rapid change, enterprises are expected to continuously adapt to a changing situation and employees are often required to upgrade their skills. This affects the tourist sector, not only, in terms of changes in technology, but, also, in terms of a diverse and, often sophisticated, set of tourists. Furthermore, one of the legacies of apartheid is that employees may lack skills that should really be presupposed elsewhere. Indeed, it has been one of the objectives of the NSDS to counteract this historical reality.

Priority Training Area: ABET

Rationale: Not all components within the ABET type of skills training are equally in need of upgrading. The HSRC data (p. 47, table on priority training based on HSRC, National Skills Survey) suggest that communication skills are high on the list, while numeracy and literacy skills are not a development priority in the sector. Training programmes should accordingly be adapted to the specific requirements in the sector.

Chambers: Conservation, Horse racing, Recreation, Sport

Priority Training Area: Management skills upgrading

Rationale: The National Skills Survey has clearly shown that management is the one area where enterprises believe that its employees need skills upgrading. Associated with this is also the fact that there is a scarcity of management skills in the sector, which implies that managers are not, as such, recruited but are 'made' in-house. Mostly, however, as these employees assume the management posts, they may not, as yet, have adequate experience and skill.

Chambers: Hospitality, Sport, Recreation- Fitness

4.4.4 Keep up with trends

Future Outlook: Many important trends have been listed in chapter 1 and they describe a customer in this sector as increasingly taking advantage of freely available information to choose their destination, to do so at short notice, to visit more destinations, and to expect quality service. This is part and parcel of an increasingly globalised economy. The global economy is driven by business and international organisation and, an important trend associated with this, is the growth of business travel.

Priority Training Area: *Cultural Experience SMME Development*
Rationale: Whether from Asia, Africa, America or Europe, tourists come with the expectation of experiencing South African culture, but this expectation is mostly unfulfilled. In South Africa we have simply failed to pick up on the cultural experience trend in tourism. The Global Competitiveness study has shown clearly that we must improve on this aspect in order to provide a more fulfilling South African travel experience.
Chamber: Conservation and Guiding, Hospitality, Tourism Services

4.4.5 Innovation

Future Outlook: It may not be possible to train individuals to be innovative, but training can be provided in support of innovative services and products in the industry. On many occasions, South Africa has shown that it can come up with offerings unique to the country or copied by others. It is a matter of identifying what these products are and then develop the skills required to keep up with the innovation. From an economic point of view, these types of products are often high value added and training, in support thereof, may have unusually high returns.

Priority Training Area: *New Products: cultural experiences, diversity, SA specific, unique products*
Rationale: High demand
Chamber: All

4.4.6 Transformation

Future Outlook:

Priority Training Area: *Black management*
Rationale: The Employment Equity statistics show that while black employees constitute the vast majority of employees, their representation at managerial level is significantly low, in some instances less than 10%. The problem seems to be especially pronounced in large hotel groups and, to the extent that these are the largest employers in the sector, it is also reflected in overall industry statistics and Literature Review.
Chamber: Hospitality and travel

Priority Training Area: *Specialised Training for Black employees*

Priority Training Area: *SMME*
Rationale: This sector encompasses a very large number of SMMEs. They are finding the environment difficult, yet they are important to job creation. Perhaps resources should be mobilised to further their cause in the sector. The SAIBL programme for HDE SMME development may serve as a model or even potential partner.

The table below summarises the various trends at work in the sector, the training objective that needs to be addressed in response to the trend and the training priority area proposed to meet the objective with regard to the identified trends. It summarises from above and adds additional material.

Table 11: Sector trends and relevant training objective

Sector Trends	Employment and Training Objectives	Skills Development Priorities
Increasing mortality rate	Maintain skills base	HIV awareness training
South Africa 2010		Event Management
Employment Equity legislation	Transformation	Black management training

Increased Customer knowledge and sophistication		IT training
Niche Markets	Innovation	Eco-tourism Cultural tourism
Increased customer care and efficiency	Skills gap	Management training

4.5. Constraints

In addition to the need for skills training for the purpose of eliminating shortages, gaps and others discussed above, there are also specific skills needs that occur as a result of constraints in the workplace and in the environment

Systems constraints
The following are recognised as institutional or systems constraints:

- Qualification framework
- Provider capacity
- Learning areas
- SMME growth

Qualification framework:
Standards and qualifications are to be generated and reviewed. Content of Learnerships and skills programmes developed in accordance to needs and recognition of prior learning.

It is imperative to convince the industry that accredited training and education programmes are worthwhile. This can be achieved by marketing accreditation to both the industry and tourists as a mark of service quality. For example, in Britain tour guides belong to a professional guides association that accredits them and gives them a badge to signify their accreditation. Service providers, especially in the hospitality industry, may be able to utilise the accredited qualifications of their staff as a competitive advantage to indicate quality or service excellence. Accredited training can be used to build credence for small operators in the tourism and hospitality sector.

Provider capacity:
There is a continued need to develop and upgrade the capacity of assessors to monitor and accredit workplace training so this can be incorporated into the NQ framework. In focus group meetings, major concerns were expressed about the quality of training and education offered by providers. Delays in establishing the ETQA functions of the Seta had a negative impact on training provision. In some sub divisions, there were no accredited providers.

Funding:
An area of great concern is Theta's lack of finance. The current legal system prevents Theta from being able to adequately fund itself because many of the organisations within the tourism industry are exempted from paying levies due to their small nature. Theta expressed a need for legislature to be re-worked so as to allow the Seta to obtain levies from previously excluded organisations. Furthermore, the inability of Theta to trace whether levies are going to be received or not, adds to the general uncertainty surrounding the receiving of monies. From monies already received, 10% goes to Seta administration costs, out of which 14% of this figure is payable as Value Added Tax (VAT). In the upcoming five years (2005 – 2009), Theta aims to find a means that will allow them to avoid this VAT payment, and, thus, retain a greater proportion of received monies to assist with Theta costs.

The low amount of monies and donor funding received by Theta impacts on Theta's ability to perform many of its core functions as optimally as it would like. For example, without sufficient financial capital, Theta is unable to develop the organisation (such as creating a better infrastructure, support system and embarking on human resource development). This also limits Theta's ability to engage in projects – such as Learnerships – and to engage in ongoing research within the tourism industry as a whole.

From a broader perspective, it was felt that Department of Labour (DoL) support was lacking, as was private sector and donor funders' buy-in to Theta and its initiatives. There was a deficit in Theta-stakeholder relationships. This was perceived as being a consequence of Theta mismanagement and expressed itself in a lack of stakeholder trust and willingness to work with Theta. It was recommended that Theta establish better networks with stakeholders in the tourism industry to overcome industry resistance to the Seta and for Theta to keep abreast of changes.

4.5.1 Workplace Constraints

It is essential to convince SMME employers that it is in their interest to have their training accredited. Skills grants can be used as incentives to encourage co-operation from employers. Employers may obtain grants upon approval of their workplace skills plans, which are submitted to Theta. Additional grants are available for employers that assist historically disadvantaged individuals to obtain training.

4.5.2 SMME Development Constraints

Self-employed entrepreneurs or small SMMEs are the growth engines in the tourism and hospitality sector. Theta should target both established SMMEs as well as emerging SMMEs in rural areas. The training needs of the segments are likely to vary. Established SMMEs may be open to training that enhances their capacity to grow. They may be interested in acquiring management or marketing skills to improve their businesses. The growth of these SMMEs may increase employment and commitment to staff training as SMMEs strive to become more competitive.

- Poor infrastructure limits access to outlying areas, particularly for rural SMME's
- Lack of finance to develop their offering, and;
- Lack of tourism knowledge and marketing and management skills to develop viable business ventures.

The primary barriers inhibiting SMME's from obtaining access to funds is ignorance regarding the availability of funds, lack of collateral, lack of linkages and difficulties encountered due to application booklets and processes that are not user-friendly. This is especially pronounced for SMME's in rural areas. Theta can co-ordinate training programmes that inform and train rural SMME's in particular but, also, SMMEs generally, in the processes of obtaining finance. Secondly, the SMME must be given access to training to acquire tourism and general business skills. Finally Theta should mediate in partnerships between the SMME and formal sector tour or hospitality operators. Theta can liaise with tourism promotion bodies to market these new attractions.

5. STRATEGIC PLAN

5.1 Introduction

The World Travel and Tourism Council's report on South Africa (WTTC, 2002), recommends that the sector places a high priority on Education and Training; "Given the projected growth in travel and tourism demand, it is important to plan ahead to attract sufficient numbers of employees with the appropriate skills" (WTTC, 2002, 41). The purpose of this Sector Skills Plan is to meet this very requirement. Whereas the preceding chapter identified the skills development priorities, this chapter describes the strategies that shall be implemented in order to address the various skills development priorities.

The twin pillars on which the sector will ride to 21st Century success are those of growth and participation:

> Growth: Hospitality, tourism and travel services, conservation and sport, recreation, fitness and gaming are all seen as major growth areas for this century with attendant contributions to GDP, work opportunities and conserving and replenishing national resources.
>
> Participation: Issues of broad participation in the tourism sector are set to become either major stumbling blocks to growth, or alternatively if solved, major catalysts for growth.

5.2 Training Objectives and Strategies for the Period 2005 to 2009

For each of the training objectives, a number of priority training areas have been identified. The interventions and strategies intended to deal with these priorities are detailed in this section. Theta's overall objective is that all employees in the sector have access to sector-appropriate quality education and training. This education and training should benefit, not only, employees but, also, employers. Therefore, it should be linked to the business objectives of the employer. In addition, it should also be linked to their employment equity plans.

5.2.1 Objective: Maintaining Skills Base

This objective is focused on maintaining and retaining the skills base for the existing employees in the Tourism sector.

a) HIV/Aids Interventions

Strategy:

i) Discretionary Grants 10% will be made available to employers who implement HIV AND AIDS management.

ii) Toolkit will be made available by Theta: The developed HIV/Aids training kit will be made available to all industry employers and employees.

iii) Make HIV and AIDS learning materials available to all Tourism Stakeholders.

iv) Provide strategy for employers to help in career and succession planning.

b) Training Intervention: In-house Training

Strategy:

i) Mandatory Grants

ii) NQF Aligned training

iii) Learnerships

iv) Skills Programmes or any other structured learning programmes

5.2.2 Objective: Fill Skills Gap to Provide for Access

The growth in the sector must be supported by the availability of appropriate skills in the labour market place.

a) Training Intervention: Specialised Skill Training

Strategy:

i) NSF Bursaries: The NSF provides bursaries, study support or necessary experience grants to learners acquiring high level scarce skills of a more generic or cross cutting nature. Learners are likely to be enrolled in Tertiary Education Institutions, Language Schools and Programmes, or gaining exposure abroad.

ii) Foreign Languages

b) Scarce Skills : IT Training

Strategy:

i) IT Training

ii) Theta Bursaries: Theta provides bursaries or study support to learners acquiring high level scarce skills identified as scarce in the sector. Learners are likely to be enrolled Hotel schools or Tertiary Education Institutions.

c) Core Skills Training

Strategy:

i) Learnerships

ii) Work experience

iii) Mandatory Grants

iv) Skills Programme

5.2.3 Objective: Fill Skills Gap to Provide for Access

A productive economy requires that workers can efficiently discharge their tasks. Where they do not have all skills required in performing their duties, or which may be required for promotion, Theta's objective is to provide access to training or education that can bridge these skills gaps.

a) Training Intervention: Management Training

Strategy:

i) Vocational and Tertiary Education Training.

b) Training Intervention: ABET

Strategy:

i) Discretionary ABET grant

ii) NSF (sub-set of Social Development Funding Window). The funding window can be used to complement private and donor funding of ABET initiatives

5.2.4 Objective: Staying Abreast with Trends

Training Intervention:

a) Support Cultural and Adventure Tourism

Strategy:

i) Discretionary BEE grant: Large- and medium- sized firms can access grants if they provide support to a BEE firm in the sector, and the BEE firm receives support from Theta

ii) Theta new venture creation fund. This discretionary grant plus NSF top-up funds is for new entrants to form new ventures in the sector.

b) Training Intervention: Support New Venture Creation in Tourism

Strategy:
- i) Shared best practice for providers and employers
- ii) Bench marking

5.2.5 Objective: Innovation

a) Training Intervention:

Strategy
- i) Trend analysis and research to develop new products.

5.2.6 Objective: Transformation

The future strength of this sector depends on a wider participation by all population groups at all levels of employment. The sector must offer meaningful career opportunities for all, and encourage the creation or formalization of black- owned enterprises.

a) Training Intervention: Management Training for Black Employees

Strategy:
- i) Vocational and Tertiary Institutions training
- ii) Linking EE Plan to the WSP

b) Training Intervention: Specialised Skill Training for Black Employees

Strategy:
- i) NSF Bursaries: The NSF provides bursaries, study support or necessary experience grants to learners acquiring high level scarce skills of a more generic or cross- cutting nature. Learners are likely to be enrolled in Tertiary Education Institutions, Language Schools and programmes, or gaining exposure abroad.
- ii) Theta Bursaries from Discretionary grants: Theta provides bursaries or study support to learners acquiring high level scarce skills identified as scarce in the sector. Learners are likely to be enrolled in Hotel schools or Tertiary Education Institutions.

c)Training Intervention: Support for informal entrepreneur, NGO, CBO

Strategy:
- i) Theta grant (20) % plus NSF top-up (80%): non-levy paying enterprises, NGOs and CBOs supported by skills development.
- ii) Assist SMME by developing their business skills for profitability and sustainability
- iii) Provide capacity for SMME education providers to be established and sustained.
- iv) Assist SMME in attaining financial aid

5.3 Systems and Institutional Strategies for the Period 2005 to 2009

In addition to the training and other programmes initiated by enterprises and supported by Theta, Theta will launch some of its own initiatives in order to meet the objectives of the National Skills Development Strategy. While keeping in mind severe existing resource constraints, three strategic interventions are proposed for the sector. These are:

1. Strengthening the System
2. Leveraging Change
3. Role Modelling Best Practice

While the specific activities associated with these interventions are summarised in the table below, it may be necessary to discuss briefly the two principles which underpin the interventions:

a. Stretch and Leverage
b. Strategy as Knowledge Creation

Stretch and Leverage: This refers to the strategic component that looks at the mismatch between a system's resources and its ambitions. Once again Theta has been mandated a system with huge ambition but relatively few resources for the achievement of the ambition. This necessitates a strategy of: (1) concentrating resources more effectively around strategic focal points, (2) accumulating resources more efficiently, (3) complementing one kind of resource with another, (4) conserving resources wherever possible and (5) recovering resources from the marketplace in the shortest possible time.

Strategy as Knowledge Creation: Increasingly, evidence from planning points to too much time spent on over-ambitious planning approaches that lead to strategic plans that collect dust on shelves whilst the exigencies of implementation pass them by. The antidote to this problem is to create dynamic strategy; both as a vehicle and as an environment in which knowledge is enhanced, shared and deployed into strategies, policies and plans. This allows for emergence to be harnessed towards successful implementation.

This report has attempted to create strategy at a level that will speed the implementation of national and sectoral policies. It focuses quite extensively on sharing best practice, where such exists or building it, where it hasn't yet flourished. In addition, it focuses on capacity building as a mechanism by which various key role-players can continue to build their own respective strategies for adapting and implementing the system.

5.3.1 Strengthening the system

a. There is growing recognition across the country that insufficient resources have been invested in building the capacity of new and multiple macro systems intended to improve the human resource base of South Africa.
b. It is the view of Theta that until and unless substantial further resources are invested in the architecture of the macro system, the NSDS and the NQF are both in danger of failing in this sector.
c. It is for this reason that one of the key thrusts of the next five years will be to substantially invest in years one and two with a tail off over year's three to five, in two areas of system capacity building: provider development and ETD practices.

5.3.1.1. Provider development

Originally thought to be a function of the market, the inability of substantial numbers of providers to adapt to the new systems has hampered quality delivery of every form of ETD in the sector but, perhaps, most notably that of Learnerships.

Provider development will entail four key activities:

a. The speed-up of accreditation by ensuring that providers have more assistance to get into the system.
b. A customer focus that pays more attention to where providers are coming from as a skilful mechanism to moving them towards desired end-states.
c. Massive customer information dissemination.
d. An active programme to build black providers in the sector and to ensure that procurement of black providers becomes a priority issues for the sector.

5.3.1.2. ETD practices

This intervention is focused at, both, numbers of available practitioners, as well as, at the quality of practice.

Activities will include:

a. Intervening in the quality of training programmes for ETD practitioners in the sector
b. Investing in assessor, mentor, trainer, moderator and evaluator training for the

sector

c. Investing in training packages, including curriculum, for specified Learnerships and skills programmes.
d. Requiring approved curriculum frameworks as pre-requisites for specified training interventions

5.3.2 Leveraging change

Given that the aims of Theta stretch way beyond the resources made available to it, the leveraging of change in the sector must seek out the 80/20 principle in which 80% of outcomes are achieved with 20% of the inputs. Theta has to find that 20% and these interventions are aimed at doing precisely that. Five key areas for action are envisaged.

5.3.2.1 . Skills development capacity

The workplace equivalent of ETD practice, this area is pivotal to the success of the system.

Activities here will include:

a. Toolkits for large enterprises for workplace skills plan development & training reports.
b. Training for Workplace Training Forums members. Particular attention will be paid here to enhancing the capacity of employees to participate in the WSP development
c. Training for large enterprise SDFs designed on best international practice HR and accredited within higher education.
d. Training for small enterprises in building the capacity of their staff as an integral part of small business management and development.

5.2.2.3. System governance

A number of parastatal structures have been given mandates to implement systems without being given sufficient up-front capacity. Their links to the NSDS put them in danger of becoming weak links in a strategy chain, and, at their request, attention and energy will be put into assisting them. The smooth functioning of these structures will qualitatively improve practice in the sector.

Activities will include:

a. Support for and liaison with Tourism authorities
b. Support for and liaison with Gaming Boards

Support for and liaison with Tourism guiding registrars

5.3.3 Role-modelling best practice

At another level from the other two legs to the strategy, is that of role-modelling practice. There are a number of 'new' initiatives that are, or should be, occurring in the sector. It is not within the scope of Theta's resources to 'make' these happen, but it is seen as desirable that working models should be put in place that can act as role models for enhanced practice elsewhere in the sector.

5.3.3.1. Disability employment brokering

An initiative will be launched, in consultation with disability organisations, to broker employment opportunities with training and placement. Such initiatives do exist in other sectors and best practice will be imported to this sector.

Activities will include:

a. Meeting with large employers in the sector, including parastatal bodies, to gather information on employment equity plans with reference to opportunities.

b. Consulting with disability organisations regarding needs priorities and desirable actions.
c. Arranging training as an intermediary action to connect disabled people with work opportunities.

5.3.3.2. Co-operative training

Internationally, there is a growing trend for competing firms to co-operate in training initiatives that span areas of common required competence. This initiative will investigate the opportunities for modelling this practice in three areas of the sector that have indicated some interest in this trend.

a. Hospitality
b. Gaming
c. Nature Conservation

Theta's focus in this plan is to concentrate on building those elements of the system that will allow the system to deliver its own determined needs. Better quality providers, competent and plentiful assessors, more skilful workplace training forums and better crafted workplace skills plans are just some examples of a better functioning system. With these in place, key actors in the sector will be better able to articulate demand and be better placed with a supply to fulfil that demand.
Over the five-year period of the plan, the emphasis will gradually shift from systems architecture to more pointed interventions to meet skills shortages. By year four of the plan, almost no funding should still be going into systems architecture. Key players should be strongly in place and Theta able to revert to its original intended function of facilitator of skills development and quality manager of skills supply.

Alignment to the NSDS

Strategic intent is the element of strategy that sets the general direction and vision and becomes an anchor for consistency over the long term. It is a given in this strategy determined by national skills development strategy goals and targets and the sector goals and targets as laid out by the Department of Labour.

Table 12, Alignment with the NSDS

NSDS OBJECTIVE	NSDS INDICATOR	NSDS LEVER	THETA OBJECTIVE NUMBER	THETA OBJECTIVES	THETA STRATEGY
Objective 1: **PRIORITISING CRITICAL SKILLS FOR GROWTH AND DEVELOPMENT**	**1.1** Skills development supports national growth and development strategies.	Relevant government departments, in consultation with their provincial departments, sign off on Sector Skills Plans within agreed time-frames prior to finalisation of plans. National priorities identified may be translated into NSF funded Strategic Projects.		Theta will liaise with relevant government departments	Theta will liaise with National Treasury and National Treasury will sign off the SSP.
	1.2 Entry, intermediate and advanced critical skills identified	Seta's use their own funds to identify critical skills in the sector every two years, using guidelines prepared by the Department of Labour.			
	1.3 Information on priority skills widely available to learners making subject choices and career choices. Impact of information dissemination measured in terms of rising entry of learners into programmes leading to acquisition of skills in critical areas.	DoL consolidates Seta inputs and national/generic priorities and prepares a national guide on occupational / employment trends every two years. The NSF will fund the guide and the training of career guidance counsellors and Skills Development Facilitators in the use of information.			

NSDS OBJECTIVE	NSDS INDICATOR	NSDS LEVER	THETA OBJECTIVE NUMBER	THETA OBJECTIVES	THETA STRATEGY
Objective 2: **STIMULATING QUALITY TRAINING FOR ALL IN THE WORKPLACE**	**2.1** 80% of large firms' and 60% of mediums firms' employment equity targets supported by skills development. Impact on overall equity profile of firms and sectors measured.	Firms to submit WSP aligned to current EE plan. Firms claim mandatory grants on a quarterly basis, on the basis of a simple report or invoice, up to a maximum of 50% of levy paid. Funds not claimed for a period of 6 months automatically transferred to discretionary grants. DoL to set reporting form.	5.2.1.b 5.2.1.a	Maintain skills base	In-house Training i) Mandatory grants ii) NQF Aligned training iii) Learnerships iv) skills programmes HIV / Aids Interventions i) Discretionary grants ii) Toolkit will be made available by Theta. iii) Make learning material available to all stakeholders iv) Provide training to employers to help in career and succession planning.
	2.2 Skills development in at least 30% of small levy-paying firms supported and the impact of the support measured.	The Seta determines the best form of intervention and grant, e.g. WSP, provide free course etc. 30% of total population of small firms in sector to be reached by such initiatives is the target. Seta's to spend at least 50% of the total levy income from small firms on the achievement of this indicator [Equity to be a criterion for small firms with a high turnover as set out in the Employment Equity Act.]	5.2.4.a.	Staying abreast with trends	i) Discretionary BEE grant ii) Theta New venture creation fund

Objective 2: (cont.) **STIMULATING QUALITY TRAINING FOR ALL IN THE WORKPLACE**	**2.3** Government departments' achievement of EE targets and measurable service delivery improvements supported by skills development.	National, provincial departments and local government spend at least 1% of personnel budget on training.	5.2.6a 5.2.6b 5.2.6c	Transformation	i) Vocational and tertiary institutions training. ii) Linking EE plan to the WSP. i) NSF Bursaries ii) Theta Bursaries i) Theta grant ii) Assist SMME by developing their business skills for profitability and sustainability. iii) Provide capacity for SMME education providers to be established and sustained. iv) Assist SMME in attaining financial aid
STIMULATING QUALITY TRAINING FOR ALL IN THE WORKPLACE	**2.4** Number of enterprises achieving the Investors in People standard.	Firms achieving the IiP standard to automatically get 50% of levy paid and for the period standard is maintained – no plan or report required. Seta *to secure agreement on information from such firms.*			
	2.5 Number of small BEE firms and BEE co-operatives supported by skills development. Impact of support measured.	Large and medium-sized firm eligible for Seta discretionary BEE grant (cash grant) if they submit evidence of support provided to a BEE firm in their sector and the BEE firm receives Seta support.	5.2.4.a.	Staying abreast with trends	i) Discretionary BEE grant ii) Theta New venture creation fund

Objective 2: (cont.)	**2.6** Number of workers who benefit from training for placement in new investment initiatives.	NSF – Skills Support Programme grants.	5.2.2 c	Fill skills gap to provide for access	*i) Learnerships* ii) Work experience iii) Mandatory grants iv) Skills programme
STIMULATING QUALITY TRAINING FOR ALL IN THE WORKPLACE	**2.7** 70% of workers have achieved National Qualification Framework Level 1.	Seta discretionary ABET grants for current workforce.	5.2.3 b	Fill skills gap to provide for access	i) *Discretionary ABET grant* ii) NSF
	2.8 Number of current workers participating and successfully completing Learnerships and apprenticeships. Impact on workers' lives measured.	Seta discretionary 18(1) grants.	5.2.2 a	Fill skills gap to provide for access	i) NSF: ii) Foreign Languages
STIMULATING QUALITY TRAINING FOR ALL IN THE WORKPLACE	**2.9** Number of workers assisted to enter and proportion (%) completing programmes leading to high and intermediate-level scarce skills.	Seta's provide bursaries/study support/necessary experience grants to learners acquiring high and intermediate-level scarce skills identified as scarce in their sector. NSF provides bursaries/ study support/ necessary experience grants to learners acquiring high and intermediate-level scarce skills of a more generic or cross-cutting nature.	5.2.3 a	Fill skills gap to provide for access	*i) Vocational and tertiary education training.*

NSDS OBJECTIVE	NSDS INDICATOR	NSDS LEVER	THETA OBJECTIVE NUMBER	THETA OBJECTIVES	THETA STRATEGY
Objective 3: **PROMOTING EMPLOYABILITY AND SUSTAINABLE LIVELIHOODS THROUGH SKILLS DEVELOPMENT**	**3.1** Number of unemployed people trained, of whom at least X% receive accredited training. Of those trained, at least 70% placed. Placement categories agreed (to include EPWP), measured and sustainability assessed.	NSF (Social Development Funding Window) to fund this training - including EPWP training. Seta's to contribute 18(2) Learnerships. NSF to fund evaluation studies.	5.2.2 a	Fill skills gap to provide for access	i) NSF: ii) Foreign Languages
	3.2 National target of X (made up of sector and provincial targets) on non-levy paying enterprises, NGOs, CBOs and community-based co-operatives supported by skills development. Impact of support on sustainability measured.	20% Seta funds and 80% NSF.	5.2.4.a.	Staying abreast with trends	i) Discretionary BEE grant ii) Theta New venture creation fund
	3.3 Rising number of adults are literate (targets set per region in provinces and aggregated first at provincial level and then nationally).	NSF (sub-set of Social Development Funding Window) to complement DoE funding of Adult Learning Centres and funding to other public providers, as well as private and donor funding to other ABET initiatives.	5.2.3.b.	Fill skills gap to provide for access	i) *Discretionary ABET grant* ii) NSF

NSDS OBJECTIVE	NSDS INDICATOR	NSDS LEVER	THETA OBJECTIVE NUMBER	THETA OBJECTIVES	THETA STRATEGY
Objective 4: **ASSISTING NEW ENTRANTS INTO THE LABOUR MARKET AND SELF EMPLOYMENT**	**4.1** Number of people assisted to enter and complete programmes leading to high-level scarce skills.	Seta's provide bursaries/ study support/ necessary experience grants to learners acquiring high and intermediate-level scarce skills identified as scarce in their sector. NSF provides bursaries/ study support/ necessary experience grants to learners acquiring high and intermediate-level scarce skills of a more generic or cross-cutting nature.	5.2.2 a	Fill skills gap to provide for access	i) NSF bursaries ii) Foreign languages
	4.2 Number of young people participating in Learnerships and apprenticeships, successfully completing these programmes and finding placement thereafter.	Seta 18(2) learnership and apprenticeship grants topped up by NSF.	5.2.2.a. 5.2.2.b.	Fill skills gap to provide for access	i) NSF bursaries ii) Foreign languages i) IT training ii) Theta bursaries
	4.3 Number of young students in sector relevant programmes from FET and HET institutions assisted to gain work experience, of whom at least Y% successfully find placement.	Seta provides Work Experience grants to employers in their sector that provide work experience opportunities to students/ graduates in sector-relevant programmes. (levy paying only?)			

Objective 4: **ASSISTING NEW ENTRANTS INTO THE LABOUR MARKET AND SELF EMPLOYMENT**	**4.4** Number of young people assisted to form new ventures and numbers of new ventures in operation at least 6 months are completion of programme.	Seta New Venture Creation grants (discretionary plus NSF top-up). Research required to define grant structure.	5.2.6 c	Transformation	i) Vocational and tertiary institutions training. ii) Linking EE plan to the WSP. i) NSF Bursaries ii) Theta Bursaries i) Theta grant ii) Assist SMME by developing their business skills for profitability and sustainability. iii) Provide capacity for SMME education providers to be established and sustained. iv) Assist SMME in attaining financial aid

NSDS OBJECTIVE	NSDS INDICATOR	NSDS LEVER	THETA OBJECTIVE NUMBER	THETA OBJECTIVES	THETA STRATEGY
Objective 5: **IMPROVING THE QUALITY AND RELEVANCE OF PROVISION**	**5.1** Each Seta recognises and supports at least 5 Institutes of Sectoral Excellence, spread as widely as possible geographically whose excellence is measured in the number of learners successfully placed in the sector and employer satisfaction ratings of their training.	Seta School / Institute of Sectoral Excellence Grant. This Grant to cover any or all of the following – and may be used to upgrade a facility in order that it can achieve the status of excellent: • Physical upgrading, (e.g. workshops) • Equipment • Educator/Trainer up-skilling • Curriculum and materials development • Learner support initiatives • Upgrading of satellite institutions (e.g. emerging providers in partnership with excellent institution) • Other – by mutual agreement	5.3.1.1.	Provider development	i) The speed-up of accreditation by ensuring that providers have more assistance to get into the system. ii) A customer focus that pays more attention to where providers are coming from as a skilful mechanism to moving them towards desired end-states. iii) Massive customer information dissemination. iv) An active programme to build black providers in the sector and to ensure that procurement of black providers becomes a priority issues for the sector.
	5.2 Each province has at least two provider institutions accredited to manage the delivery of the New Venture Creation Learnerships. The proportion of new ventures still operating after 6 months will be used as a measure of centres' success.	National Skills Fund New Venture Creation Institution Upgrading Grant.	5.2.6 c		

	5.3 Measurable improvements in quality assurance of ETQAs, providers, qualifications and standards responsive to the NSDS.	SAQA provides an annual report on the performance of ETQAs in quality assurance of providers, qualifications and standards. Problems identified in the report addressed and improvements in the system funded by Seta's and NSF.	5.3.1.2.		

5.4 Preconditions for strategy

The successful implementation of the sector skills plan presupposes that certain conditions hold. The key conditions singled out here relate to:

- Stakeholder needs and involvement
- Finances
- Theta performance

Stakeholders
Better and more meaningful stakeholder participation in implementing the strategy is a prerequisite for success. The process of drawing up this sector skills plan has perhaps been the beginnings of this increased participation. Two concerted strands of continuation are required.

Customer Focus
Theta needs to more clearly analyse its customers – from government ministries to enterprises and to delineate more skilfully their expectations, their needs and their respective roles in the system. Based on this analysis, all transactions need to be made conscious of the answer to the question, "How does Theta add value to any specific transaction with a customer?"

These equations are made conscious of the fact that Theta is not a private-sector service provider, driven solely by customer demand. Theta, in fact, straddles a difficult terrain, involving leading customers to a place they may not naturally choose to be, while adding value to their journey. A customer focus template and customer relationship management tools are seen as necessary supports to the broader strategy.

Network Management
Theta needs to create communities of practice that can strengthen new ways of operating. This will involve creating more forums in which Theta can listen to its customers, forums in which sector stakeholders can listen to and learn from one another, and forums in which the entire sector can learn from best practice elsewhere in the country or in the world.

Finances
Quite simply put, the mathematics of the DOL mandated goals do not add up. The outcomes required of Theta are not achievable with the inputs created via levy and other incomes. Theta will have to lever resources from the NSF and other sources if it is to have any possibility of success against government scorecards.

An efficient Theta
In order to achieve the strategy laid out in this section, Theta will need to function seamlessly as an efficient, effective 21st Century organisation. The sector skills plan will need the full and public support of the Board and the optimal assignment of resources in budgets and operational plans, plus a strong CEO-directed operationalisation of the strategy within structures.

Full co-operation and constant communication between all functions within Theta is also a prerequisite. Any tendencies towards silo operations or compartmentalisation will be fatal to success, as well as, to customers' perceptions of success.

Creative, non-bureaucratic and innovative ways of operating are the final internal ingredient for success. Management and all staff of Theta should beware of recourse to rules and paper-focused processes to the detriment of sector change.

ANNEXURE A LIST OF ACRONYMS

ABET	Adult Basic Education and Training
ASATA	Association of Southern African Travel Agents
BEE	Black Economic Empowerment
DEAT	Department of Environmental Affairs and Tourism
EE	Employment Equity
ETD	Education and Training Development
ETQA	Education and Training Quality Assurance Authority
FDI	Foreign Development Investment
FET	Further Education and Training
GDP	Gross Domestic Product
GEAR -	the macroeconomic strategy adopted by the Department of Finance
HET	Higher Education and Training
HRD	Human Resource Development
HSRC	Human Sciences Research Council
IiP	Investors in People
INTAC	Integrated Nature-based Tourism and Conservation Management project
LFS	Labour Force Survey
MICE	Meetings, Incentives, Conventions and Exhibitions
MTU	Mobile Training Unit
NBI	National Business Initiative
NdoT	Aviation Policy Review Steering Committee
NQ	National Qualification
NQF	National Qualifications Framework
NSDS	National Skills Development Strategy
NSF	National Skills Fund
NSFAS	National Student Financial Aid Scheme
NSS	National Skills Survey
PDI's	Previously Disadvantaged Individuals
RETOSA	Regional Tourism Organisation of South Africa
SAIBL	South African International Business Linkages
SAQA	South African Qualifications Authority
SAT	South Africa Tourism
SATA	South African Tourism Institute
SATI	South African Tourism Institute
SDA	Skills Development Act
SDLA	Skills Development Levies Act
SGB	Standards Generating Body
SMME	Small and Medium Enterprise
SRSA	Sport and Recreation South Africa
SSP	Sector Skills Plan
SWDP	Strategic Workforce Development Plan
TBCSA	South African Tourism, Department of Environmental Affairs and Tourism
TGCSA	Tourism Grading Council of South Africa
TLP	Tourism Learnership Project
WSP	Workplace Skills Plan
WTO	World Tourism Organisation
WTTC	World Travel and Tourism Council

ANNEXURE B NQ List

SKILLS PROGRAMMES
REGISTRATION NUMBERS FOR QUALIFICATION MATRIX UPDATE
JUNE 2004 (Draft for Approval of SPCom)

Sub Sector		Skills Programme Title	NQF Level	Registration No	Old No
Travel	1	General Receptionist, Office Assistant, Filing Clerk or Secretary	4	TRV/GenRec/4/0001	TSSP1
	2	Travel Processor	4	TRV/TrvPro/4/0002	TSSP2
	3	BSP Clerk	4	TRV/BspClk/4/0003	TSSP3
	4	Driver / Messenger	4	TRV/Msnger/4/0004	TSSP4
Tourism	5	General Tourist Assistant	4	TRS/GenAst/4/0005	TRSSP01
	6	Support Event Manager	4	TRS/SupEMn/4/0006	TRSSP02
	7	Event Support Clerk	4	TRS/ESupCl/4/0007	TRSSP03
	8	Airline Check in Clerk, General Assistant Air Ports	4	TRS/AirpGA/4/0008	TRSSP04
	9	Support Event Manager	4	TRS/SupEMn/4/0009	TRSSP05
	10	Event Support	4	TRS/EvnSup/4/0010	TRSSP06
	11	Volunteer	4	TRS/EvnVol/4/0011	TRSSP07
Hospitality	12	Room Attendant	2	HSP/RmAttd/2/0012	ASSP1
	13	Laundry Assistant	2	HSP/LndAss/2/0013	ASSP2
	14	Public Area Cleaner	2	HSP/Cleanr/2/0014	ASSP3
	15	Assistant Housekeeper	2	HSP/AssHkr/2/0015	ASSP4
	16	Porter	2	HSP/FoHPrt/2/0016	FHSP1
	17	Receptionist	2	HSP/Recept/2/0017	FHSP2
	18	Porter / Concierge	2	HSP/PrtCon/2/0018	FHSP3
	19	Cook – Convenience foods	2	HSP/CkConF/2/0019	FPSP1
	20	Cook – Fast Foods	2	HSP/CkFstF/2/0020	FPSP2
	21	Kitchen Cleaner	2	HSP/KchCln/2/0021	FPSP3
	22	Assistant Chef	2	HSP/AssChf/2/0022	FPSP4
	23	Food Service Assistant	2	HSP/FdSrvA/2/0023	FSSP1
	24	Drink Serviced Assistant	2	HSP/DSrvA/2/0024	FSSP2
	25	Table Attendant	2	HSP/TblAtt/2/0025	FSSP3
	26	Fast Food / Counter Attendant	2	HSP/FfCAtt/2/0026	FSSP4
	27	Bar Attendant	2	HSP/BarAtt/2/0027	FSSP5
Guiding	28	Cultural Site Guide	2	TGD/CulSGd/2/0028	TGSP1
	29	Nature Site Guide	2	TGD/NatSGd/2/0029	TGSP2
	30	Nature Site Guide (Dangerous Game Area)	2	TGD/NSGDGm/2/0030	TGSP3
	31	Adventure Site Guide (Mountaineering)	2	TGD/ASGMnt/2/0031	TGSP4
	32	Adventure Site Guide (Fly Fishing)	2	TGD/ASGFsh/2/0032	TGSP5
	33	Adventure Site Guide (Pro-Paddling)	2	TGD/ASGPad/2/0033	TGSP6
	34	Adventure Site Assistant (Pro-Paddling)	2	TGD/ASGPad/2/0034	TGS13
	35	Cultural Site Guide	4	TGD/CulSGd/4/0035	TGSP7
	36	Nature Site Guide	4	TGD/NatSGd/4/0036	TGSP8
	37	Nature Site Guide (Dangerous Game Area)	4	TGD/NSGDGm/4/0037	TGSP9
	38	Adventure Site Guide (Mountaineering)	4	TGD/ASGMnt/4/0038	TGS10
	39	Adventure Site Guide (Fly Fishing)	4	TGD/ASGFsh/4/0039	TGS11
	40	Adventure Site Guide (Pro-Paddling)	4	TGD/ASGPad/4/0040	TGS12
	41	Adventure Site Guide (Marine Guiding)	4	TGD/ASGMar/4/0041	TGS15
	42	Adventure Site Guide (Marine Guiding)	2	TGD/ASGMar/2/0042	NEW
Conservation	43	Field Ranger (Armed or Unarmed)	2	CSV/FldRng/2/0043	CSSP1
	44	Senior Field Ranger	2	CSV/SrFRng/2/0044	CSSP2

	45	General Assistant	2	**CSV/GFldAs/2/0045**	CSSP3
	46	Conservation Natural Resource Management - General	5	**CSV/NRMnGl/5/0046**	CSSP5
	47	Natural Resource Management - Fauna	5	**CSV/NRMFau/5/0047**	CSSP6
	48	Natural Resource Management - Flora	5	**CSV/NRMFlo/5/0048**	CSSP7
	49	Natural Resource Management – Environmental	5	**CSV/NRMEnv/5/0049**	CSSP8
	50	Community Conservation Management	5	**CSV/CConsM/5/0050**	CSSP9
	51	Conservation Compliance	5	**CSV/CnsCom/5/0051**	CSSP10
	52	Programmes Officer	5	**CSV/PrgOff/5/0052**	CSSP11

ANNEXURE C HSRC Questionnaire

INTRODUCTION

With this interview we are asking owners and managers of tourism-related businesses to help us with a survey of tourism skills needs, along with skills needs in the sectors of hospitality, tourism travel services, conservation, guiding, sport, recreation, fitness, gaming and lotteries. This is part of a study being carried out by Human Sciences Research Council in Pretoria, on behalf of THETA, the skills-training SETA that serves tourism and related fields.

We are consulting a sample of businesses in these areas to help identify their skills training needs. The end product that THETA is trying to develop is more effective skills training, for all levels of tourism, sports and related businesses.

The Human Sciences Research Council is a government-funded institution, with offices in Pretoria, Cape Town, Durban, Port Elizabeth and Bloemfontein, and we have been asked to help carry out this study. We have obtained a list of people to interview to by consulting tourism offices, on-line databases, and prominent citizens in this area.

All information gathered by this survey will be held in the strictest confidentiality. We will only report figures showing number of businesses in each category and locality, not actual names or identification details of the respondents.

Should you have any questions related to the completion of the questionnaire and its contents, please contact ____from the HSRC or Martha Lubasi from THETA at 011 803 6010.

Thank you for your cooperation in this important undertaking.

1a. Date ______________________ **1b. Time** ______________________

2. Name of Interviewer __________________________________

3. Name of study area __________________________________

4. Name of city/town/community or locality __________________________________

5. Street Address ____

6. Postal Code _____________

7. Nearest large town ____________________________________

8. Nearest main road ____________________________________

Note to the interviewer:

*To fill in this questionnaire, you should have a **selected list of respondents** with rough addresses supplied from our previous field scoping work. Please visit people from this list so as to conduct the in-person interviews.*

We should be interviewing either the owner or the manager of the business – if we can't speak to them immediately, better to come back later. Other family members or employees usually do not have the information we need.

*For most pre-coded questions, **circle the code number for each reply, which fits best what the respondent,** says, or otherwise do as the directions with the question indicate. You do not have to read out the choices unless this is specified in the instruction for that question. For open-ended questions, record the respondent's words in the space provided.*

*Any explanations or comments that the interviewer wishes to write in the margin are welcome!***A. RESPONDENT CHARACTERISTICS**

9. Name of respondent: ____________________

10. Sex of respondent (fieldworker observation)

Male	1
Female	2

11. Age of respondent

18 & younger	1
18-24	2
25-34	3
35-44	4
45-55	5
56+	6

12. Race of respondent

African/Black	1
Coloured	2
Indian/Asian	3
White	4
Other	5

13. What is the highest educational level that you have ever completed?

No schooling	1
Primary	2
Grade 8 to Grade 11 (Std 6-9)	3
Grade 12(Std 10)	4
Diploma/certificate with less than Grade 12/Std 10	5
Diploma/certificate with Grade 12/Std 10	6
Degree	7
Postgraduate degree or diploma	8
Other, specify	9
Do not know	10

14. Position of respondent:

Business owner	1
Business manager	2
Owner-manager	3

B. BUSINESS AND AREA IDENTIFICATION

15. [Interviewer: Please circle type of area where the interview is conducted]

Metro or town CBD	01
City area outside CBD, including formerly white suburbs	02
Formal township	03
Partly informal area in township, with shacks or backyard structures	04
Upgraded free standing informal settlement	05
Free standing informal settlement, not upgraded	06
On highway or in area outside city or town	07
Rural African settlement or village	08
Rural area with scattered homesteads, former homeland area	09
Farm	10

16. [Interviewer: Please circle type of business unit, using your own observation]

Resort complex	01
Urban commercial complex or office block	02
Sport complex	03
Formal free-standing business structure, 1 business only	04
Game park or conservancy	05
Hotel or lodge building	06
Formal house containing business	07
Stall in small business complex	08
Table on street or highway	09
Informal free-standing structure in formal township	10
Informal free-standing structure in shack area	11
Farm housing or structure	12
No structure – we arrive and conduct business	13
Other – specify	14

17. Name of business: ____

18. Business telephone: ____

19. What kind of product or service does this business offer? (Categorise the business according to the standard industry codes below: circle code number – multiple response)

TG1: Hospitality	
Bed and breakfast	64105
Guesthouses and guest farms	64103
Hotels, motels, boatels and inns not registered	64101
Hotels, motels, boatels and inns registered	64104
Timesharing accommodation, including resorts and parks, and self-catering apartments or cottages	84111
Caravan parks and camping sites	64102
Game lodges, management and operation of	64106

Restaurant or tea room with liquor license	64201
Restaurant or tea room without liquor license	64202
Take-away counter or restaurant, or fast food establishment	64203
Caterers, including private clinics	64204
Pubs, taverns and night clubs, and other catering-related services	64207
Bioscope cafes	88994
Control of undertaking that sells liquor to the public	91308
Licensing and control of undertakings that sell food to the public	9130A
Operation and management of convention centres	96195
TG2: Gambling and lotteries	
Gambling, licensed casinos and the national lottery (incl. bookmakers, totalisators, casinos and bingo operators)	96494
TG3: Tourism and travel services	
Tour operators, inbound and outbound	71214
Travel agencies and related activities	74140
Safaris and sightseeing trip operators	71223
Car rentals, or rental of land transport equipment	85111
International flights, inbound	73002
Tourist information centers	96336
Tourism authorities, including but not limited to tourism marketing, publicity associations	99048
TG4: Sport, recreation and fitness	
Health/ well-being centers, including but not limited to hydros, spas, fitness centers	93195
Recreational, leisure and outdoor adventure activities, incl managing and operating facilities, government departments	96002
Beaches, amusement facilities and fairs	96191
Amusement parks	96196
Sporting facilities and clubs, operation and management	96411
Sport academies, operation and management	96412
Sporting events and activities, promotion and management	96413
Non-motorized sporting activities, management and operation	96415
Motorized sporting activities	96418
Sporting activities incl but not limited to sport federations, etc	96417
Recreation parks and beaches, fairs and shows and recreational transport 96416	96416
Horse racing events, clubs and academies	96419
TG5: Conservation and tourism guiding	
Museum activities, preservation of historical sites and buildings	96320
Monuments, historical sites and buildings, management	96322
Cultural and heritage activities, management	96323
Game parks and reserves, incl but not limited to wildlife, parks, or animal parks and botanical gardens.	96333
Conservation bodies, activities	96334
Wildlife conservation, incl zoological establishments	96335
Hunting, trapping and related services	11520
Guiding, incl tourist guides, river, mountain, etc	99049
TG6: Informal business or unregistered SMME	
Retail selling operation, food, drink, groceries, clothing etc; moveable or without regular premises	10001
Service operation, hairdressing, repair work, telephone renting etc; moveable or without regular premises	10002
Manufacturing operation, furniture making, crafts manufacture, etc; on home premises	10003

Retail selling operation, on home premises	10004
Service operation, on home premises	10005
Larger retail selling operation, with own premises not on home plot	10006
Larger service operation, with own premises not on home plot	10007
Larger manufacturing operation, with own premises not on home plot	10008
Other, unlisted	

C. INDIVIDUAL INFORMATION

20. In what year did you (or the present owner) buy or start this business?

90	91	92	93	94	95	96	97	98	99	00	01	02	02	04	Before 1990

21. Are you personally engaged in this business full-time or part-time?

Full-time	1
Part-time	2
Other	3

22. Do you regularly receive other kinds of income besides the income from this business? (We are not asking the amount, just yes or no)

Private income	1
Income from government pension or grant	2
Income from farming	3
Other income	4
None	5

23. Have you ever owned or worked in this kind of business before this one now?

Yes, for less than one year	1
Yes, 1-2 years	2
Yes, 3-5 years	3
Yes, 6 + years	4
No, never worked in this type of business before	5
Not sure	6

D. EMPLOYMENT

Please let us have the actual or estimated number of employees in this business, as of 1 April 2004. This includes all the people who are working here for wages:

24. Permanent employees

00	01	02	03	04	05	06	07	08
09	10	11-15	16-25	26-35	36-50	51-100	101-200	201+

25. Temporary employees

00	01	02	03	04	05	06	07	08
09	10	11-15	16-25	26-35	36-50	51-100	101-200	201+

26. Casual workers: No fixed salary

00	01	02	03	04	05	06	07	08
09	10	11-15	16-25	26-35	36-50	51-100	101-200	201+

27. Do you have people such as relatives, family members or others helping in this business who do not receive regular wages?

	Yes	1
Skip to Q. 25	No	2

28. How many such unsalaried helpers (refer to previous question) or workers are involved in this business?

00	01	02	03	04	05	06	07	08	09	10	11+

Into what groupings do your salaried workers fall? Let us ask about managers first: (read out occupational categories, then gender and race categories for each)

.2.0.0.	***.2.0.0.0.1 Occupational group***	African		Coloured		Indian		White		TOTAL	
		M	F	M	F	M	F	M	F	M	F
29.	Managers										
30.	Craft and skilled workers										
31.	Admin or secretarial										
32.	Technical staff										
33.	Unskilled workers										
34.	Others										

E. TRAINING UPTAKE

From April 2003 to April 2004, did you or any of your salaried employees receive any training? (Enter number of employees who received training, by categories)
Any of your unsalaried workers?

.2.0.0.	***.2.0.0.0.3 Occupational group***	African		Coloured		Indian		White		TOTAL	
		M	F	M	F	M	F	M	F	M	F
35.	Managers										
36.	Craft and skilled workers										
37.	Admin or secretarial										
38.	Technical staff										
39.	Unskilled workers										
40.	Others										
41.	Unsalaried workers										

What kinds of training that you are aware of, have been received by any one or more of your employees during the past year? Any of the following?

		Yes	**No**
42.	On the job training	1	2
43.	Mentoring from another staff member	1	2
44.	In-house formal training course	1	2
45.	Course offered by some outside agency	1	2
46.	Registered apprenticeship	1	2
47.	Learnership	1	2
48.	Other (please specify)	1	2

Did any of this training involve:

	Yes	**No**	**Don't know**

49.	SAQA (South African Qualifications Authority) or NQF* (National Qualification Framework) training standards	1	2	3

50. If Yes, number of salaried and unsalaried employees: __________

		Yes	**No**	**Don't know**
51.	Other nationally or internationally recognized training standards	1	2	

52. If Yes, number of salaried and unsalaried employees: __________

About how many salaried employees received training in these categories? (Enter number of employees or enter zero)

53. Number of employees: ________________

54. Which category of employees do you think is most in need of training?

Managers	1
Craft and skilled workers	2
Admin or secretarial	3
Technical staff	4
Unskilled workers	5
Others	6
Unsalaried workers	7

F. SKILLS NEEDS

Can you tell us whether these kinds of skills have been in short supply or needed in your business during the past year? (Circle Y or N)

		Yes	**No**
55	Practical work skills for this business	1	2
56.	Management skills	1	2
57.	Customer handling skills	1	2
58.	Time management skills	1	2
59.	Team working skills	1	2
60.	Numeracy skills	1	2
61.	Literacy skills	1	2
62.	Record keeping skills	1	2
63.	IT or computer skills	1	2
64.	Other technical skills	1	2
65.	Communication skills	1	2
66.	Other skill – please specify	1	2

67. Has your business been able to obtain employees with the skills needed during the past year? (Circle one answer only)

Yes	1
No	2
Sometimes, not always	3

* National Government approved standards that link qualifications to ordinary schooling or certification courses.

68. Have you yourself as the owner/manager felt the need of any of these skills during the past year? (Circle one answer only)

Yes	1
No	2
Sometimes, from time to time	3

69. If yes, which of the above skills (or other) did you most feel you needed to obtain or to improve?

a. ____________________

b. ____________________

c. ____________________

d. ____________________

e. ____________________

70. Do you as the owner/manager feel you are in a good position to promote skills acquisition for your employees? (Circle one answer only)

Yes	1
No	2
Sometimes, not always	3

Do you feel that there are any problems or drawbacks for your business or for you as the owner/manager in trying to promote skills development among your employees? (Circle all appropriate answers)

71.	Cost	1
72.	Increased staff turnover	2
73.	Time away from work for employees	3
74.	Time needed from work for management	4
75.	Staff/ management relations	5
76.	Government levy required	6
77.	Problems making arrangements for training	7
78.	Other – please specify	8
79.	None	9

G. TRAINING FACILITIES

Does this business have any of the following? (Read out)

		Yes	**No**
80.	Assigned budget for training	1	2
81.	Training records	1	2
82.	A Workplace Skills Plan	1	2
83.	Formal business plan	1	2

84. Is this business eligible to pay the government skills levy?

Yes	1
No	2
Do not know	3

85. If eligible, do you claim grants from the levy system?

Yes	1
No	2
Do not know	3

Who provides or assists with training in this business?

	Yes	**No**

86.	Owner/manager	1	2
87.	Independent trainer or consultant	1	2
88.	Training firm	1	2
89.	Training institution or NGO	1	2
90.	Other employees	1	2
91.	No one	1	2
92.	Other, specify	1	2

If your business is not receiving any kind of formal training and if you wanted to obtain such training, whom would you go to see? ***(Do not read out the categories – circle the number for the descriptive category of organization or person that the respondent mentions)***

93.	Training firm or agency	01
94.	City or government office in the community	02
95.	City or government office outside the community	03
96.	SETA or government agency	04
97.	Assistance organization within community	05
98.	Assistance organization outside the community	06
99.	Employer or someone at work	07
100.	Local person in community	08
101.	Traditional leader or Tribal Authority official	09
102.	Other person, organization or office – please specify	10
103.	Do not know	11

H. BUSINESS FINANCES

104 Does this business keep financial records?

Yes	1
No	2

105. Approximately what is the monthly turnover of this business? (Total amount of money the business makes during a usual month – this is not the expenses, and it is more than just the profit) (CIRCLE the correct number)

R 1-500	01
R 501-R 1 500	02
R 1501-R 4 00	03
R 4001-R 10 000	04
R 10 001-R 30 00	05
R 30 001- R 75 000	06
R 75 001-R150 000	07
R 150 001+	08
Don't know	09
Refuse	10

I. TRAINING REGISTRATION

106. Is this business registered with any training SETA? If yes, which one?

THETA (tourism and hospitality)	1
TETA (transport)	2
W&RSETA (Wholesale and retail)	3
Other SETA – please specify	4
Do not know	5
Not registered	6

107 If not registered, do you intend to register with any SETA in the near future?

	Yes	1
Skip to Q 106	No	2

108. If registered, has this business received any grants or other support from this SETA during the past year?

Yes	1
No	2
Do not know	3

109. If registered are you satisfied with the services of this SETA during the past year?

Yes	1
No	2

J. TRAINING INTENTIONS

110. What are you intending to do in relation to training during the rest of this year and next year?

Intend to do more training	1
Intend doing about the same amount	2
Intend to do less training	3
No particular intentions for training	4

111. How important do you think training is to the success of your business?

Very important	1
Important	2
Somewhat important	3
Unimportant	4
Not at all important	5

Thank you for your time and for your help. Your replies will assist THETA to promote better skills training throughout South Africa.

ANNEXURE D Focus Group Results

Consolidated Report: Interventions Identified at SSP Focus Group Sessions

	Intervention	Conservation	Gam & Lott	Hospitality	Tour Guid	S, R & F	Travel	Tourism	
1	ABET	√		√			√		
2	Skills Programs	√	√	√	√				
3	RPL	√	√	√				√	
4	Provider Capacitation	√		√	√	√	√	√	
5	Provider Development		√			√	√		
6	Graduate Programs	√						√	
7	Guide to THETA / SETA System	√		√			√		
8	Career Advocacy		√			√	√		
9	US Generation / Development		√	√	√		√		
10	Management/Leadership Development		√	√		√	√		
11	Employee Wellness Programmes		√				√		
12	THETA Customer Focus		√				√		
13	HIV / AIDS			√	√	√			
14	Computer Literacy			√	√				
15	SDF Capacity Building			√				√	
16	Three-year Traineeship			√	√				
17	SMME Assistance			√					
18	Access to learning vs. training			√					
19	Learning Material Development			√		√	√		
20	HACCP Training			√					
21	Assessor / Moderator Training			√	√			√	
22	Generic Business Management Skills			√	√				
23	Mentorship		√		√				
24	Guiding Matrix			√	√				
25	Learnerships			√	√	√	√		
26	Customer Service				√				
27	First Aid / Health & Safety				√				

28	THETA-convened industry forums			√	√		√		

ANNEXURE E Stakeholder Participation

Sector Skills Plan Focus Groups Schedule

SECTOR	STAKEHOLDERS	FACILITATOR	DATE	WH
CONSERVATION	Top 5 –10 employers Employee Organizations NGO Government Dept. Statutory bodies SMME Youth Disabled group	Jonathan	15 MARCH	THETA
TRAVEL	SAME AS ABOVE	Getti	16 MARCH	THETA
GUIDING	SAME AS ABOVE	Getti	18 MARCH	THETA
SPORT AND FITNESS	SAME AS ABOVE	Jonathan	23 MARCH	THETA
TOURISM	SAME ABOVE	Getti	24 MARCH	THETA
HOSPITALITY	SAME AS ABOVE	Jonathan	26 MARCH	THETA
GAMING & LOTTERIES	SAME AS ABOVE	Getti	30 MARCH	THETA

Sector Skills Plan Development Process
October 2003 – October 2004

Review	The review of Sector Skills Plan 2000 – 2005 was conducted by the Department of Labour. All Seta's were consulted individual on gaps and strong points that need to be addressed in the new SSP document.
Capacity Building of Seta's and Guidelines for development of the SSP	Department of Labour Research and Development Unit provided Capacity Building to all the Seta's. **Requirements:** SSP Development must be consultative The SETA operational and governance will take responsibility is developing the document The SETA must consult related government departments in the development and approval process SSP must be a 60 page document
Research Instituted	Tourism Sector Employer and employee statistics SMME statistics in the Tourism Sector Education Levels in the Tourism Sector
Stakeholder Focus Workshops	March – April 2004 Hospitality Sport, Recreation and Fitness Gaming and Lotteries Adventure Recreation Tourism Travel Conservation and Guiding Environmental Management, Biodiversity and Heritage
Presentations And Interviews	May – July 2004 **Industry Stakeholder presentations and Interviews** Chairman THETA Board Theta CEO SANPARKS – Pretoria SACCAWU Bargaining Council CEO 2010 Bid Committee CEO South African Tourism Tourism Business Council of South Africa Southern Sun Group Sun International Group Compass Group Gaming and Horse Racing National Skills Authority Chairman Environmental Management and Biodiversity Virgin Active FEDHASA SATSA ASATA Technical Intergovernmental Committee -
Interviews	May – July 2004
Draft Document	17 May – 20 June 2004

Second Draft Presentations	August 2004 All stakeholders TIC MIPTECH
Government Institutions Consultation	March – August 2004 Sport and Recreation Environmental Affairs and Tourism
Submission Approval	31 August 2004 October 2004 by DoL
Circulation to stakeholders	After DoL has approved the document

ANNEXURE F Literature Review

Purpose

The impact of tourism on skills development within the tourism sector necessitates that various education and training initiatives be undertaken to equip the country to keep abreast of tourism growth and associated domestic and foreign demand for services. This document aims to provide an overview of worldwide tourism trends, with a specific focus on the state of tourism in South Africa. In addition, economic indicators – such as the current state of the labour market - are assessed to gauge the impact these have on the growth of tourism and resultant creation of jobs.

Global Trends in Tourism

Travel and tourism creates jobs. It is projected that a quarter of a billion people worldwide will be working in the travel and tourism industry by the end of this decade. Furthermore, travel and tourism means service to customers and a gateway to economic progress nationally and locally. Ultimately, the industry has the potential to improve the standard of living for people across the world (Blueprint for New Tourism, 2003).

One of the most successful international moves towards tourist industry training and development is Australia's Strategic Workforce Development Plan (SWDP), which was drawn up to both maintain Australia's competitive advantage in the tourist industry through the development of personnel, but also to focus on the needs of the countless SMMEs that populate the Australian tourism market. In order to achieve these goals, the SWDP aimed to encourage lifelong learning (a key goal of South African Seta's)
by acting as an advisory board to take the initiative and ensure that skills development in Australia is demand led. These goals are achieved through aligning government and industry; utilising international best practice and forming partnerships between government, educational institutions, business and communities.

Developing country concerns and how they should be addressed

Benavides (2002) demonstrates the ways in which developing countries lose tourist income to the developed world, namely: leakage and anti-competitive practices. Sustainable tourism is a key factor, as this will ensure that at the very least the resource will be maintained. Not surprisingly then, green management has been a key thrust of Caribbean and other developing country training programmes. Another factor, which these countries have attempted to get across through various training initiatives, is a decreased reliance on imported goods, services and intermediaries. The Dominican Republic in particular stressed that new services and products for the tourism industry should be locally made, and reaped increased rewards from this policy. Such governments also attempt to enforce domestic competition policy in the face of the anti-competitive practices employed by firms from the developed world.

Developing countries must also tackle the skills gap between their staff and those of the developed world. This often hampers their full participation in global distribution systems for reservations and payment. The South African developed Workplace Experience/Internship Placement programme does aid in this regard. A major problem in South Africa is filling posts with skilled non-white workers. Ten years after the fall of the apartheid government many structural imbalances still exist.

Micro-level: Particular programmes

There have been many programmes utilised overseas that can serve South Africa well. Firstly, empowerment needs to take place on many levels, and specific needs exist relating to funding of Black Empowerment Enterprise (BEE) initiatives. A program such as the Phoenix Fund in the UK is highlighted. It finances Community Development Finance Institutions, which are organisations that lend to self-sustaining viable enterprises that banks consider too risky for reasons of lack of business experience.

Secondly, Benavides (2002), the Australian and Korean joint initiative and the results of various Caribbean studies have stressed the need for adequate service level training. Such training includes interpersonal skills, marketing and management, computer literacy and foreign languages (as identified by the Caribbean nations).

Finally, corporates need to get involved in training. Corporates have generally had both the resources and initiative to develop their own training programmes. Often their payoff is immediate in the form of productivity gains and increased profitability. What South Africa needs to ensure is that corporates upgrade the skills of the workforce with the requirements of equity in mind and that this leads to lifelong learning.

Tourism in South Africa

International, regional and domestic tourists alike rank South Africa as an attractive tourist destination because the country has a diversified range of attractions. For tourists, the highlights of South Africa are (in descending order): its culture, history and heritage; scenic beauty, value for money, wildlife and business opportunities (Rogerson, 2003). The country is endowed with a range of resources, classified under the following categories: natural resources, archaeological/historical resources, ethnic/cultural resources (including arts and crafts resources), agricultural and rural tourism such as the Cape wine lands and finally casinos, entertainment and shopping (Preliminary assessment of the tourism sector, 2003).

Whilst the promotion of fair trade in the South African tourism industry is growing, South Africa is still prevented from fulfilling its potential to create jobs in the tourism sector. South Africa’s re-emergence as a tourist destination is hampered by challenges that may inhibit the tourism industry’s growth and potential. Chief problems in the industry are concentrated around unemployment, poverty, inadequately trained workers and inadequately funded tourism promotion efforts (Ahmed, Heller and Hughes, 1998). Crime and violence also pose a serious threat, with criminal incidents against tourists – such as theft, muggings and even murder – resulting in a decline in the numbers of tourists visiting the country. Other problems negatively affecting tourism in South Africa relate to governmental corruption and ineptitude, negative perceptions (South Africa still suffers from the negative perceptions of apartheid and racism and the misconception that the country is undeveloped), infrastructure difficulties and lack of government funding. A further barrier to the growth of tourism is seasonality, which has implications for sustainability. Tourist arrivals to South Africa are both seasonal and cyclical, with arrival volume reaching a peak during December and a trough in June (corresponding to the summer and winter months respectively) (Annual Tourism Report, 2002).

The state of the Labour Market in contemporary South Africa

The state of the labour market in contemporary South Africa is a reflection of the legacies of the apartheid regime. The crippling legacies of apartheid have created inequalities within the labour market across all sectors of the economy. Africans and women, to a larger extent, remain the most affected by apartheid's discriminatory policies. (Moleke, 2003-2004):

The following observations can be made about the state of human resource distribution in the contemporary South African labour market: In the post-apartheid labour market it is expected that the previously disadvantaged should benefit the most from training. This in turn should lead to an increased level of recruitment, matched by an increase in the number of promotions. While there has been progress in this regard, it has been relatively slow. There has been little change since 1994, in the racial and gender compositions within occupations, with whites dominating high-level occupations. However it has been noted that white females are progressing faster than their counterparts, and even faster than African males at management level. This suggests that training initiatives are still skewed toward whites and are concentrated on higher occupational levels (Moleke, 2003-2004).

Development of Small and Medium Enterprises (SMME’s) in South Africa

The World Travel and Tourism Council (WTTC) emphasises that governments have within their power, the ability to unlock the tourism industry’s potential to create jobs and generate prosperity (Blueprint for New Tourism, 2003). In this regard, SMME’s operating in the tourism sector are expected to make a substantial contribution to poverty alleviation and to black economic empowerment (BEE) (Preliminary assessment of the tourism industry, 2003). SMME's in South Africa are faced with difficulties in terms of availability and access to finance as mentioned earlier.

HIV/Aids and the South African Labour Market

It is worthy noting that reports by the Actuarial Society of South Africa indicate that by 2003 some South African companies were experiencing profit cuts of between 6% and 8% owing to Aids-related costs. Second, the Aids epidemic has increased risk profile for investment in Southern Africa. Investors now seek premium rates of return of 15-20% in South Africa. Third, it is estimated that South Africa's economy would grow 0.3-0.4% less annually in the period 2000 – 2015, than it would have in the absence of the Aids pandemic.

There is a possibility that the hospitality industry is hard hit since the sector is labour intensive, characterised by labour mobility, seasonality, casual labour, both rural and urban locations, staff quarters in certain areas, high levels of unskilled and semi-skilled labour, and sub-sectors that include significant elements of transportation. (Department of Health and HIV/Aids Hospitality Working Group, May 2003).

HIV/Aids affects business, both large and small, because of:

- Reduced productivity due to increasing loss of experienced staff;
- Growing costs of employee welfare packages, including medical services and pension funds; and
- Loss of morale in the workforce when companies are unable to respond to the challenge of HIV/AIDS in their workplace.

These challenges have to be tackled both within and outside the labour market (Moleke, 2003-2004). The government must take the lead in this regard as the required policies will not and cannot be provided by private enterprises.

Tourism and the Human Resources Management Challenge

Tourism is a service industry that is both labour intensive and capital intensive. Most tourism workers are low skilled, low wage workers and is characterized by a large number of SMME's. Almost one third of employees in Tourism are part-time. The seasonal nature of the industry lends itself to a substantial part-time contingent, employed during peak periods. Employers would be reluctant to train these employees given that they are temporary and perform low-skilled or unskilled work.

Tourism employment is regional and concentrated in urban areas or around major tourist attractions. The Western Cape has enjoyed much of the growth that occurred subsequent to transformation. These aspects of tourism limit its potential to provide even economic growth especially in the rural areas where unemployment is most severe.

Skills Needs and Deficit

It is concerning that 20% of organizations in this sector do no training at all. Most do on-the-job training whilst more formal training is done for reservations and travel consultant staff. It appears that more effort is put into training when new or special skills are required. Less than half the enterprises in this sector expressed a keen desire to expand training.

Most of the SMMEs in the sector discounted the value of training and formal qualifications. There was a strong preference for hiring unskilled staff and training them on-the-job. SMMEs thus save on labour costs and most of these employees require basic skills and can be easily and quickly trained. Employers do acknowledge that there is a need for basic literacy and hygiene training such as that provided by ABET programmes. Employers were also interested in soft skills such as diversity training, motivation and work ethics.

Training is provided by Technikons, technical colleges and schools. Presently 2000 schools offer Travel and Tourism as a subject for grades 10 to 12. The South African Tourism Institute (SATI) has been largely responsible for training these educators. There has been some concern that the courses run by tertiary institutions are too long and lack practical application, these issues should be addressed in the in NQ framework and accreditation of these institutions. Training is also available in private colleges (e.g. hotel or chef schools) and from enterprises that provide their own training programmes. THETA is responsible for accrediting these programmes and incorporating them into the NQ framework. Accreditation will extend to on-the-job training to incorporate this and recognition of prior learning into the NQ framework.

Strategic Insights for Skills Development and Training.

It is imperative to convince the industry that accredited training and education programmes are worthwhile. This can be achieved by marketing accreditation to both the industry and tourists as a mark of service quality. Service providers especially in the hospitality industry may be able to utilize the accredited qualifications of their staff as a competitive advantage to indicate quality or service excellence. Accredited training can be used to build credence for small operators in the tourism and hospitality sector. THETA should liaise with tourism promotion bodies, provincial tourism associations and professional or industry bodies and perhaps even Proudly South Africa to market accreditation.

Self-employed entrepreneurs or small SMMEs are the growth engines in the tourism and hospitality sector. THETA should target both established SMMEs as well as emerging SMMEs in rural areas. The training needs of the segments are likely to vary.

THETA should play a key role in exploring the potential for eco-tourism and adventure and sports tourism. These types of tourism require that skilled professionals be employed to ensure the safety of tourists. THETA should work closely with key stakeholders in these areas to accredit training and education in these new areas of tourism.

The issue of HIV/AIDS has not been comprehensively addressed in the sector and should become prominent on the agenda. Discussions should be held with key stakeholders before any attempt can be made to develop an HIV/AIDS strategy for the sector.

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