TOURISM AS A CATALYST FOR LOCAL ECONOMIC DEVELOPMENT

IN THE TRANSKEI WILD COAST

by

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DECLARATION

I, LULAMILE NTONZIMA, declare that the contents of this thesis represent my own unaided work, and that this thesis has not previously been submitted for academic examination towards any qualification. Furthermore, it represents my own opinions and not necessarily those of the Cape Peninsula University of Technology.

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ABSTRACT

The study investigated tourism as a catalyst to local economic development of the Transkei Wild Coast. The Transkei Wild Coast is an area which stretches from the Kei River mouth south of East London, to Durban South Coast, with seven local municipalities located in the area. These local municipalities are Mquma, Mbhashe, King Sabata Dalindyebo, Nyandeni, Port St Johns, Ngquza Hill and Mbizana. Infrastructure and partnership models were identified as key to the development and growth of the tourism industry in the Transkei Wild Coast. It was found that the status of infrastructure and partnerships is lacking and delivers little or no economic benefits and advances in the Transkei Wild Coast.

Factors contributing to the poor performance of tourism-led local economic development by the local municipalities in the Transkei Wild Coast include poor roads, poor communication, lack of infrastructure, erratic electricity supply, and poor quality of water supply. Partnerships both at strategic and implementation levels lack commitment, role clarification and acceptable beneficiation metrics to all involved stakeholders. Infrastructure and partnerships are explained as basic and key necessities in developing a successful tourism industry in the Transkei Wild Coast.

The study argues that local municipalities need support to grow the tourism industry to become a key contributor to the local economic development strategy. The Transkei Wild Coast has a wealth of natural resources, culture and history to offer tourists to this area. Local economic viability of the Transkei Wild Coast will improve, which inevitably will lead to an improved standard of living of the host communities. Growth of the tourism industry will lead to growth and development of related industries/businesses.

The findings revealed that the majority of Transkei Wild Coast inhabitants support investment in the tourism industry. Prioritisation of tourism as a catalyst to local economic development in the Transkei Wild Coast will unlock other potential economic sectors in the area. For this to succeed, it is imperative that capital infrastructure is improved and credible and beneficial partnerships are created and maintained. Recommendations are proposed to fulfil the State-led mandate for socioeconomic development and advancement at local municipal level in South Africa generally and the Transkei Wild Coast in particular.

Key words: Tourism, catalyst, local economic development, infrastructure, partnerships

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areas which were inaccessible to motor vehicles. Thank you for treating me as your son. I will always remember the conversations, sitting with family members around a fire, and all were hoping and praying that this research would ultimately result in improving their current socioeconomic hardship.

DEDICATION

This thesis is dedicated to my late mother and father,

Nophakamisile Ntonzima and Notyhotyho Ntonzima, who cannot physically witness

this life achievement of their son.

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GLOSSARY

Term/Acronym/Abbreviation	Definition/Explanation
ANC	African National Congress
CODESA	Convention for a Democratic South Africa
CoGTA	Department of Corporate Governance and Traditional Affairs
CPUT	Cape Peninsula University of Technology
DEAT	Department of Environmental Affairs and Tourism
DTI	Department of Trade and Industry
ECTB	Eastern Cape Tourism Board
ESKOM	Electricity Supply Commission
Fedhasa	Federated Hospitality Association of South Africa
FTTSA	Fair Trade in Tourism South Africa
Ghasa	Guest House Association of South Africa
ILO	International Labour Organisation
JLGTC	Joint Local Governments Tourism Council
LED	Local Economic Development
Noosphere	A postulated sphere or stage of evolutionary development dominated by consciousness, the mind, and interpersonal relationships.
PAC	Pan Africanist Congress

PGDP	Provincial Growth and Development Plan
PGDS	Provincial Growth and Development Strategy
PGDS	Provincial Growth and Development Strategy
PORTNET	Transnet National Ports Authority - own and operate the country's main seaports.
SAACI	Southern African Association for the Conference Industry
SATOUR	South African Tourism Board
SATSA	South Africa Service Association
SPOORNET	Transnet Freight Rail formerly known as Spoornet, is the biggest division of Transnet. It is an outstanding heavy haul freight rail company that specializes in the transportation of freight. It is the biggest outside United States and excluding India that is not a company but a Government Department.
SPSS	Statistical Packages for Social Sciences
TATU	Transkei Appropriate Technology Unit
TBCSA	Tourism Business Council of South Africa
TBVC states	Transkei, Bophuthatswana, Venda and Ciskei
TDC	Transkei Development Corporation
TRACO	Transkei Agricultural Corporation
TRANSIDO	Transkei Small Industrial Development Organisation
TWCMB	Transkei Wild Coast Marketing Body
TWINNING	A collaborative arrangement between two or more municipalities, in government jargon is called "municipal

twinning agreement".

WSU	Walter Sisulu University
WTO	World Tourism Organisation
XDC	Xhosa Development Corporation

CHAPTER ONE
INTRODUCTION AND BACKGROUND TO THE STUDY

1.1   Introduction

The new democratic dispensation of the post-1994 government in South Africa planted in the minds of its citizens a promise of better life for all. However, shortly after the establishment of all inclusive new policies by government and governance institutions, this promise (delivery of a better life for all) faced conflicting economic, political and social demands. These demands—which are part of the world and its population—resulted in a situation that has left the majority of South African citizens still waiting for that promised better life. One of the most important issues raised when considering how to implement these unfulfilled promises is the question of equitable resources distribution, and how to deal with the serious challenges that it presents.

It is against the above background that the recommendations for tourism as a viable and workable catalyst to local economic development (LED) in the Transkei Wild Coast are proposed at the end of this study.

According to Pearce (1989:15), "tourism might be seen as a means of development in a much broader sense, that is, the path to achieve some end state or condition". Gartner (1996:8) concurs with this, stating, "tourism development is often viewed as a process of physical change".

Wild (1994:12) argues that sustainable tourism development produces numerous economic advantages for the host communities, in addition to maintaining environmental diversity and quality, with local economic development as the ultimate objective. Rees (1989:13) believes that "… sustainable development is a socio-economic challenge that does not undermine the ecological and social systems upon which communities and society are dependent".

Furthermore, Rees (1989:13) argues that the successful implementation of sustainable development requires integrated policy, planning and social learning processes; its political viability depends on the full support of the people it affects through their governments, social institutions and private activities.

This discourse is encapsulated in a statement by the World Commission on Environment and Development (1987:43), which emphasises the inclusiveness of all developments that affect the environment, in particular tourism:

> … sustainable development is the development that meets the goals of the present without compromising the ability of the future generations to meet their own needs.

Despite the above briefly outlined arguments that provide a picture of how tourism as an industry has grown and still promises to grow, areas such as the Transkei Wild Coast in South Africa have seen few benefits from the application of these arguments. It appears that because of challenges (at the highest level of the tourism industry), people in need have not yet enjoyed any real benefits from tourism. There is therefore, a need to investigate propose workable recommendations for tourism as a catalyst to LED in the Transkei Wild Coast. These recommendations seek to positively influence the political, economic and social impact that such a development would have on the lives of the Transkei Wild Coast communities.

Section 1.2 provides a meaningful background to the problems raised when considering tourism as a catalyst to LED in the Transkei Wild Coast. Also included in this chapter is a definition of the problem statement and sub-problems, goals and objectives. Critical questions are posed and significance and motivation, research design and methodology are discussed. Selected terms are clarified and demarcation and organisation of the study are explained. A summary concludes this chapter.

1.2   Background to the problem

Pre-1994, South Africa's development was directed and characterised by the apartheid laws of racial segregation between Blacks, Coloureds, Indians, Whites and other population groups. Apartheid laws governed a dispensation that established and entrenched homelands earmarked for the members of specific ethnic groups. For example, the Transkei and Ciskei in the Eastern Cape were allocated to the Xhosa people, Bophuthatswana to the Tswanas, and Venda to the Vendas (Welsh, 1994:44). In these homelands, popularly known as the TBVC states, development programmes encountered many obstacles, the most debilitating one being that they were underfunded, or not funded at all (Laurence, 1994:70). This state of affairs was common throughout the TBVC states, including the Transkei Wild Coast, which is an area comprising Butterworth, Dutywa, Gatyana, Mqanduli, Mthatha, Libode, Port St Johns, Lusikisiki, Flagstaff and Bizana, all small towns, situated along the Indian Ocean. Figure 1.1 shows the geographical location of the study area, the Transkei Wild Coast from the Kei River Mouth to the Mkambati Nature Reserve and the small town of Mbizana.

In the above circumstances, the communities of the Transkei Wild Coast, as citizens of the former independent state of the Transkei, had no option but to rely on jobs in the manufacturing industry or industrialised sectors, which were mainly located in Butterworth and Mthatha, in order to survive economically. Little or no attention was paid to tourism development at that time (Wolfgang, 1983:47).

Figure 1.1: Map of the Transkei Wild Coast (Adapted from http://www.wildcoast.co.za)

Becker (2013:2) holds that tourism has become one of the world's largest industries. This view supports Michael (1995:1), who states that tourism is the world's largest industry and is often viewed as the key to peripheral development. Tourism in this study is investigated against the worrying pattern of industrial liquidations and closures which in the Transkei Wild Coast, has seen poverty and unemployment rise at an alarming rate since the beginning of the 1990s. The challenge inherent in the exploration of this problem (increasing poverty and unemployment) was to examine the possible benefits that could emanate from tourism towards local economic and social development of Transkei Wild Coast communities. The Transkei Wild Coast today comprises rural areas with high levels of illiteracy, poverty, crime and unsustainable long-term

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development programmes. In addition, the Transkei Wild Coast shows potential for eco-tourism or nature-based tourism, offering scenic beauty and heritage that can be converted into a sustainable market, to benefit and develop its communities (Wolfgang, 1983:43). In this context, Pearce, Moscardo and Ross (1996:211-212) state that community involvement in tourism has the potential of generating useful ideas that may lead to the development of participative partnerships in the purchasing and production of tourism-related goods and services.

Focal points in tourism development in the Transkei Wild Coast area include the beaches of Mazeppa Bay, Qolorha, Cob Inn, Cebe, Dwesa, Seagulls; the Dwesa Game Reserve; Bawa Falls; Kei Mouth; Qorha Mouth, Hole in the Wall, Coffee Bay, Hluleka Nature Reserve, Silaka Nature Reserve, Port St Johns, Umkambati Nature Reserve, and a number of topographically attractive areas. All these locations have an established indigenous culture and a potential for agricultural tourism. Such tourism development in the Transkei Wild Coast could benefit those indigenous inhabitants that have been forced to migrate from their communities, to the metropolitan industrialised areas of South Africa and beyond. Such development could see them return to and re-unite with their communities through involvement as stakeholders in local tourism development. Instead of being reduced to beggars or providers of cheap labour, divorced from their roots, tourism development would offer them an exciting opportunity to make a positive contribution to the place of their birth. This would also assist rural communities in breaking the cycle of poverty, induced largely by a dependence on primitive agricultural seasonal harvests through subsistence farming (Wolfgang, 1993:55).

The Transkei Wild Coast is in need of sustainable development in order to raise the standard of living of its communities. Many scholars have underscored the significance of tourism development and community involvement. Notably, Urry (1990:12) emphasises the relationship between local areas and tourism development, saying that local people who are committed to conserving their heritage and environmental attractions are also the local potential owners of tour operators who have a vital role to play in tourism industry.

1.3   Defining the research problem

The largely rural Transkei Wild Coast area, through poverty and lack of education, poor infrastructure, lack of private sector involvement and few government development programmes for undeveloped and underdeveloped areas, is marginalised, both economically and technologically. These critical factors directly and detrimentally affect the communities of the

Transkei Wild Coast that would otherwise be able to contribute to their own upliftment and to the welfare of the entire country. Tourism as an alternative economy may provide a solution to the problems of rural neglect. Liping (2002:727) confirms that tourism is being embraced by an increasing number of rural communities as a means to offset losses in traditional agricultural industries and to diversify their economic bases; it is a catalyst to development, in order for them to meet their changing needs. Without a serious commitment to harnessing tourism as a catalyst to improved LED in the Transkei Wild Coast, the current situation of hunger, disease and poverty and the hardships suffered by the communities will be prolonged.

The core problem investigated in this study is the lack of or poor development in the Transkei Wild Coast, which has ultimately contributed to poor local economic growth and a resultant poor quality of life for the inhabitants. Both poor infrastructure and lack of private sector involvement are identified as key contributing factors to the prevailing economic status described above and to the tourism industry in particular.

1.4   Research sub-problems

The sub-problems that this study addresses are divided into two categories, namely the establishment of infrastructure and the establishment of partnerships in growing the tourism industry to enhance LED in the Transkei Wild Coast.

1.4.1 Sub-problem 1

Numerous aspects of infrastructure need attention:

- **Roads**: Roads are in bad condition; most roads to the coastal areas are badly maintained gravel roads. This poor state of roads impedes transport, which in turn hinders sustainable economic development and growth; the cost of doing business is inevitably more than the profit made.

- **Accommodation**: Accommodation is one of the key segments in the tourism industry. At present accommodation standards are not at an acceptable level to meet tourism needs.

- **Electricity**: The electricity supply is not reliable.

- **Medical Centres**: Service standards necessary to support health centres are lacking. In some instances medical centres have no presence in the tourism destinations. There is not only a medication supply shortage problem, but also a medical specialist shortage problem. In addition, working hours are often limited to mainly during the day.

- **Sports facilities**: Provision of sports fields and other sporting facilities is lacking. These would increase the diversification of tourism products.

The above-mentioned aspects of infrastructure, which are necessary for making the tourism industry a success, together with all the associated businesses which are key players in tourism, are currently in a bad state where present, or not in place at all.

1.4.2 Sub-problem 2

Partnerships between government and the private sector; the private sector and host communities; and government and host communities, working together to drive LED, lack a common visions. These partnerships are predominantly weak, poorly co-ordinated, lack strategic leadership and suffer from a problem of distrust among key role-players (government, private sector and community). The plan that seeks to give guidance to municipalities located in the Transkei Wild Coast for the creation of private and public sector partnerships to drive a single economic vision in the area is weak. There is some spontaneous functioning of the private sector, but with little involvement of host communities. The working relationship between Eastern Tourism Development Board and the tourism units that are driving tourism initiatives at municipal level in the Transkei Wild Coast is poor.

The success of the above-described partnerships is a key factor in a profitable tourism industry. One of the threats to this success is the question of land claims. This leads to uncertainty that in turn, leads to weakness of any possible partnership because unresolved issues of land rights and ownership are dominant in the Transkei Wild Coast. Kepe, Ntsebeza and Pithers (2001:4) point out that without the resolution of land tenure, land distribution and other resource issues in the Transkei Wild Coast, there is a little chance of attracting investment, of enhancing the livelihoods of impoverished communities or of driving sustainable economic development. Ashley and Ntshona (2003:10) hold the view that where there is a dispute over who is the legal land-rights holder, entering into a partnership is difficult. In the Transkei Wild Coast, this is an obstacle to promoting pro-poor development, black economic empowerment, land-based and tourism-based investment deals.

If partnerships in the Transkei Wild Coast currently emerge as one of the missing links to drive economic success, the potential growth of the tourism industry in the area is facing serious problems; hence in the final analysis of this study working recommendations to correct such a weak base to drive economic success, are proposed.

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1.5   Objectives of the study

This study has five broad objectives:

a)   To investigate the current theories on sustainable tourism development as the catalyst to achieving solid local economic development;

b)   To investigate tourism as a catalyst to improved local economic development in the Transkei Wild Coast. This was done to explore and affirm that sustainable tourism is one of the major economic mechanisms recommended for eradicating poverty and reviving an ailing economy in the Transkei Wild Coast;

c)   To investigate the viability of any potential local economic growth and development through tourism in the Transkei Wild Coast, given its geographical location and wealth of natural resources;

d)   To demonstrate that undeveloped and underdeveloped predominantly rural areas, such as the Transkei Wild Coast, provided with the necessary basic infrastructure, are capable of developing themselves and looking after their own welfare successfully; and

e)   To propose a workable framework and recommendations for tourism as a catalyst to boosting economic development in areas with the potential for a successful tourism industry, such as the Transkei Wild Coast.

According to Strydom, Fouché and Delport (2002:107), an objective denotes the more tangible, quantifiable and more speedily achievable conception of such end towards which the effort or ambition is directed. The following are the concise research objectives of this study:

a) Examine the state of the Transkei Wild Coast infrastructural development in unleashing the potential of tourism economies.

b)   Make suggestions as to how to market the Transkei Wild Coast area as one of the world's popular tourism destinations.

c)   Make contribution to the body of knowledge for the field of tourism and development.

d)   Suggest strategies that could improve the current poor standard of living of the rural Transkei Wild Coast communities.

According to Strydom, Fouché and Delport (2002:107), the term goal implies the broader, more abstract conception of the end towards which the effort or ambition is directed. Therefore, this study has a triple goal:

- to envisage the Transkei Wild Coast as a developed area, with major amenities in place to provide access to a better quality of life for its communities;

- to promote a Transkei Wild Coast that plays a greater critical role in the economic growth of South Africa; and

- to encourage dialogue among key role players in the tourism industry to establish a common vision for the Transkei Wild Coast area, which needs to be set up as the reliable point of departure for working partnerships.

Once these goals are realised, fully or partially, through tangible and measurable outcomes such as a fully established infrastructure that includes modern roads, railways, farming, education, health services, ports, hotels and conference centres that meet national and international standards, then the study envisages the likely promotion of peaceful and secure development in the Transkei Wild Coast.

1.6 Key questions pertaining to the study

In order for the researcher to be able to contribute to the existing body of knowledge it was necessary to conduct an extensive literature review and carry out a reliable empirical survey, where the following key questions were raised:

- What is the understanding of the effects of the current existing knowledge, strategies and practices for tourism development in areas of great potential like the Transkei Wild Coast?

- What critical shortcomings have emerged in the current existing knowledge, strategies and practices for tourism development in areas of great potential like the Transkei Wild Coast?

- How can innovative local tourism development programmes be introduced in the Transkei Wild Coast municipalities, given their capacity limitations?

- Can the current existing knowledge, strategies and practices for tourism development in areas of great potential like the Transkei Wild Coast be influenced for change, through the recommendations made by a framework for tourism as a tool for local economic development? Can growth and development be realised?

- What should be done for the tourism industry in the Transkei Wild Coast to attract viable business partnerships to the area?

- What should be done for the tourism industry in the Transkei Wild Coast to achieve viable tourism business with the existing infrastructure, whilst efforts are made to improve the current infrastructure to meet world class tourism needs?

1.7   Research design and methodology

The research design employed consisted of the following three aspects:

1.7.1 Theory and literature search

The theory and literature search of the study consisted of secondary sources of existing information. These included relevant published books, articles in journals and newspapers, interviews and other unpublished material.

1.7.2 Empirical survey

The empirical survey was conducted using a structured questionnaire as the data collection tool.

1.7.2.1   Questionnaire

A structured questionnaire designed in a 5-point Likert scale format was developed and distributed to key role players in the tourism industry, being local municipality officials and councillors responsible for economic development activities:

i)   Local Economic Development (LED) and/or Planning Department officials

ii)   Ward Councillors and Proportional Representative Councillors

iii)   Ward Community Development Workers

A pilot study was undertaken to establish whether or not the structure of the questionnaire was adequate.

1.7.2.2   Data analysis and interpretation

Once the data collection for the study was completed, the data were processed using Statistical Packages for Social Sciences (SPSS) version 22. Due to the quantitative nature of the data gathered from the questionnaires, a professional statistician was approached for assistance with statistical analysis. The data were objectively analysed and interpreted by the researcher in a

balanced manner. A separate chapter in this study is dedicated to data analysis, interpretation and discussion.

1.7.2.3   Proposed recommendations

Guided by the literature study and the empirical survey, workable recommendations were developed. These recommendations serve as a suggested approach for tourism developers and practitioners to consider as a major aid in achieving tourism-led LED. This would be applicable to the Transkei Wild Coast area in particular, but also to other rural areas facing similar tourism development needs and challenges.

1.7.3 Methodology

The empirical survey employed a quantitative methodology, which relied on a questionnaire as the data collection instrument.

1.8   Significance and motivation for this study

Firstly, South Africa is described as having world class infrastructure but this is only true of the metro areas of Cape Town, Johannesburg, Pretoria, Durban and Nelson Mandela Bay. Lack of good infrastructure is still a problem in large parts of the country, particularly in the rural areas. As shown by Gopaul (2006:20), this state of affairs limits the participation of rural communities in the tourism industry, also previously highlighted by the Department of Environmental and Tourism Affairs (1996:13). The Department of Environmental Affairs and Tourism (DEAT) further notes that the absence of adequate transport services effectively prevent rural communities from participating in the industry, both as potential suppliers of products and services, and as tourists themselves.

The Transkei Wild Coast comprises one of the rural South African communities that have the potential to grow a tourism industry, but the lack of modern infrastructure poses a major challenge when it comes to driving its LED goals. There is a lack of good roads, railways, telecommunications, commercial accommodation, potable water, sanitation, energy. Also lacking is a basic social infrastructure such as health service, banking facilities, entertainment centres and sport fields. Economic development can only thrive if a strong infrastructure is in place. Currently, the cost of conducting business is often greater than the profits any business is able to realise.

Secondly, the Transkei Wild Coast area is not only troubled by the infrastructure challenges, but also by the number of partnerships involved in driving economic development. There is poor private sector involvement in business infrastructure investment activities, a lack of community involvement in business initiatives and a poor level of private and public sector partnerships to drive economic development programmes in area.

Thirdly, one of the consequences of the situation explained above is the standard of living in the Transkei Wild Coast communities. The situation has negative effects on the communities and reinforces the reality of South African rural poverty problems (van der Berg, Leibrandt & Mlatsheni, 2002:2). Van der Berg *et al.* (2002:2) argue further that the Transkei area is one of the poorest of South Africa's rural areas, with a long history of migrant labour. Its main income sources are wages, often earned in urban areas (52%), social transfers (18%), and remittances (14%). In addition, agricultural production offers little scope as the income from that source for most Transkei inhabitants is less than 5% of their total income. This poor income situation compels labour migration from the Transkei area to urban areas of the country. According to van der Berg *et al.* (2002:4) the 1996 census recorded that migration from the Eastern Cape to the Western Cape was 27 644 (90.2%) of 30 641 (100%).

Fourthly, the declining state of economic activity in the rural areas of South Africa generally poses a looming threat to the already deteriorating standard of living and suggests that there is an urgent need to provide sustainable economic solutions.

Generally, the above-described circumstances provide no option to family breadwinners in this area, other than migrating to the big cities, seeking employment and offering themselves as cheap labour. This remains a trend both to the illiterate and literate inhabitants of the area along the Indian Ocean, whereas they ignore and underutilise the viable land they occupy when it becomes available to tourism economies.

The briefly described socio-economic-related problems that currently face the rural communities of South Africa generally and of the Transkei Wild Coast in particular, need to be understood and addressed. Among the potential home-grown economic solutions that remain close to the character of rural community economic self-reliance practices, are the protected development programmes of tourism economies.

The strategic location of rural communities in the Transkei Wild Coast is advantageous in developing a tourism economy. A successful tourism-based economy has the potential to halt the merciless, viciously grinding wheels of poverty, reduce malnutrition-related diseases, hunger and famine, by means of a strategy led and driven by local municipalities and other role-players in the area.

1.9   Clarification of selected terms and concepts

1.9.1 What is tourism?

The literature review revealed the following definitions of tourism:

According to Mathieson and Wall (1982:1):

> Tourism is the temporary movement of people to destinations outside their normal places of work and residences, the activities undertaken during their stay in those destinations, and the facilities created to cater for their needs.

Tourism is described by Nickerson (1996:2) as:

> Tourism is the action and activities of people taking trips to a place or places outside of their home community for any purpose except daily commuting to and from work.

Defined by McIntosh, Goeldner and Ritchie (1995:10), tourism is:

> ...the sum of the phenomena and relationships arising from the interaction of tourists, business suppliers, host governments and host communities in the process of attracting and hosting the tourists and other visitors.

1.9.2 Sustainable development

The World Commission on Environment and Development (1987:8) defines sustainable development as "a process of meeting the needs of present generations without compromising the ability of future generations to meet their own needs".

Stabler (1997:17) defines sustainable development firstly, as "that stock of capital, consisting of both natural and man-made elements, which should not be depleted or degraded". Secondly, as

> the environment, together with that capital which should be in a state, that is capable of sustaining a flow of income to meet the needs of present and future generations.

1.9.3 Sustainable tourism development

Stabler (1997:14) defines sustainable tourism development by interpreting the term in two ways:

> First, it wishes to ensure the long-term survival of tourism business and so considers the sustainability of the market and how best to maintain conditions conducive to the profitable operation of firms. Second, as part of the maintenance of an appropriate market environment, tourism firms acknowledge that the resource base should be sustained so that it will continue to be attractive to tourists.

Hardy, Beeton and Pearson (2002:488-490) present an important argument with regard to sustainable tourism development, namely that "with historical context and notable theories combined, it is possible to understand the context in which sustainable tourism can be developed"

Sustainable tourism development strives to meet the needs of the present tourists and host communities, while protecting and encouraging opportunities for the future. It is viewed as leading to the management of all resources in a manner that fulfils economic, social and aesthetic needs, while maintaining cultural integrity, essential ecological processes, biological diversity and life support systems, (WTO, 2004:1).

1.9.4 Tourism development

Pearce (1989:15) defines tourism development as the "provision or enhancement of facilities and services to meet the needs of tourists".

1.9.5 Rural tourism

According to Jenkins, Hall and Troughton (1998:43):

> changes in rural areas have been inextricably linked to development in both global and local economies, and tourism has emerged as one of the central means by which rural areas adjust themselves economically, socially and politically.

1.9.6 Partnership

According to Marx, Van Rooyen, Bosch, and Reynders (1998:142):

> partnership is an association of members who mutually agree to supply or make available financial means, goods and services to a common pool of capital. This capital pool is then used to pursue lawful economic activities with the aim of generating a profit.

Marx *et al.* further identify three types of partnership, namely:

a) **The ordinary partnership**. Such a partnership consists of ordinary partners. All partners play a management role and are therefore active partners. Partners act on behalf of the partnership, and their decisions are legally binding on it.

b) **The extraordinary partnership**. This is an anonymous partnership. In an anonymous partnership, the partners agree in advance that the partnership will operate in the name of certain partners only.

c) **The partnership *en commanditaire***. In a partnership *en commanditaire*, the silent or passive partner is a financial participant only.

1.9.7 Entrepreneur

Shane (2014) defines entrepreneur:

as anyone who would prefer to be in business for themselves". That definition is expanded in the journal "Entrepreneur" (2014) to "one who starts or assumes control of a business or other independent enterprise, often employing innovation and more than an ordinary degree of risk.

The definition of Marx *et al.* (1998:689) states that:
An entrepreneur is an individual who consistently searches for economic opportunities in the market and who utilises them in an innovative way to increase prosperity by combining and managing the necessary resources, of which a substantial part is usually contributed personally, with a specific enterprise.

1.9.8 Empowerment

Empowerment may be defined as the means by which individuals, groups and/or communities become able to take charge of their circumstances and achieve their own goals, thereby becoming able to work towards helping themselves and others to maximise the quality of their lives (Adams, 2003:8). According to Mayo (2000:6), empowerment is a process that involves giving people the opportunity and skills to be able to analyse the source of their problems for themselves, to explore their own needs, and develop their own strategies.

1.9.9 Infrastructure

According to McIntosh and Goeldner (1990:229)
the ground and service installations described as infrastructure are of paramount importance to successful tourism. These installations must be adequate. For example, electricity installations, water supply systems, communication installations, waste disposal and similar facilities should be planned with a long-term viewpoint so that they can accommodate future expansion.

Middleton and Hawkins (1998:98) opine that the concept of infrastructure in the tourism industry covers
the means of access, the maintenance of natural resources and the construction of the publicly accessible parts of the built environment, the provision of tourist facilities such as marinas, and provision of tourism industry services such as gas, water, electricity, sewerage and drainage services. The access to the tourism destination also needs the construction of airports, seaports, railways and terminals.

1.9.10   Safety

Hall and O'Sullivan (1995:105) explain safety in tourism as an important component of the attractiveness of destinations and transport routes to tourists and it can be judged by the nature of the physical environment, by potential for criminal activity, the possibility of the incidence of politically motivated attacks on tourists.

1.9.11   Tourism marketing

According to Middleton (2001:4), marketing in tourism is one of the principal ways to influence the public, in order to ensure that different kinds of tourists are attracted and satisfied in a manner that will give a competitive advantage to the tourism destination for being marketed. Witt

and Moutinho (1995:419) describe tourism marketing as a process of discovering what tourists want (market research), developing sustainable tourists services (product planning), telling them what is available (advertising and promoting), and giving instructions about where they can buy the services (channels of distribution – tour operators and travel agents). In so doing, tourists will receive value (pricing), while the tourist organisation will make a profit and attain its goals (marketability).

1.9.12   Tourism planning
Nickerson (1996:45-52) identified and defined eight steps for good tourism planning:

Step 1 – Inventory
For any plan, it is important to understand where the organisation, company or community currently stands on diverse issues.

Step 2 – Forecast trends
Based on the existing situation determined from the inventory process, it is important for the community to look at the trends affecting tourism.

Step 3 – Develop a mission statement, goals and objectives
A mission statement that gives direction to the outcome of development must be adopted. The residents' quality of life should be covered in the mission statement. Lastly, goals and objectives must be clearly stated, giving direction on what is to be accomplished. These goals and objectives should be realistic and achievable.

Step 4 – Study alternative plans of action to reach goals and objectives
Rather than identify only one method to achieve each goal, it is important to brainstorm as many alternatives as possible.

Step 5 – Select preferred alternative
The plans of action established in the preceding step must be selected based on the circumstances and preferences of the community.

Step 6 – Develop a strategy to reach goals
At this point, the strategy involves specific answers to the questions *who, what, where, how many,* and *how.*

Step 7 – Implement plan

This is an action stage.

Step 8 – Review, evaluate, revise and continue with plans

Does the plan work? Without an evaluation, the community may be proceeding in the wrong direction.

1.9.13   Components of tourism industry

De Villiers and Luhrman (2001:9-10) identified and defined five major components of the tourism industry:

a) **Accommodation**
Serviced accommodation includes mainly hotels, as well as all other serviced accommodation establishments where additional services are offered to guests.

b) **Transport**
Air, sea, rail and road transport make up the transport suppliers. Without commercial transport suppliers such as airlines, car rental companies and so forth, tourism as we know it today would not exist because tourism entails travelling.

c) **Attractions**
Attractions include all man-made, natural and socio-cultural attractions.

d)   Support services
Support services can be divided into private and public sector services:

Private sector support services: A variety of support services are provided by the private sector, including catering services, couriers and guides, financial services, travel trade press, marketing support services, and education and training.

Public sector support services: The National Tourist Organisation and the Tourism Ministry spearhead the public sector services. Regional tourist organisations and local information offices also play a vital supportive role. Public education and training establishments such as colleges and universities complete this list.

e) **Intermediaries**
Intermediaries include tour operators, travel agents and other brokers arranging and making tourism products available to tourists.

1.9.14   Approaches to the study of tourism

According to Bennett (2000:34) there are various approaches to the study of tourism, namely:

a) **Institutional approach**
This approach studies the role-players in the tourism system, for example travel agents and hotels. It focuses on the organisation, operating methods, problems, costs, purchase of the services, hotel forms, car rental companies and airlines.

b) **Product approach**
   The product approach studies individual tourism products and pays specific attention to how they are produced, marketed and consumed. Individual tourism products are final goods and services that are produced by individual tour operators, to meet tourists' needs.

c) **Historical approach**
   This approach studies tourism from an evolution perspective, to uncover the causes of growth, decline or shifts in interests.

d) **Managerial approach**
   The managerial approach focuses on the individual firm or establishment in the tourism industry. It includes managerial activities such as planning, organising, directing and controlling, as well as different functions such as marketing, production and the financing of personnel.

e) **Economic approach**
   The economic approach tends to focus on the economic impact of tourism on countries and regions. Key areas of study include supply and demand, balance of payments, foreign exchange, employment and expenditure multipliers.

f) **Sociological approach**
   The sociological approach includes aspects such as social classes, habits and the customs of hosts and guests.

g) **Geographical approach**
   Tourism is a spatial phenomenon, since it involves the movement of people and the effects these people have on the environment.

1.9.15 Local economic development (LED)

According to Zaaijer and Sara (cited in Nel & Rogerson, 2005:4) Local Economic Development is a process in which local government and/or community-based groups manage and control their resources and enter into partnership arrangements with the private sector to create new jobs and stimulate economic activity in an economic area. Echoing Zaaijer and Sara's definition, Blakely (1994:50) describes LED as a process involving the formation of institutions, the development of alternative industries, the improvement of the capacity of existing employers to produce better products and the nurturing of new firms and enterprises.

1.9.16 Economic growth

Economic growth is a significant element in the economic development process that provides job creation and resources that can support many improvements in the quality of life (Blair, 1995:14).

1.9.17   Economic development

Economic development implies that the welfare of residents is improving, which may be determined by the increase in per capita income, equity, quality of life (such as better transportation systems, education, and cultural facilities) as the indicators of community welfare improvements (Blair, 1995:14).

1.10   Demarcation of the study area

The study is limited to the Transkei Wild Coast area and the functioning jurisdictions of its local municipalities. The Transkei Wild Coast stretches from Kei Mouth River, in the south, that separate two close areas, namely East London and Centane, to Bizana in the north (see Figure 1.1).

1.11   Organisation of the study area

This study on tourism as a tool for LED in the Transkei Wild Coast, is organised into seven chapters as follows:

Chapter 1 presents the general introduction, the background, research design and the significance of the study. It gives a clear road map on how this study is conducted.

Chapter 2 provides a philosophical and theoretical basis to public administration and management. This chapter explores the philosophy, principles and theory of public administration, a discipline and activity used to formulate a solid foundation of understanding, which should inform the construction of proposed recommendations for tourism as a catalyst to LED in the Transkei Wild Coast. Both the history and future of public administration as a discipline and activity in this part of the country is discussed.

Chapter 3 presents a legislative and regulatory framework for exploiting tourism as a catalyst to improving LED in the Transkei Wild Coast. The chapter discusses the South African legal framework that guides and regulates the tourism industry. Legal context is given to the proposed recommendations for tourism-based growth of LED in the Transkei Wild Coast.

Chapter 4 examines the trends and challenges in the tourism industry in the Transkei Wild Coast. The economic development dynamics and underlying problems of the Transkei Wild Coast area is critically analysed, revealing, in particular, why a more dynamic tourism sector is seen by many as a critical factor in any attempt to accelerate LED and job creation.

Chapter 5 discusses the science of the research methodology used in this study. The chapter also discusses the aspects of research methodology theory, methods of data collection, data analysis, interpretation and research reliability needed to produce quality research output.

Chapter 6 presents the study research design, and the methods of research of data analysis and interpretation that were used.

Chapter 7 contains the study findings, recommendations and conclusions.

1.12 Summary

A theoretical model for tourism as a catalyst to local economic development in the Transkei Wild Coast is demonstrated in this chapter and believed to be a viable option for improving the economic status of the area. The problem statement definition, study goals and objectives and significance of the study, explain why development of the tourism industry is so important in contributing towards the upliftment and wellbeing of the Transkei Wild Coast communities, and in reviving the dying economy of this area.

Questions pertinent to the study were raised. Answers to these questions explained the rationale behind the proposed recommendations emanating from this research. Opportunities for the Transkei Wild Coast communities to contribute both directly and indirectly to the economic growth of the country through tourism are also clearly articulated in this chapter. Lastly, an outline is given of what the study explores and how it is organised.

The next chapter explains the philosophy, principles and theory of public administration as a discipline and activity, as well as tourism discipline.

CHAPTER TWO

PHILOSOPHICAL AND THEORETICAL BASIS OF PUBLIC ADMINISTRATION AND MANAGEMENT: LITERATURE REVIEW

2.1   Introduction

Philosophical and theoretical perspectives of the arguments applicable to tourism as a tool for local economic development in the Transkei Wild Coast, are discussed. Examination of both public management and tourism development, will lay a foundation for the literature review and the formulation for workable recommendations for this study.

Explanations in this chapter focus on the central role that the State plays as the agent of societal development for the common goal of creating and increasing the prosperity of the community. The role of the state is presented in conjunction with that of the tourism industry, which together have potential to play a key role in reviving the economic development and growth of the Transkei Wild Coast.

This theoretical examination of tourism development is conducted to provide a foundation for the arguments put forward in this study on how tourism development in the Transkei Wild Coast area can provide improved economic conditions. At the same time, this examination provides the researcher with a better basic understanding of the formulation of workable recommendations, which are viewed as critical, and that make sense to the tourism developers and the Transkei Wild Coast host communities.

2.2   Philosophy and social sciences

According to Hanekom and Thornhill (1983:12), Lidell and Scott (1940:3) the term philosophy is derived from a Greek word that refers to love (filos) for wisdom or truth (sofos). Both Hanekom and Thornhill agree that philosophy is the search for truth regarding human beings and their environment, or an explanation of human beings and the world in which they live, or both.

By exploring the potential economic benefits of the environment, this study sought to find the truth, through knowledge engagement, which has value and is useful in improving the standard of living of the Transkei Wild Coast inhabitants. The state of the Transkei Wild Coast communities was investigated, both the way the people live and their environment, which was

explained briefly in Chapter 1 (refer to Section 1.2 Background and Section 1.8 Significance of the study).

The people of Transkei Wild Coast currently live a life that for many is characterised by conditions of extreme poverty. Unemployment is at very highest level. People in this area live below the poverty line, which is $1 US dollar per day or R800 a month (Statistics South Africa, 2013:8). Hamann and Tuinder (2012) found that the percentage of the population living below the poverty line is between 70% and 80% in the Eastern Cape where Transkei Wild Coast is located. The general standard of living of the communities of the Transkei Wild Coast, which includes health facilities, transport systems, road access and benefits derived from local economic activities, is not adequate for these communities to be able to satisfy their daily needs. It is notable that these conditions still prevail in the Transkei Wild Coast communities, despite being located along pristine coastline of the Indian Ocean which has immense potential for the growth of the tourism economic sector (refer Figure 1.1).

Teichmann and Evans (1999:7) describe philosophy as the study of general problems concerning matters such as existence, knowledge, truth, beauty, justice, validity, mind and language. Truth as postulated in this study is the poverty problem which continues to confront the communities of the Transkei Wild Coast and places it in the category of areas with a poor standard of living. This has resulted in problems in various aspects of people's lives, that include unemployment, poor health facilities, poor co-ordination of economic activities, lack of strategic skills for economic growth and development as well as poor infrastructure for economic support.

In search of economic justice, this study critically analysed the existing body of knowledge with the aim of proposing working recommendations for tourism as a tool for LED in the Transkei Wild Coast. Simultaneously, the study aimed to validate the point that by taking advantage of the economic potential of the tourism sector as an LED tool, the Transkei Wild Coast communities would see a significant improvement in the currently unbearably poor standard of living and a reduction in the high level of poverty-associated problems.

Landauer and Rowlands (2001:1) point out that philosophy is divided into five branches:

a) At the root is **metaphysics,** which is the study of existence and the nature of existence.

b) Closely related is **epistemology,** a study of knowledge and how we know about reality and existence.

c) Dependent on epistemology is **ethics,** the study of how man should act.

d)   A subset of ethics is **politics,** the study of how man should interact proper in society and what constitutes proper.

e)   Lastly is **aesthetics**, the study of art and sense of life.

Guided by deductions from the these branches of philosophy, this study set out to make clear to the inhabitants of Transkei Wild Coast, the meaning and reality of their existence as an integral part of South African society. Consideration was given to the current state of economic activities in the area, and how these activities impacted on their general welfare today and would in the future. The investigation for this part of the study entailed a literature review, an empirical survey, and thorough analysis and interpretation of the results.

Landauer and Rowlands (2001:1) describe sense of life as an emotional evaluation of the world. It is subconsciously formed through a process of emotional integration. It integrates one's emotions and value-judgments. Since it is an automatic process, it begins with one's first emotional judgments about the world, long before the capacity to rationally judge the world has been achieved. It is because of this that one's sense of life can differ radically from one's explicit metaphysical view. Considering Landauer and Rowland's views on how to establish a sense of life within the community of this area, as a direct impact of economic redress, is one element under evaluation in this study.

2.3   Philosophical basis of public administration

According to Cox III, Buck and Morgan (1994:5) public administration as an academic discipline traces its beginnings to the Centennial period of United States history. Public administration origins are often demarcated by the publication of the *Study of Administration* in 1887 by the then-young Johns Hopkins scholar, Woodrow Wilson. Cox III *et al.* also argue that it cannot be forgotten, however, that public administration as a practice is as old as government. These scholars noticed that academic writings in the 1880s and 1890s, saw public administration as intimately connected to government practice.

In the 1960s, the public administration scholar described personnel theory as an attempt to integrate and balance three conflicting goals, namely neutral competence, representativeness, and executive control (Kaufman, 1972:267-278). Three key parallel elements or values of government performance can be said to constitute the fundamental concerns of all public administration. Those three elements are:

a)   Effectiveness in achieving the goals of government (programme effectiveness);

b) Competence in the performance of all public enterprises (managerial effectiveness); and

c) Constitutionalism, in supporting the values in government style (political theoretical effectiveness).

Kaufman's analysis of these elements was that they coexist, yet are in conflict.

Woodrow Wilson, in Cox III *et al.* (1994:6), observed that it was by now harder to run a constitution than to make one. While not rejecting politics *per se*, the public administration reformers of this era sought better government by expanding administrative functions (planning, analysing etc.) and keeping them distinct from political functions (deciding). The politics/administration dichotomy emerged as a conceptual orientation whereby the world of government was to be divided into two functional areas, one administrative and one political.

Considering the normative foundations of public administration, Cox III *et al.* (1994:29) raise the following questions. What is the basis of government by bureaucracy? Upon what theoretical and practical foundations rest the work of public officials in modern government? These are necessarily enduring questions that can be addressed only by a close examination of the character of a specific government and the role that appointed officials play in that government. Hamilton, Madison and Jay (1961:414) pronounce that the "true test of a good government is its aptitude and tendency to produce good administration". Two points are obvious: first, the political and constitutional responsibility of elected officials is more clearly documented than that of appointed officials, and secondly, the responsibilities of elected and appointed officials are intertwined. Frierich (cited in Cox III *et al.,* 1994:29) points out that since policy-making is continuous, then fixing the political and constitutional responsibility of appointed official is a necessary corollary to the understanding of how an administration should run.

The issue of responsibility of public officials, while closely connected to ethics, is not the same. Administrative ethics are concerned with the behaviour of officials in the performance of their regular duties, while administrative responsibility looks at the relationship of public official relationship with their government and its underlying political philosophy.

Dwight Waldo, who writes on the Classical approach to public administration, is recognised as an astute critic and knowledgeable chronicler of the history of public administration (Fry, 1989:223).

Waldo identifies five basic characteristics which dominated the field until roughly 1940:

a) **Politics-administration dichotomy**

A fundamental premise of the Classical approach was that politics should be separated from administration. Despite some differences, Waldo argues that, on the whole, the authors of the Classical period accepted the distinction between politics and administration, asserted that administration is in realm of expertise from which politics should be excluded, and argued for a strengthened chief executive to curb the centrifugal forces of the administrative branch.

b) **A generic management orientation**

A second characteristic of the Classical approach was a generic management orientation that assumed that the techniques of private management were applicable in the public sector. Waldo argues that public administration accepted both business procedures and a business ideology as the business model used to deprecate the balance of powers and aggrandise the role of chief executive, as well as to justify hierarchical control mechanisms, merit appointments, and the adoption of business like budgetary procedures.

c) **Search for a science of administration**

The Classical approach had a practical rather than an idealistic orientation. It was believed that the scientific study of administration could lead to the discovery of general principles of administration on which efficient government could be based.

d) **Centralisation of executive authority**

The general prescription was centralisation, simplification, and unification. The objectives of this emphasis were to centralise responsibility, to build the power of the chief executive branch by establishing stronger hierarchical controls within the executive branch, and to abolish superfluous offices in the name of efficiency.

e) **A commitment to a democracy**

It should be noted that democracy here was defined substantively rather than according to procedure. Democracy was to be achieved by establishing a strong, responsive, and responsible government designed to serve efficiently the needs of the people in an emergent 'great society'.

The historical evolution and the normative foundations of public administration, both as the discipline and activity, present critical challenges to the elected political office bearers and appointed officials of the Transkei Wild Coast local governments. These challenges emerge whenever demands are made of them. A major challenge is how best they can commit themselves to improving the standard of living of the Transkei Wild Coast inhabitants through programme effectiveness, and managing effectively the advancement of tourism-led economic development activities in the area.

On the other hand, the challenge also sits with the Transkei Wild Coast inhabitants: it is their responsibility to hold accountable their elected political office bearers, who have to give a full account of themselves whenever they fail to meet the development expectations of their communities. This is what Spiro (1969:4) explains; he says that a constitutional democracy, such as South Africa, is based upon the political responsibility of individual citizens. Spiro goes on to distinguish between three commonly used connotations for responsibility:

- Firstly, accountability which means being required to answer to external institutions for one's behaviour;

- Secondly, causality which requires a direct correlation between someone's actions and the observed outcomes of those actions; and

- Obligation, the third connotation for responsibility, combines accountability and causality. It requires the balance of the two. Spiro concludes that no one should be accountable for a situation over which he or she has no control. Conversely, no one should have significant control without accountability.

Using the above explanation, it is interesting to consider the consequences of the fact that Transkei Wild Coast local governments have a significant amount of control over making things happen in this area, given the resources capacity which they have. Therefore, a point of argument—namely, it is their duty to account for lack of development programmes that make a positive impact in improving the local standard of living—holds relevance, and the habitants of this area are the ones who must take the lead in demanding answers from their local government.

According to Hanekom and Thornhill (1983:12) philosophy represents a way of thinking and/or doing, and the view or views or beliefs of a person or persons with regard to people and their environment or with regard to specific object, subject, or practice. This means that an

organisational leader, such as a public official or an elected political office-bearer, will have some view on human beings and their environment.

The present practices of both political office-bearers and leading officials in the Transkei Wild Coast, with respect to LED in general, seem to be a major weakness. Poor investment in the tourism economic sector is characterised by poor or no planning, weak leadership, lack of co-ordination, inadequate financing, poor policy-making and little control by political office-bearers or leading officials in this area. Poor investment is evident in the inadequate state of the infrastructure. Roads, health, electricity and telecommunications are some of the areas where improvements still need to be made (Kepe, 2001:8). Poor efforts have been made by the local governments in the Transkei Wild Cost area to attract tourism industry investors and is an absence of a strong strategy to work with the host communities to grow this industry. This situation can be viewed as an example of both poor planning and poor execution.

2.4   New public management and its principles

Hood (1998:01) describes public management as the art of the state to design and operate public services and the detailed work of the executive government. He asks why there should be this shift in linguistic usage from public administration to public management. Hood believes that there is no simple answer but that public management is a term that denotes a movement as well as an area of study. It matches a mood for reforms in state bureaucracies, driving government activities to be more 'business-like' and placing greater emphasis on the role of managers. Hood concludes that this new emphasis on 'management' is what distinguishes Public Management from Public Administration as the academic discipline; it is more focused on the complexities of politics and accountability.

Hood (1998:04) states three closely related assumptions in the field of conventional public management, in an attempt to give relevance to pubic management both as an activity and as an area of study.

The first, and most common, is that public management is in the throes of a millennial transformation to a new style—societies worldwide are seen to be moving down a one-way street from outmoded tradition to managerial modernity in the public sector. This modernity is often held to bring convergence, through the logic of a globalised economy and the inexorable forces of information technology in reshaping industrial-era bureaucracies.

Secondly, it is assumed that today's 'new' public management ideas differ sharply from those of earlier eras. For instance, it is argued that the outmoded model of public administration is often portrayed as fairly homogenous. The conventional story is that a fairly uniform old-fashioned style, typically characterised as rule-bound and process-driven, is being replaced by results-driven, managerially-oriented approaches to public service provision with particular emphasis on efficient least-cost provision.

Third, the doctrine of contemporary public management is economic rationalism which is seen as enhancing rather than reducing efficiency, by techniques like Total Quality Management derived from the private business sector.

Agreeing with some of these assumptions raised by Hood, Gildenhuys (2004:109) states that the basic principle of government in a liberal democracy, however, is optimum service delivery at optimum cost, in order to realise its ultimate goal of creating a good quality of life for every individual citizen. This basic principle of service delivery at optimum cost, demands special skills in implementing public management theories and practices, and is based on sound public management principles, which are:

a)   **Organisational development**
At the centre of this principle is the drive to make all necessary attempts to improve government institutions and at the same time to minimise the negative and dysfunctional consequences of their actions for the benefit of the public. Organisational development aims at improving the performance of the bureaucracy through planned actions to improve the structures and the functions of the public sector. Its underlying values are democratic and humanistic (Gildenhuys, 2004:109).

b)   **Open-systems approach**
The open-systems approach advocates that the activities of an organisation should be directed outwardly to satisfy the legitimate needs of the public and to resolve their legitimate problems. The activities of an organisation should be directed mainly at external efficiency and effectiveness and not only at internal efficiency and effectiveness because, concentrating only on internal efficiency and effectiveness means a closed system that may be in conflict with its environment (Gildenhuys, 2004:110).

c)   **Value-oriented public management**

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The outcome of an open-systems approach is a value-oriented approach in public management. This approach requires adhering to certain values such as:

- Responsiveness to public needs and problems;

- Public participation in decision making;

- Free choice of public service delivery by the individual;

- Responsibility for programme effectiveness; and

- Social equity (Gildenhuys, 2004:110).

d) **Economy, efficiency and effectiveness**

Measuring the performance of any government institution is mainly concerned with the evaluation of the economy, and the efficiency and effectiveness of its activities.

> *Economy* is concerned with the conditions and circumstances under which a government procures its resources, such as personnel, stores and equipment as example.

> *Efficiency* deals with the relationship between goods and services rendered and the resources used to supply them. Precisely, it is more concerned with the economic utilisation of resources.

> *Effectiveness* is concerned with how well a government has realised its predetermined goals and objectives within a framework of certain standards of time, cost, quality and public accountability (Gildenhuys, 2004:110).

e) **Flexibility and management of change**

This principle holds that the dynamic social, political and economic systems of any country are in a constant state of change. Flexibility and the management of change principle force governments into a 'must adapt or change' situation. Some examples of these dynamic factors are change in political representation, policy, new technologies and the always changing demands of the public and new or amended legislation. The ability of government organisations to change, innovate, create, alter or adapt is essential if government is going to be able to meet the public needs (Gildenhuys, 2004:111).

f) **Sustainability and consistency**

The need for sustainability in government services and policies concerning government activities is imperative for good governance. Policies must be consistent. They must be compatible and in harmony with legitimate needs of the people. They must be constantly based on the same principles of thought and action. They must also apply equally and consistently to every individual or group (Gildenhuys, 2004:111).

d)   **Accountability, responsibility and transparency**

One of the principal cornerstones of democracy is that each political representative and also each public administrator, is subject to public accountability. This means that each of them should give an account to the public of his activities. It is generally accepted that public administrators sitting in any position should show a sense of responsibility when performing their official duties. Simply put, their conduct should be above reproach so that they will be able to account for their acts in public. Public accountability also demands transparency in every activity of government (Gildenhuys, 2004:111).

2.5   The foundation of the science of government

Calhoun (cited in Brown, 2000:2) begins his understanding of the foundation of the science of government by raising what he calls 'old questions', like: what is the origin of human society? What kinds of human society are there? How is human connected to nature? And what is the best kind? Calhoun believes that society originates in the nature of a man, that it is originates from man, and that the best kind of society is that which is most in accordance with the whole of human nature and which completes or perfects original human nature. On the human and nature question, Calhoun replies in terms of natural inclinations and wants – the native human faculties or natural means by which these are achieved, and of the twofold form or constitution in which these are given. Answering the question, what is the best kind of government, Calhoun contends that it is that form which is the most conducive to the perfection of the highest aims of the society.

The South African state generally, since the advent of a democratically elected government in 1994, accepted the principle of a 'better life for all' for its citizens as the ultimate objective of its functionary existence under the African National Congress (ANC) as the ruling party. This is in line with Calhoun's conviction that any government in power has the both the inclination and the desire to deliver the wants of its people, and that government shall deliver these in accordance with her people's will. Thus far, the Transkei Wild Coast inhabitants, who form a considerable proportion of the South African population, are still waiting for their inclinations and wants to be fulfilled, and for their local government to prove the value of its existence. On other hand, it assumed that the area's beauty affords a window of opportunity to encourage tourism-related investment, which will in turn result in improvements to infrastructure and services, as well as quality of life in general (Kepe, 2001:41).

2.6   The role and necessity of government in society

A government is an organisation in a specific geographic location which is dominant in physical arrangement and discharge of certain responsibilities for the benefit of its society. Government is necessary to ensure that the proper use of its physical or organisational arrangement does achieve the intended results, which sometimes may require an exercise of force. For this reason, it must specify objective laws to clarify the use of force and it must have the ability to enforce these laws (Landauer & Rowlands, 2001:1).

Luther Halsey Gulick (Fray, 1989:78) is sometimes referred to as the Dean of Public Administration. His work is recognised as being indicative of a line of thought that has had, and continues to have, a substantial impact on the conduct of public administration in the United State of America and worldwide. Gulick holds the view that government is the means by which wilful, strong, and selfish men can live together co-operatively. The necessity of government activity arises when private actions based on self-interest and guided by the 'unseen hand' of the market, prove to be inadequate. Government functions to control conduct in the name of maximum freedom and to provide co-operative community services, that is, activities that can be performed better, more economically, or more satisfactorily on a co-operative basis. In all of this, government should manifest a decent human sympathy for the weak.

On the role of administration in government, Luther Halsey Gulick's own position (Fry, 1989:80) is that it is impractical, impossible, and undesirable to separate politics and policy from administration. For Gulick administration involves the determination of major policy, the development and adoption of specific programmes, the creation of organisation, the provision of personnel, the authorisation of finances, and the audit and review of results. Gulick maintains that administration is necessarily involved in both politics and the policy process.

Therefore, the differences between the roles in regard to policy and political involvement are differences in degree rather than differences in kind. The successful administrator must understand, and be able to deal with the strategic dimensions of the politico-administrative system in which he must operate.

Concerning science and administration, Luther Halsey Gulick (Fray, 1989:82-83) argues that there has to be a movement beyond the mere collection of easily accessible facts, laws, practices and problem-oriented applied research to a scientific pursuit of solutions to the problems of modern government. These problems range from the details of management to the

philosophy of society. Science of administration would embody a system of knowledge whereby people may understand relationships, predict results and influence outcomes in any situation where men are organised to work together for a common purpose.

The scientific pursuit entails intellectual examination and classification of phenomena, testing hypotheses by experiment and exploration, and the application of the discovered truths to the world of nature with continuous questioning of results. The objective is the discovery of principles or immutable laws of administration, which can be distilled and simplified for practical application to administrative matters. Gulick is aware of the potential dangers of scientific 'expertise'. He notes that government and public administration are confronted by specialists who know more and more about less and less, that experts may assume that they know better than people, what they need; that experts may assert knowledge and authority in fields in which they have no competence. These dangers are significant as Gulick observes that:

> A government programme which relies upon a professional group of experts will, within a generation, come under the leadership and direction of that profession.

The answer to the dangers of technocracy, according to Gulick, is a sense of professionalism that imposes responsible self-discipline and recognises that final action cannot be taken by experts. In a democracy, the common man must be the arbiter of what is good for him. This does not mean that the expert is unnecessary. Rather, the requirements of democracy impose on the expert and administrator an obligation to communicate better with both political leaders and the common man and to educate them about the conditions conducive to effective administration.

Gildenhuys (2004:121) states that government organisations emanate from the needs and common values of the public. They are supposed to be organised for the purpose of satisfying these needs according to the common values of the public. Gildenhuys goes on to argue that a theoretical knowledge of the macro organisation of government and its fundamental philosophies is basic to a study of public administration. Macro organisation refers to the systematic whole of all government institutions and their supporting political philosophies in a particular country. The term 'macro', derived from the Greek language, refers to the main and most significant government structures, their mutual relationships and underlying philosophies found within a government system (Gildenhuys, 2004:121).

Gildenhuys holds a view that students of public administration, therefore, must have a sound knowledge of how government institutions should be organised before embarking upon the study

of public management theories. Justifying this view, Gildenhuys explains his analogy of public administration and public management that public management theories represent the fuel and lubricant for the engines of government institutions to operate efficiently and effectively. Therefore, it would be foolish to first supply the fuel and lubricant with no knowledge of how the engine runs. One must first acquire a sound knowledge of the engine and then apply the fuel and lubricant to run it efficiently and effectively.

The macro organisation of most civilised countries comprises a judicial authority, a legislature, an executive authority and the administration, and sometimes parastatals. These institutions are expected to represent, act according to, and adhere to the common values and principles of the society (Gildenhuys, 2004:122). For the purpose of a clear understanding, it is imperative to draw a distinction between the executive authority and the administrative authority. The administrative authority is seen in most instances as being a separate entity, existing under the auspices of the executive, which has the responsibility of executing the policies of government. This does not mean that the legislators and the judicial authority lack administrative organs. The administrators are grouped as a body of individuals in departments whose tasks are to carry out the instructions of the legislators as manifested in acts, ordinances, bylaws or regulations and which govern the day-to-day implementation of policies.

Looking at the necessity of government in the focus of this study on tourism as the tool for local economic development in the Transkei Wild Coast, Gildenhuys (2004:157) considers that government's involvement in the economy should be classified in three ways, according to the means by which it takes place:

a) **Government as a political agent**
The government may act as a political agent through the enforcement of legislation, regulations and administrative prescriptions that serve to control and regulate economic activities and development. An example of this would be an act that sets limits to individual and group action which is not aimed at serving economic growth and development in the public interest (Gildenhuys, 2004:157).

b) **Government as a political economic agent**
The government may also act as a political economic agent and take positive steps to provide guidance and material support to initiate and launch economically viable enterprises. Some scholars in this field and other fields see this function as the most desirable form of involvement.

Various mechanisms can be used to create an environment in which the economy can flourish, such as:

·   Government preference for domestic production;

·   Making provision for technical, scientific and industrial research;

·   The creation of socio-economic privileges and advantages such as property rights; and

·   Laws that govern the contractual agreements and judicial procedures that protect the individual and the group in the economic sphere (Gildenhuys, 2004:157).

c)   **Government as an entrepreneur**

Government may act as an economic entrepreneur in the community by producing a variety of goods and services that are traded as particular services or goods on a commercial basis. This is especially applicable to strategic services like transport, fuel, steel, communication and electricity. The involvement of government as an economic agent manifests itself in the creation of public enterprises, public corporations, or other types of semi-government organs that are utilised to perform this function. In the case of South Africa, this involvement functions through the existence of government-driven enterprises like the Electricity Supply Commission (ESKOM), SPOORNET and PORTNET (Gildenhuys, 2004:157). Creating clarification of the role and necessity of government in society is the proper application of the management functions of public administration as explained by Gildenhuys (2004:173). These functions can be seen as tools for steering and controlling the activities of a government organisation towards attaining its goals and objectives according to government policy. These management functions are:

·   decision making

·   policy making

·   programming

·   organising

·   co-ordinating

·   communicating

·   control

·   planning

·   leadership

2.7 Theory, philosophical arguments and tourism

McIntosh and Goeldner (1986:1) look at tourism as the sum of the phenomena and relationships arising from the interaction of tourists, business, suppliers, host governments and host communities in the process of attracting tourists and other visitors. Pearce and Butler (1993:17) state that the understanding of tourism could be very different as they argue that in the first case, tourism is above all an industry or market. From the point of view of the tourist, tourism means consumption. From the point of view of the broker and local population, tourism is a source of income. Essentially, tourism is a form of man's behaviour. Tourism can be a means of getting to know the world, of meeting people, of constructing a 'noosphere' (a sphere of the mind), and of seeking perfection. It is a contemporary way of living.

Tribe (1997:642) has another perspective on the study of tourism. He states that it uncovers new ways of seeing tourism, maps out new concepts, elaborates new theories and builds up a body of knowledge. Tourism studies are, however, essentially less than the activity they describe and generalise the phenomenal world of tourism and of proposing theories. Tribe believes that tourism studies are only a microcosm of tourism. Furthermore, he argues that indeed there may well be interesting aspects of tourism which are not as yet revealed or discovered by the study of tourism. Goeldner (1988:45) sums up by saying that tourism as a discipline is still in its formative stages.

Looking at tourism as a subject for many disciplines, Pearce and Butler (1993:12) point out that tourism is a very complex phenomenon and as a result, many disciplines have developed an interest in it. These disciplines include: psychology, pedagogies, sociology, anthropology, economics, marketing, law, geography, architecture, physical planning, history, philosophy, ecology, political science, biology and medicine. However, critics of the study of tourism maintain that it is not yet a discipline. They argue that tourism rightly constitutes a domain of study, but at the moment it lacks the level of theoretical underpinning which would allow it to become a discipline (Cooper, Fletcher, Gilbert & Wanhill, 1993:1).

These critics could be informed by Goeldner's argument that tourism as a discipline is still in its formative stages. Or by Tribe's belief that interesting aspects of tourism are yet to be revealed or discovered by the study of tourism. None of these critics dismisses the philosophical and epistemological existence of the study of tourism, they are merely arguing about standing as a discipline in its own right. In the light of this last statement, the study of tourism in this study is

affirmed as a discipline in its own right. It should not be confused with interest shown by other disciplines that contain certain elements that may include aspects of the study of tourism. Rather, this should be seen as the dynamic nature of the study of tourism as a discipline (Tribe, 1997:643).

The following section sums up how tourism as an industry for business is seen by many through the descriptions of McIntosh and Goeldner, and Pearce and Butler. In the light of these descriptions the Transkei Wild Coasts' host communities are faced with the substantial task of presenting their area to all the people who visit it, in a special way, so that every visitor retains a feeling of wanting to return.

Pearce and Butler (1993:11) argue that tourism has four critical attributes, namely economic, psychological, social and cultural attributes:

a)   As an economic phenomenon, tourism develops according to economic forces, especially those of supply and demand. Accordingly, tourism is seen as a business activity and hence terms like 'tourist market'.

b)   Tourism as a psychological phenomenon. In this attribute, a tourist trip is   preceded by a specific need (or needs) which generates a motive for travel and establishes a purpose for the trip. An image of the trip is first created in the imagination of the tourist.

c)   Tourism as a social phenomenon. This is informed by the interactions experienced by tourists as they assume a social role during the course of the trip. Social contacts, occasional or frequent, are experienced with people such as fellow travellers, trip organisers, guides and the local population. Social ties may develop as a result.

d)   Tourism as a cultural phenomenon. Tourism is a cultural phenomenon, a function and manifestation of culture, but tourism also involves a transmission of culture and is in a sense an encounter, a 'shock' or 'clash' of cultures. This is what Smith (1989:22) emphasises as the tourism factor in cultural change.

Arguing from a philosophical cause and effect position, Tribe (1997:641) advances key dimensions of the tourism phenomenon:

- Those related to tourists e.g. motivation, choice, satisfaction and interaction;

- Those related to business that include marketing, organisation and corporate planning of transport, hospitality and recreation;

- Those related to host community that include perceptions, economic, social and cultural impacts;

- Those related to the host environment that include ecological impacts;

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- Those related to host governments that include measurement of tourism, policy and planning; and

- Those related to generating country that includes economic, environmental and cultural effects.

Looking at the relationship between tourism as a phenomenon and the study of tourism, the three worlds of Popper (1975:10) offer a useful framework for distinguishing between the two (tourism the phenomenon and the study of tourism). **World I** is about the external world, **World II** is about human consciousness and **World III** is about the world of objective knowledge. Explaining **World I**, Popper argues that tourism as a phenomenon is that external world where humans go about the business of being tourists. This is not the same world as the study of tourism. Popper believes that the latter consist of a tourism research community (**World II**) and a symbolic record of objective tourism knowledge (**World III**). It is an attempt by humans to capture, to represent, to describe, and to explain the phenomenon of tourism.

2.7.1 Tourism and economic development theories

Fletcher (2005:298) states that there have been a number of theories put forward to explain the process of economic development. A few of the more influential developments include:

a)   The English classical theory of economic stagnation;

b)   Marx's historical approach;

c)   Rostow's identification of stages of economic growth;

d)   Vicious circles of demand /supply and investment;

e)   Balanced and unbalanced growth theories, and

f)   Theories of independence.

2.7.1.1 The English classical theory of economic stagnation

The English classical theory of economic stagnation emanated from the classical writings of the early economists Malthus, Mill and Ricardo who were much influenced by Newtonian physics, with the belief that life was never random and was ordered by some 'grand design'. An assumption is made that in the event of no technology progress, output is constrained by the scarcity of land, and the law of diminishing returns. If food production increases, wage rises and the extra food is available, it means that the population becomes healthier and grows. As the population increases there are more mouths to feed and more units of labour with the fixed

supply of land. As the labour force is increased the average wage rate falls and continues to do so until a subsistence wage is reached. If the wage rate falls below subsistence level then the population declines and the scarcity of labour forces the average rate back up to its natural level. Given the lack of any technological progress, the only way to mitigate against diminishing returns is to increase the capital accumulation per worker (Fletcher, 2005:298).

Criticising this theory, Fletcher opines strongly that there are good grounds for viewing the English classical theory to be a theory of doom and gloom. The flaws in the theory are many and include the neglect of technological progress that can significantly increase the output per worker. Also, the assumption that population growth is uniquely determined by prosperity is found to be wanting, particularly in industrial countries where voluntary birth control has stabilized population levels. The ownership of capital and land is not necessarily the prerogative of the private capital owners. State ownership of capital and land may result in a different set of objectives that may allow continued growth.

For the Transkei Wild Coast area, economic development and land issues are still heated issues. There is conflict not only over land ownership between the Royal House or traditional leaders and local government, but also as to who has the right to distribute land and in what form and who benefits most. When considering the possibility for partnership tourism development, of critical significance is the fact that 86% of land in the Transkei area is subject to traditional or communal tenure (Phillips-Howard & Porter, 1996:375). In addition, there is a lack of openness concerning the conflicting views on management of the environment and the possible negative effects of any development in the area. This lack of openness about differences may delay economic development, including tourism (Kepe, 2001:21).

2.7.1.2 Marx's development approach

Fletcher (2005:298) explains that Marx's materialism approach to development is framed within a dynamic world rather than on the static scenario used by classical economists. Within this dynamic view of development, changing technology, enhanced organisation of production and development of human skills all work together to provide the lubricant for the engine of change. The world as seen by Marx and Engels, moved naturally from feudalism to capitalism, to socialism and then to communism. The economic consequences of the rise of capitalism includes expanding more slowly than productive capacity and an increase in monopoly power that forces out small business, creating a segment of production workers without property. The

dynamics of this result in what Marx referred to as a reserve army of unemployment that acts as a buffer to absorb the shocks as the economy expands and contracts during business cycles (Fletcher, 2005:298).

Fletcher, in criticising this theory, argues that there are number of flaws. One is that when the Russian revolution took place—when the proletariat took over the state—Russia was one of the least developed countries in Europe. The theory relies upon conflict existing between the objectives held by capitalists and those held by the proletariat. If there is no conflict and both sides realise that they can prosper if they both decide to share a fast-growing output, then the dynamism of Marx's theory takes a serious blow.

2.7.1.3 Rostow's theory of growth and development

Rostow's theory identifies five stages, through which economies pass as they develop:
- a) the traditional (pre-industrial) society;
- b) the pre-conditions for economic take-off;
- c) economic take-off;
- d) self-sustained drive towards maturity; and
- e) the age of mass consumption (Fletcher, 2005:298).

Rostow's theory argues that there is a natural inertia that needs to be overcome before self-sustained development can take place. This inertia is overcome by a build-up of transport investment, enhanced organisation and production in agriculture, and increased imports, particularly capital. Rostow refers to these three factors as the pre-conditions for take-off. These pre-conditions are deemed to have been met when countries experience a rapid increase in net investment, have a major leading economic sector with strong linkages to other sectors and have in place the necessary infrastructure to support the development of modern industries. Once the pre-conditions for take-off have been met and take-off has started, then the economy is deemed to be en route for self-sustained consistent growth. This stage is associated with migration from rural to urban areas, a developed labour force and a state system that provides stability. This process of self-sustained growth will continue until it matures into a stage of mass consumption where the ownership of durable goods is considered to be the norm (Fletcher, 2005:300).

Critics of this theory argue that it is too vague, overly simple and impossible to test. Rostow critics continue to argue that it lumps together a wide range of countries under the category of traditional economies, irrespective of their resources, history, or structure. A fundamental criticism of the Rostow theory is that it implicitly assumes that development today will mirror the development process that was experienced by today's developed countries and that today's developing countries all have the same objectives for development as today's industrialised countries had in the past. This ignores the effects of international linkages and trade (Fletcher, 2005:301).

2.7.1.4 Circle of demand/supply and investment

This theoretical approach on development suggests that counties are poor because they always have been poor. The poverty leading to poverty premise can be examined from either the demand side or supply side to arrive at the same conclusion. From the demand side it is suggested that if a country is poor then the levels of income will be low. This means that the level of demand for goods and services will also be low and therefore, there is no incentive for entrepreneurs to invest in additional productive capacity. It follows that the amount of capital per worker remains low, productivity remains low and this sustains the link between low income and low demand. From the supply side there is a suggestion that low-income levels present few opportunities for saving and this means that there is little in the way of capital availability to invest in productive capacity. With low investment there is low capital per worker and this maintains the low productivity which leads to low income and savings (Fletcher, 2005:301).

Critics of this theory argue that it is appealing in its simplicity but it is this simplicity that gives most cause for concern. The link between income levels and savings at national level is not as obvious as this theory suggests. Corporate savings is an important element of total savings and in many cases the marginal propensity to consume may not be significantly higher than in industrialised countries where there are constant forces trying to induce consumers to spend more (Fletcher, 2005:301).

2.7.1.5 Balanced and unbalanced growth approaches

These theories are variants of a theme and relate to whether development occurs across all sectors or whether there is development in a few leading sectors that will act as catalysts for development across the economy as whole. The balanced growth theory suggests that it is not

possible to overcome the natural inertia in a stagnant economy by only investing in and developing a few sectors.

There is indivisibility in infrastructure that requires a broader development platform if it is to be successful and investment decisions regarding infrastructure often have linkages with other investment decisions without which they will not be viable. As an alternative, there is the suggestion that unbalanced growth, where investment occurs in just a few leading sectors, is far more achievable with resources of developing countries and that these leading sectors will drag the other sectors up in their wake (Fletcher, 2005:302).

2.7.1.6 Dependency theory of development

The dependency theory of economic development suggests that the ability of an economy to achieve autonomous development is determined by its dependency upon other countries. The greater the dependency upon other economies, the lower the ability to achieve economic development. Proponents of this theory cite the colonial periods as evidence of foreign powers exploiting less developed countries in order to grow richer as result of their relationship, even to the point of de-industrialising them (Fletcher, 2005:304).

There are many instances where colonialism can be seen to have such a negative impact on the economic development of its former colonies. Furthermore, there are many countries that were never colonised and that have remained underdeveloped, such as Afghanistan and Ethiopia. Nevertheless, there are few people who would argue that colonialism and dependency did not lead to the suffocating of indigenous development forces through:

a)   Migration of workers from rural to colonial organised urban areas;

b)   Cropping the best workforce members to work in colonial offices;

c)   Foreign trade on unfair terms; and

d)   Opening of local markets to foreign companies (Fletcher, 2005:304).

2.8   Summary

A philosophical and theoretical basis of the discipline of public administration and management and that of tourism development was presented in this chapter. This clarified and gave an in-depth understanding that should inform the correct conduct and articulation of this study for tourism as a catalyst to LED in the Transkei Wild Coast. Linking these two disciplines is the tourism industry, which this study argues is still at the infancy level. Government, through

municipalities in this area, should play a leading role in injecting funds for the development and growth of this industry. The clear rationale is that government, from its foundation in a state, has three ways of involvement in a society: first as a political agent, secondly, as a political economic agent and lastly as an entrepreneur.

On tourism as a discipline and an activity, tourism literature articulates that tourism studies are essentially less than the activity they describe. Tourism studies generalise about the phenomena in the world of tourism and the postulation of theories. Hence some tourism scholars, such as Tribe, believe that tourism studies constitute only a microcosm of tourism. Tribe continues to argue that indeed there may well be interesting aspects of tourism which are not as yet revealed or discovered by the study of tourism.

The next chapter will present a focused and concise explication of the legislative framework in relation to tourism development in South Africa in general and in the Eastern Cape Province in particular, with the purpose of assessing how the status of policy intent, regulations and guidance in this industry has progressed since 1994.

CHAPTER THREE

LEGISLATIVE FRAMEWORKS PERTINENT TO THE STUDY: LITERATURE REVIEW

3.1   Introduction

The adoption of the Constitution of the Republic of South Africa, Act 108 of 1996, created numerous expectations for all South Africans, rich and poor, the conquered and the conquerors, developed and the undeveloped. These expectations emerged also as legitimate rights: Chapter 2 of the Constitution pronounced them to be a bill of rights that serves as the cornerstone of democracy in South Africa. The Constitution introduced a legislative framework requirement for South Africa, a country which although formally divided, with different legislative frameworks, then had to accept the path forward as a united society that should embrace the rule of law as binding and equal to each and every citizen (South Africa, 1996b). This post-1994 legislative framework has specific relevance to tourism as a catalyst to LED of the Transkei Wild Coast.

Under the Constitution the sphere of local government is very relevant to the theoretical model for tourism as catalyst to local economic development. This document makes it clear that the development of South African communities is a compelling legislative requirement that must achieve certain results. Further, a mandate is given to all municipalities that government policies should be developed with the purpose of advancing the LED interests of their host communities.

In this study, specific emphasis was placed on a theoretical model for tourism as a catalyst to LED in the Transkei Wild Coast. The argument flow took as its foundation the acceptance that the final Constitution is the point of departure for all legislative frameworks for tourism as a catalyst to local economic development. This was explored through the study of relevant sections and sub-sections of the final Constitution and of the broadly established policies across the spheres of government.

3.2   Legislative frameworks and economic development

According to Shihata (1999:xviii) standard writings speak of such framework in terms of the formulation of rules needed for a functioning economic development. By contrast, Shihata believes that a sound legal framework must be defined in terms of a comprehensive system based on three essential elements:

a) **Legal binding rules**

Such rules, whether they are legislative or administrative in character, should not only be known in advance, they must apply equally to all those addressed by them. They should not be meant to benefit or hurt a specific person or persons through an abuse of power. Their content should respond to genuine social needs and, where appropriate, reflect a pre-existing or emerging public opinion. They should cover laws on movable, immovable and intellectual property, including registration, mortgage and transferability. They should also include contract law, tort liability law, companies, partnerships and co-operatives laws, central banking, collateral security law, insolvency laws and labour laws. Both the business community and general public should have access to sufficient information about applicable laws and regulations (Shihata, 1999:xviii).

b) **Appropriate processes**

Appropriate processes are those processes through which such rules are made and enforced in practice. The appropriateness of such processes of rule-making, rule-enforcing and rule-changing differs according to the culture, political system and other circumstances of each country. Simplicity of processes, transparency of legal process, participation of affected people and accountability of the public officials involved in these processes adds to the legitimacy of the rules and contributes to the public's confidence in the legal framework as a whole (Shihata, 1999:xviii).

c) **Well-functioning public institutions**

The last element of the desired legal framework consists of well-functioning public institutions, which are staffed by trained individuals, are transparent and accountable to the citizens, are bound by and adhere to regulations, and apply such regulations without arbitrariness or corruption. An efficient and honest civil service, along with regulatory bodies for the financial sector and public utilities in particular, ensure the appropriate application of legal rules, especially when their decisions are subject to judicial review (Shihata, 1999:xviii).

Shihata (1999:xxi) believes that a legal framework with legal binding rules, appropriate processes and well-functioning public institutions is not limited to the formal legal system. In all societies, informal rules of custom and usage play an important role. This is particularly true when law enforcement is weak and when corruption is widespread. In such situations, formal law

may in many respects be replaced in practice by informal rules which receive greater compliance. Safe to say, a legal framework therefore cannot serve its purpose if adequate attention is not paid to the issues of enforcement, compliance and effectiveness.

3.3 The Constitution of the Republic of South Africa, Act 108 of 1996 (hereinafter referred to as the Constitution)

3.3.1 A brief background and the basis of the South African constitutional imperatives

South Africa's history has been marked by deep divisions between its indigenous people and those of European origin. A European settlement was first established at the Cape Good Hope by the Dutch East India Company in 1652, for the provision of its ships bound for the East. As the settlement grew into a colony and expanded northwards, bringing the colonists into conflict with the indigenous population, European dominance was gradually extended and entrenched. During the centuries that followed, black people were mostly excluded from representative government and from many of the rights and privileges enjoyed by the country's white inhabitants (Juta Law, 2009:xiii).

In the last decade of the 20th century, after a long struggle to achieve equal rights for all, this changed. In a historic speech at the opening of Parliament on 2 February 1990, Mr FW de Klerk (former President of the old apartheid South Africa) announced the unbanning of the leading liberation movements, including the African National Congress (ANC), and the Pan Africanist Congress (PAC), which was followed by the release of political prisoners. Following a long negotiation process between apartheid government and the leading liberation movements, a new constitution was drafted and adopted on the 10th May 1996 which was preceded by the interim constitution. This new Constitution established the fundamental elements of constitutionalism and contained within the text are values which include human dignity, the achievement of equality, the recognition and advancement of human rights and freedoms, the supremacy of the Constitution and the rule of law (Juta Law, 2009:xix). Commenting on the rule of law, Woolman (2008:7) states that the 'rule of law' functions as a fundamental principle of any constitutional democracy. That is, all actors, the governors and the governed, are bound by the same set of rules. Frank Michelman's view (cited in Chaskalson, Kentridge, Klaaren, Marcus, Spitz & Woolman, 1996:36) posits that the South African constitutional values appear to mean that the state of social affairs, to which South Africa as a political community now is committed, is one that is to be promoted and sustained by governmental and other social means, that themselves are consonant with the Constitution. Values, thus understood, serve as reasons for

rules. That means they also are available to serve as guides to the interpretation and application of rules, when guidance is needed because the proper extension of the rule is not facially self-evident. However, Michelman believes that the values stated in the South African Constitution serve as reasons for rules. Conversely, rules serve to implement values. In their observation Chaskalson *et al.* (1999:1) point out that the South African final Constitution entrenches constitutional democracy and a sovereign Bill of Rights. In the same context, the establishment of a constitutional democracy, Nwabueze (1973:5) emphasises the fact that government is a creation of the Constitution. Further, it is the Constitution that creates the organs of government, clothes them with powers, and in so doing delimits the scope within which they are to operate. Any exercise of power outside the Constitution or which is unauthorised by it, is invalid.

Some of the above-mentioned constitutional values point directly and become relevant to a theoretical model for tourism as the catalyst to LED in the Transkei Wild Coast, which advocates the desire to see human dignity and the equality of human rights and freedoms to be realised in this area. Leibowitz and Spitz (1999:17-26) state that alongside the right to life entrenched in final Constitution, section 11, the right to dignity has been described by the Constitutional Court of South Africa as the most significant of all human rights, and the source of all other personal rights in the Bill of Rights. In her concurring opinion in *S vs Makwanyane and another,* O'Regan J (cited in Leibowitz & Spitz, 1999:17-6) points out that:

> The importance of dignity as a founding value of the new Constitution cannot be overemphasised. Recognising a right to dignity is an acknowledgement of the intrinsic worth of human beings. Human beings are entitled to be treated as worth of respect and concern. This right therefore is the founding of many of the other rights that are specifically entrenched in chapter 3... Human dignity is important to all democracies. In an aphorism coined by Ronald Dworkin, because we honour dignity, we demand democracy.

Local economic development is a key concern to be addressed if the right to human dignity is to be realised in the Transkei Wild Coast area.

Sections 153 (a) and (b) of the Constitution point out the significance of the sphere of local government, which, because it is close to LED needs, carries a critical constitutional mandate. Sub-section 153(a) states that local government must structure and manage its administration and budget and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of that community; sub-section 153 (b) broadens the mandate of sub-section (a) by giving the directive that this sphere of government must participate in national and provincial development programmes.

A conclusion may therefore be drawn that successful co-operation for developmental purposes is also a constitutional obligation, hence the directive of section 154 sub-section (1) that the national government and provincial government, by legislative and other measures, must support and strengthen the capacity of municipalities to manage their own affairs, to exercise their powers and to perform their functions.

The supreme law of the Republic of South Africa states that one of its goals is to improve the quality of life of all citizens for the better and free the potential of each person (South Africa, 1996b:1). Does this mean that if this constitutional goal is not executed and realised by its citizens, that the supremacy of the South African Constitution loses its status or has no relevance? Does this constitutional supremacy hold any meaningful sense and command the respect and loyalty of South African communities whose economic conditions still remain undeveloped and underdeveloped? Is this breach of the constitutional law already entrenched? Bayat (2008:69) holds a view that the South African Constitution represents the collective wisdom of its people and has been arrived at by general consensus. It is therefore imperative that the Constitution and the fundamental principles enshrined therein be used as a guideline for all socio-economic, cultural, economic and other interactions in South Africa. According to Shihata (1999:xviii) development was seen as a function of economics and engineering. More recently, social scientists, political scientists and environmentalists have started to play an increasingly important role in what has come to be called 'sustainable development'. Shihata argues that for development to be truly sustained, however, it has to be a comprehensive process in which all disciplines and professions fully participate. Law, in particular, as the formal instrument of orderly change in society, plays a pivotal role, even though this role has not always been readily recognised. This lack of understanding of the critical role of the rule of law in economic development occurs despite the reality that there are basic requirements for proper functioning of normal life in a free society that are also key elements for the success of any economic development. These include physical security, a minimum measure of stability and predictability, free competition and fair treatment in a level playing field and a social safety net to protect the poor and vulnerable. The rule of law is a prerequisite for all these concepts, concludes Shihata (1999:xviii). Seidman, Seidman and Walde (1999:3) taking their view from the angle of building sound national frameworks for development and social change, argue that around the world, many governments have tried to use the state and the legal order to transform their economies radically. This has happened in Eastern Europe and in China from centrally

planned to more or less market economies, in the Third World from dependent colonial to independent economies, in South Africa from a segregative apartheid system to a colour-blind system to meet all its citizens' needs. Looking at the South African Constitution as the last great modernist project Woolman (2008:31) has this to say:

> South Africa remains, to my mind, the last great modernist project. Its Final Constitution is certainly written as if it is such. It commits its people to great ideals and the material transformation of its people's lives.

Nwabueze (1973:28) links the concept of constitutional supremacy with constitutional legitimacy, which can at once be seen, since the rationale of this supremacy is that it emanates from the will of a body superior to the legislature, namely the people. Nwabueze (1973:28) further explains that the legitimacy of a constitution is concerned with how to make it command the loyalty, obedience and confidence of the people. In this study, the theoretical model for tourism as a catalyst to LED in the Transkei Wild Coast is identified as one of the imperatives to achieve the South African constitutional goals.

The development of workable recommendations for tourism as a catalyst to LED, engagement and design, is therefore seen not only as a means to create constitutional loyalty and confidence in the Transkei Wild Coast communities, but also as a catalyst to beneficial material transformation of its inhabitants.

Nwabueze (1973:2) gives a warning that there are many countries in the world today with written constitutions but without constitutionalism, as the constitution, in some of these countries is used to facilitate or even legitimise the assumption of dictatorial power by the government. Akiba (2004:4) describes constitutionalism as a distinctive form of political order, it enshrines human dignity as a cardinal principle, emphasises the rights of citizens to political participation, and underlines the need for institutional restraints on substantive matters to prevent government trampling on fundamental rights. According to Akiba, the main thrust of constitutionalism has been the genuine acknowledgement of the role of government, coupled with the determination to bring that government under control and to place limits on the exercise of its power. Okoth-Ogendo (1991:20) holds the view that the essence of constitutionalism is fidelity to the principle that the exercise of state power must seek to advance the ends of society. Demonstrating a different understanding and interpretation of what should be the role of a constitution in the state, Julius Nyerere, the Tanzanian former President, in Okoth-Ogendo (1991:7) states:

> We refuse to adopt the institutions of other countries even where they have served those countries well because it is our conditions that have to be served by our institutions. We refuse to put

ourselves in a straight-jacket of constitutional devices – even of our own making. The constitution of Tanzania must serve the people of Tanzania. We do not intend that the people of Tanzania should serve the constitution.

There are many different views held about the impact and politics of constitution and constitutionalism, the history and impact of constitutional democracies in Africa and the difference that constitutional democracy has made within the African states, as compared to colonial governments. There are also questions that require a careful scrutiny of Africa's immediate past history that have a number of historical legacies, that are raised by Okoth-Ogendo (1991:6), namely the nature of the legal order, which many of the African states inherited at independence and perpetuated after it, a highly fractionalised political culture which sought to institutionalise conflicts and to strengthen centrifugal forces rather than to nurture and cement national unity, and the inter-play between the legal bureaucratic order and a fractionalised political process in the arena of the economy.

The above views were not investigated in this study because the scope would have been too broad. This study only focused on the best ways to advance improvement in the standard of living in South Africa, within the provisions of the current South African constitutional democracy, in the absence of other forms of power organisation and distribution, for the good of society.

3.4   White Paper for the development and promotion of tourism in South Africa, 1996

Developed to provide a policy framework and guidelines for tourism development in South Africa, this White Paper (South Africa. DEAT, 1996:5) outlines the role of tourism in South Africa by looking first at its potential, where it describes South Africa's resource base for tourism as phenomenal, and holds that the attractiveness of tourism lies in its diversity (see Appendix A).

Some of the features which make South Africa an incredibly attractive tourism destination include:

a) accessible wildlife

b) varied and impressive scenery

c) unspoiled wilderness areas

d) diverse cultures (in particular traditional and township Africa cultures)

e) a generally sunny and hot climate

f) a well-developed infrastructure

g)   virtually unlimited opportunities for special interest activities, such as whale-watching, wild water rafting, hiking, bird-watching, bush survival, bush sea fishing, hunting and diving (South Africa. DEAT, 1996:6).

In addition, South Africa has unique archaeological sites and battlefields, the availability of conference and exhibition facilities, a wide range of sporting facilities, good communication, medical services, and internationally known attractions (Table Mountain, Cape of Good Hope, Sun City, Kruger National Park, Garden Route, Maputaland). Of more relevance to this study is the acknowledgement in the White Paper (South Africa. DEAT, 1996:6-7) that notwithstanding all the above-mentioned advantages, South Africa has not been able to realise its full potential in tourism. Tourism development in South Africa and in the Transkei Wild Coast in particular, has largely been a missed opportunity. Had its history been different, South Africa would probably have been one of the most visited places in the world. As such, the potential of the tourism industry to spawn entrepreneurship, to create new services (e.g. local entertainment, handicrafts etc.), to drive other sectors of the economy, to strengthen rural communities, to generate foreign exchange and to create employment, has not been realised. For this reason, the discussion on the theoretical framework for tourism as a catalyst to local economic development in the Transkei Wild Coast is strongly present throughout this study. The study argues that the Transkei Wild Coast, with the necessary infrastructure and solid partnerships in place, will become one of the most popular tourist destinations in the country.

There are key challenges that the tourism industry needs to overcome if it is to grow in South Africa and the Transkei Wild Coast in particular. Following are some key constraints, noted in the White Paper, which need to be taken into account (South Africa. DEAT, 1996:8):

a)   **An inadequately resourced and funded tourism industry**
Government has a limited view of the potential of this industry and as a result, marginal resources have been devoted to developing and promoting the sector.

b)   **The myopic private sector**
The short-sighted private sector seems to have a negative impact on this industry. For example, hotels, and indeed other tourism establishments, tend to have a rather limited view of the product they offer and seem to focus only on goods and services within the bounds of their own interests. If this attitude of the myopic private sector changed by taking a broader view of the products offered and building partnerships with the government, local communities and other private sector interests, the highest level of customer satisfaction can be achieved.

c) **The limited involvement of local communities**

The poor involvement of local communities and previously neglected groups in the industry presents critical challenges which need to be addressed. While this limited involvement has been largely due to the previous government's policies, the need to reverse this situation is of urgent significance.

d) **Inadequate tourism education, training and awareness**

The greatest deficiency in the tourism industry in South Africa is identified as the absence of adequate education, training and awareness opportunities. The previously neglected groups in society are highly disadvantaged and the job of levelling the playing field is a massive one. One of the key vehicles for doing so is education and training, a basic necessity to which the majority of the population has not had access.

e) **Inadequate protection and management of the environment**

Environmentally, South Africa is an incredibly unique and rich country. The World Wide Fund for Nature: South Africa estimates that South Africa is the third most biodiverse country in the world, has one third of the plant species in the world and 8% of the world's plants. The country has a well-maintained network of protected areas and is globally renowned for its conservation practices. However, despite this excellent record in conservation, South Africa is one of the environmental hotspots in the world with 2 000 plant species on the endangered list.

Some of the main environmental problems and issues identified include:
- Unequal land distribution and landlessness;
- Soil erosion;
- Deforestation;
- Water shortages and pollution; and
- Air pollution (South Africa. DEAT, 1996:8).

f) **Poor services**

There is a general culture of poor service in the tourism industry and related sectors, with little excitement in delivering service or to go the extra mile to satisfy the customer. The problem is that this seems to be an accepted norm by the majority of domestic tourists.

g) **Lack of infrastructure, particularly in rural areas**

In South Africa there is a lack of a fully integrated infrastructure in the rural areas, which limits the participation of rural communities in the tourism industry. In addition, the absence of adequate transportation services effectively prevents rural communities from participating in the industry, both as potential suppliers of products and services, and as tourists themselves.

h) **Lack of appropriate institutional structures**

The lack of commitment to the tourism industry in South Africa is partially evident from the institutional provisions made for the sector. For example, the South African Tourism Board (SATOUR) is the statutory body mandated with the marketing and promotion of tourism in South Africa. Although SATOUR has representative offices in the international marketplace, in the provinces, SATOUR offices have been disbanded and are being replaced by Provincial Tourism Organisations.

At provincial and local levels, tourism organisations are still in disarray, with some provinces way ahead in terms of their tourism structures, marketing, and promotion. Provincially, autonomy has unfortunately created a situation in which provinces are going abroad to market themselves individually. This situation is creating confused destination images, not to mention the inefficient use of resources and the missed opportunity to reinforce South Africa's name in the international marketplace (South Africa. DEAT, 1996:8).

It is significant and necessary to develop inclusive national, provincial, and local structures for the development, management and promotion of the tourism sector in South Africa. The extent and the nature of these organisations must be influenced by a new mandate, vision and objectives set for the sector (South Africa. DEAT, 1996:8).

i) **Tourism security**

The major constraint to overseas tourism growth is the actual and perceived levels of ongoing violence and crime. Well publicised incidents involving tourists, as well as a high level of crime

affecting the local population who invariable play host to a large number of foreign visitors, significantly constrain tourism growth for overseas visitors.

The White Paper (South Africa. DEAT, 1996:21) outlines its vision of tourism as a united, sustainable and competitive industry in South Africa which it argues, will lead global best practice. This vision is supported by the following objectives:

j)   **Economic objectives**

To generate economic growth and foreign exchange, by aggressively developing and promoting tourism:

   i)   to establish tourism as a national priority;

   ii) to create sustainable employment opportunities and contribute to the well-being of all the people of South Africa;

   iii) to optimise opportunities for SMMEs, specifically emerging entrepreneurs;

   iv) to use tourism to aid the development of rural communities;

   v)   to promote domestic tourism amongst all South Africans;

   vi) to encourage tourism growth and co-operation in Southern Africa;

   vii) to facilitate balanced tourism development in South Africa;

   viii) to create a conducive tourism investment climate;

   ix) to encourage linkages between tourism and other industries in order to curb leakages and stimulate the multiplier effect; and

   x)   to lengthen the tourism season in order to minimise the negative effects of seasonability on the industry.

One element of tourism as a catalyst to economic development in the Transkei Wild Coast is about the engagement of tourism economic viability. This viability covers sustainability of the tourism industry, its potential to create long-term employment opportunities for host communities, the measurable impact of the tourism economic multiplier effect to host communities and wealth accumulation by host communities as their development benefit. Esman (1991:5) looks at development as the steady progress towards improvement in the human condition, the reduction and eventual elimination of poverty, ignorance, disease, and the expansion of well-being and opportunity for all. Esman holds the view that since development entails rapid change, any development should be directed towards specific ends which may

include social, political and cultural transformation, as well as economic. It implies modernisation, secularisation, industrialisation and urbanisation but not necessarily Westernisation. Bearing in mind that this study is directed towards the development of workable recommendations for tourism as a catalyst for economic development in the Transkei Wild Coast, this means that the Transkei Wild Coast has to look at its political, social, and cultural transformation as well as economic, to meet the development needs of the area.

k) **Social objectives**

   i) to develop tourism with dignity by encouraging mutual respect for all cultures and eliminate all forms of discrimination on the basis of language, religion, culture,   race, sex, age, wealth, ability or other;

   ii) to provide appropriate tourism education, training, awareness and capacity building programmes, especially aimed at previously neglected groups;

   iii) to encourage participation by all South Africans in tourism project planning, implementation, management, policy formulation and development;

   iv) to promote pride in cultural resources of the country;

   v) to use tourism as a catalyst to human development, focusing on gender equality, career development and the implementation of national labour standards; and

   vi) to monitor and minimise any potentially adverse social impacts of tourism (South Africa. DEAT, 1996:21).

l) **Environmental objectives**

   i) to make the tourism industry in South Africa a leader in responsible environmental practices;

   ii) to require integrated environmental management principles for all tourism projects and major economic development projects;

   iii) to encourage the conservation and sustainable usage of tourism resources; and

   iv) to contribute to the development of a co-ordinated country-wide environmental strategy.

These environmental-related objectives respond to the matter of a responsible tourism industry as the tool for effective and efficient tourism which must observe the environmental demands. Critically important for this objective, is an emphasis on the concept of sustainable tourism development, which advocates that there should be benefit for the present generations without compromising the benefit for future generations ((South Africa. DEAT, 1996:21).

3.5   National Resources Heritage Act, 25 of 1999

History in a country such as South Africa, is a monument to a long journey of different experiences to self-determination many of which have their individual legacies. These legacies present themselves in numerous ways, physical, cultural, political, social and economical. All these experiences towards a united and transformed South Africa have contributed to making of a unique heritage. The promulgation of the National Heritage Resources Act 25 of 1999 came as an attempt to ensure that this unique heritage is preserved and shared for the benefit of present and future generations, as it has to inform where South Africa comes from, where it is going and how it would like to see its future.

General principles are stated in sub-sections (1), (2) and (3) of section 3 of the National Heritage Resources Act (South Africa, 1999) that concern the national estate for the purpose of this Act. It says that those heritage resources of South Africa which are of cultural significance or other value for the present community and for the future generations must be considered part of the national estate.

In sub-section 2 of section 3 the Act continues to state that, without limiting the generality of sub-section (1), the national estate may include:

a)   places, buildings, structures and equipment of cultural significance;

b)   places to which oral traditions are attached or which are associated with living heritage;

c)   historical settlements and townscapes;

d)   landscapes and natural features of cultural significance;

e)   geological sites of scientific or cultural importance;

f)   archaeological and palaeontological sites;

g)   graves and burial grounds, including:

h)   ancestral graves;

i)   royal graves and graves of traditional leaders;

j)   graves of victims of conflict;

k)   historical graves and cemeteries;

l)   graves of individuals designated by the Minister by notice in the Gazette;

m)   historical graves and cemeteries; and other human remains which are not covered in terms of the Human Tissue Act, No. 65 of 1983 (South Africa, 1983).

n) sites of significance relating to the history of slavery in South Africa

o) movable objects, including:

   i) objects recovered from the soil or waters of South Africa, including archaeological and palaeontological objects and materials, meteorites and rare geological specimens;

   ii) objects to which oral traditions are attached or which are associated with living heritage;

   iii) ethnographic art and objects;

   iv) military objects;

   v) objects of decorative or fine art;

   vi) objects of scientific or technological interest; and

p) books, records, documents, photographic positives and negatives, graphic, film or video material or sound recordings, excluding those that are public records as defined in section 1 (xiv) of the National Archives of South Africa Act, No. 43 of 1996 (South Africa, 1996a).

q) Without limiting the generality of sub-sections (1) and (2), place or object is to be considered part of the national estate if it has cultural significance or other special value because of:

   i) its importance in the community, or pattern of South Africa's history;

   ii) its possession of uncommon, rare or endangered aspects of South Africa's natural or cultural heritage;

   iii) its potential to yield information that will contribute to an understanding of South Africa's natural or cultural heritage;

   iv) its importance in demonstrating the principal characteristics of a particular class of South Africa's natural or cultural places or objects;

   v) its importance in exhibiting particular aesthetic characteristics valued by a community or cultural group;

   vi) its importance demonstrating a high degree of creative or technical achievement at a particular period;

   vii) its strong or special association with a particular community or cultural group for social, cultural or spiritual reason;

   viii) its strong or special association with the life or work of a person, group or organisation of importance in the history of South Africa; and

   ix) sites of significance relating to the history of slavery in South Africa.

   Sub-sections (1), (2), (3), (4), (5), (6) and (7) of Section 5 of the Act state further that:

1. All authorities, bodies and persons performing functions and exercising powers in terms of this Act for the management of heritage resources must recognise the following principles:

    a) heritage resources have lasting values in their own right and provide evidence of the origins of South African society and as they are valuable, finite, non-renewable and irreplaceable they must be carefully managed to ensure their survival;

    b) every generation has a moral responsibility to act as a trustee of the national heritage for succeeding generations and the state has a an obligation to manage heritage resources in the interests of all South Africa;

    c) heritage resources have the capacity to promote reconciliation, understanding and respect, and contribute to the development of a unifying South African identity; and

    d) heritage resources management must guard against the use of heritage for sectarian purposes or political gain.

2. To ensure that heritage resources are effectively managed:

    a) the skills and capabilities of persons and communities involved in heritage resources management must be developed; and

    b) provision must be made for the ongoing education and training of existing and new heritage resources management workers.

3   Laws, procedures and administrative practices must:

    a) be clear and generally available to those affected thereby;

    b) in addition to servicing as regulatory measures, also provide guidance and information to those affected thereby; and

    c) give further content to the fundamental rights set out in the Constitution.

4. Heritage resources form an important part of the history and beliefs of South Africa and must be managed in a way that acknowledges the right of affected communities to be consulted and to participate in their management.

5. Heritage resources must contribute significantly to research, education and tourism and they must be developed and presented for these purposes in a way that ensure dignity and respect for cultural values.

6. Policy, administrative practice and legislation must promote the integration of heritage resources conservation in urban and rural planning and social and economic development.

7.   The identification, assessment and management of the heritage resources of South Africa must:

   a)   take account of all relevant cultural values and indigenous knowledge systems;

   b)   take account of material or cultural heritage values and involve the least possible alteration to or loss of it;

   c)   promote the use and enjoyment of and access to heritage resources, in ways consistent with their cultural significance and conservation needs;

   d)   contribute to social and economic development;

   e)   safeguard the options of present and future generations; and

   f)   be fully researched, documented and recorded.

3.6   National Environmental Management: Protected Areas Act 57 of 2003

Section 17 of this Act states that the purposes of declaring areas as being protected are as follows:

a)   to protect ecologically viable areas representative of South Africa's biological diversity and its natural landscapes and seascapes in a system of protected areas;

b)   to preserve the ecological integrity of those areas;

c)   to conserve biodiversity in those areas;

d)   to protect areas representative of all ecosystems, habitats, and species naturally occurring in South Africa;

e)   to protect South Africa's threatened or rare species;

f)   to protect an area which is vulnerable or ecologically sensitive;

g)   to assist in ensuring the sustained supply of environmental goods and services;

h)   to provide for the sustainable use of natural and biological resources;

i)   to create or augment destinations for nature-based tourism; and

j)   to manage the interrelationship between natural environmental biodiversity, human settlement and economic development (South Africa. DEAT, 2003).

3.7   National Environmental Management: Integrated Coastal Management Act 24 of 2008

Section 2 outlines the objectives of the Act as:

a)   to determine the coastal zone of the Republic;

b)   to provide, within the framework of the National Environmental Management Act, for the co-ordinated and integrated management of the coastal zone by all spheres of government in accordance with the principles of co-operative governance;

c)   to preserve, protect, extend and enhance the status of coastal public property as being held in trust by the state on behalf of all South Africans, including future generations;

d)   to secure equitable access to the opportunities and benefits of coastal public property; and

e)   to give effect to the Republic's obligation in terms of international law regarding coastal management and the marine environment (South Africa. DEAT, 2008).

3.8   Development Facilitation Act 67 of 1995

The Development Facilitation Act introduces extraordinary measures to facilitate and speed up the implementation of reconstruction and development programmes and projects in relation to land and in so doing, lays down general principles governing land development throughout the Republic.

The Act provides for the establishment of a Development and Planning Commission for the purpose of advising the government on policy and laws concerning land development at national and provincial levels. It also provides for the establishment in the provinces of development tribunals which have the power to make decisions and resolve conflicts in respect of land development projects.

An important aspect of this Act is that it facilitates the formulation and implementation of land development objectives by reference to which the performance of local government bodies in achieving such objectives may be measured. The Act provides for nationally uniform procedures for the subdivision and development of land in urban and rural areas so as to promote the speedy provision and development of land for residential, small-scale farming or other needs and uses. It also promotes security of tenure while insuring that end-user finance in the form of subsidies and loans become available as early as possible during the land development process (South Africa. Department of Land Affairs, 1995).

3.9   National tourism safety and awareness strategy, 2007

The purpose of the National Tourism Safety and Awareness Strategy is to co-ordinate and integrate efforts aimed at addressing tourism safety and awareness challenges to establish South Africa's image as a safe tourist destination (South Africa. DEAT, 2007). Developed by

DEAT, with the inputs of various provinces and stakeholders, the strategy is also geared for the hosting of major events. Key interventions of this strategy, relevant to this study, are as follows:

i.   Perform a risk analysis at tourist attraction sites at provincial and local level such as:

    a) Airports
    b) Convention centres/big events
    c) Key tourist sites/routes/activities
    d) Remote lodges/ guesthouses;

ii.   Identify popular tourist areas in each province, where there is a need to protect tourists from criminal activity, and where there may be a need to support tourists who have been victims;

iii.   Crime Prevention by Environmental Design and 'clustering' of interventions (city safety strategies, urban renewal, uphold bylaws);

iv.   Provide information on local conditions to tourists and operators;

v.   Surveillance/visible policing/clustering;

vi.   Tourism Safety and Awareness through environmental design of lighting;

vii.   Educate South Africans on the benefits of tourism;

viii.   Establish communication channels between the tourism industry and the police through an agreed co-ordination mechanism – primarily a local responsibility; and

ix.   Produce safety information (including safety tips) for tourists at National, Provincial and Local Government levels.

3.10   Tourism investment mobilisation strategy for South Africa, 2001 - 2011

The Department of Environmental Affairs and Tourism (DEAT) developed a focused tourism investor mobilisation strategy aimed primarily at mobilising tourism investors in the country. The successful development of a large tourism sector continues to require large amounts of capital and expertise. Performance is greatly enhanced by having access to considerable marketing expertise, an existing client base, experience and credibility with the target tourism market. The South African tourism sector is experiencing a number of constraints to investment and growth due to reasons such as HIV/AIDS, crime and the perceptions thereof, a shortage of infrastructure, particularly in rural areas, human resource capacity, *inter alia*. The Tourism Mobilisation Strategy outlines the following key steps to be followed for tourism:

a)   Determination of basic product focus and source of tourists;

b)   Determination key criteria for investor identification and selection;

c)   Identification of targeted investors;

d)   Selection of pilot projects;

e)   Formulation of a proposal in terms of specific investment opportunities in southern Africa;

f)   Distribution of proposals to the selected potential investors;

g)   Negotiations with selected investors;

h)   Selection of investors; and

i)   Implementation of agreements (South Africa. DEAT, 2001).

3.11   Tourism Black Economic Empowerment Charter, May 2005

As a whole, the tourism industry in South Africa is largely untransformed with the majority of tourism products mostly owned by whites. While a large proportion of tourism enterprises have begun transforming, there is still a long way to go, with only an estimated 6% of listed tourism entities having BEE ownership. Transformation of the industry has also been slow in terms of control and management profiles. With the signing in of the Broad-Based Black Economic Empowerment Act, the definition of BEE now includes ownership, management, employment equity, skills development, affirmative procurement, and enterprise and social development. Through the act, sectors are encouraged to set their own programmes and targets to achieve the overall targets of the act (South Africa. DEAT, 2005:5).

DEAT commissioned a study, together with SATOUR, to look at the potential benefits of transformation within the sector. It found that transformation would:
a)   increase the competitiveness of the industry

b)   will ensure that the tourist products are more authentic

c)   better cater to international tourist demands (South Africa. DEAT, 2005:5).

It further found that the low barrier levels for entry into the industry would facilitate the entry of BEE tourism companies. Thus, the Tourism BEE Charter has been developed. The charter consists of voluntary agreements within the industry to achieve empowerment targets within the set time frame. The charter also provides measurement tools to assist companies to comply with the targets, as well as advice on how to achieve their ratings on the BEE scorecard. Incentives have been established to help reach these targets, such as development funding and the fact that use of BEE-compliant suppliers will boost private sector companies' empowerment ratings.

So that the charter does not stifle the SMME market, companies with a turnover of less than R5 million per annum do not have to comply with the ownership requirements specified in the charter (South Africa. DEAT, 2005:5).

The charter sets the standard of level of inclusion of black people in tourism through the scorecard. Targets are set for each broad-based indicator and corresponding weightings and sub-weightings are attached to each indicator and sub-indicator. The scorecard provides the tool to measure BEE progress. The scorecard measures three core elements of BEE:

a)   Direct empowerment through ownership and control of enterprises and assets (ownership and strategic representation)

b)   Human resource development (employment equity and skills development)

c)   Indirect empowerment through preferential procurements and enterprise development (preferential procurement, enterprise development and social development) (South Africa. DEAT, 2005:5).

The score obtained via the BEE scorecard reflects the level of BEE contributions – the following categories define the outcomes:

a)   An excellent BEE contributor – score in excess of 90%

b)   A good BEE contributor – 65 to 90%;

c)   A satisfactory BEE contributor – 40 to 65&%;

d)   A limited BEE contributor – less than 40%; and

e)   A BEE-compliant SMME – a SMME with a turnover of up to R10 million per annum who represents an excellent or good contributor.

An additional criterion is laid down for a black women-owned BEE contributor, being one that is more than 30%-owned by black women and represents an excellent, good or satisfactory contributor (South Africa. DEAT, 2005:5).

3.12   Eastern Cape Tourism Act 8 of 2003

This Act provides an opportunity for the establishment of an Eastern Cape Tourism Board (ECTB) with the following objectives to provide for development and management of a tourism industry in the Province:

a)   to promote participation of Small Medium Micro Enterprise (SMMEs) in the tourism industry in the Province;

b)   for sustainable tourism revenue;

c)   for the registration of hotels, restaurants, other accommodation establishments, conference centres, tourist amenities;

d)   for licensing of tour operators, tour guides, and couriers; and

e)   for the imposition and collection of levies in respect of hotels and other accommodation establishments, restaurants and designated tourists amenities (South Africa. Provincial Government of Eastern Cape, 2003).

3.13 Eastern Cape Provincial Growth and Development Plan 2004-2014

The Provincial Government of the Eastern Cape together with its social partners, has formulated a Provincial Growth and Development Plan (PGDP). The plan provides a strategic framework, sectoral strategies and programmes aimed at a rapid improvement in the quality of life for the poorest people of the province. The plan's visions are vested with making the Eastern Cape a compelling place in which to live, work and invest.

In terms of the tourism sector, the Eastern Cape Provincial Growth and Development Plan focuses on the following areas of development (South Africa. Provincial Government of Eastern Cape, 2004:4):

a)   The development of provincial tourism has high potential to create employment and raise incomes in rural areas through community tourism programmes. Priorities are the development and protection of existing parks and reserves, improvement of infrastructure and the development of a strong marketing brand showcasing a number of core attractions and themes.

b)   The development of the provincial tourism potential should optimise benefits to the host communities and should protect the province against volatility in international tourist flow by building on its strengths as a domestic tourist destination.

c)   Community-based forms of tourism are most likely to optimise benefits to host communities and can complement mass-based forms directed at the high-spending end of the market. Linkages between established and emerging tourism enterprises should be supported, particularly in support of an integrated provincial tourism marketing strategy. Linkages between tourism and agriculture in rural areas are critical.

d)   Tourism development strategies should furthermore include strategic assessments of environmental impacts. The natural beauty of the province is its primary tourist attraction and should be protected and safeguarded within each development. Tourism facilities should furthermore be sustainable.

The Eastern Cape Provincial Growth and Development Plan contains key performance areas (South Africa. Provincial Government of Eastern Cape, 2004:4) which include:

a) **Strategic marketing framework**
Ensuring institutional alignment, branding and destination marketing, international and domestic marketing, tourism information services, shows and exhibitions, registration programmes, co-operative marketing fund, media leverage, market research programmes among others.

b) **Destination management strategy**
Promoting visitor access and a destination management strategy focused on product improvement, broadening of ownership, BEE, SMME development and Community Tourism Development.

c) **Transforming the tourism industry**
Focused on BEE, the Tourism Charter, and the Tourism Development Fund – to ensure that effective external communication system and mechanisms are in place for active participation.

d) **Corporate governance**
A strategy-focused organisation, communicating for success, building service excellence, financial, administrative and operational control, risk management and internal controls.

3.14   Eastern Cape Tourism Master Plan 2009 - 2014

The Eastern Cape Tourism Master Plan states that the development of the Wild Coast area in the province, which includes the Transkei Wild Coast area, as a tourist destination, is a high priority (ECTB, 2003). It provides the following objectives for tourism development in the province:

a)   To foster the general economic interest of the province as a whole by aggressive striving to increase the contribution of tourism in terms of foreign exchange earnings, creation of sustainable jobs and government revenue, through generation of increases in bon fide tourism arrivals year round, and increases in length of stay;

b)   To establish tourism as a provincial priority;

c)   To work with other sectors to create linkages that will protect the environment and provide for economic benefits in other areas;

d)   To create a positive image for the province and establish additional initiatives with respect to marketing, to capitalise on recent markets trends and allow the Eastern Cape to compete effectively in the light of increasing competition from other provinces in the country;

e)   To continue to develop and link the various tourism offerings of the Eastern Cape's six districts into a cohesive and unified provincial strategy, to create a product base where facilities and services are complementary and co-operative rather than competitive; and

f)   As tourism is ultimately about people, to encourage community participation in the planning, development, implementation and management of tourism and to minimise social impacts.

To strengthen the Eastern Cape Province tourism industry, the Eastern Cape Tourism Master Plan identifies the following key priorities for tourism development in the province (ECTB, 2003):

a)   Political will;

b)   Tourism education and awareness;

c)   Tourism training and skills development;

d)   Tourism enterprise development;

e)   Tourism standards and ethics;

f)   Tourism policy and guiding principles

g)   Community-based tourism;

h)   Tourism infrastructure development;

i)   Safety and security;

j)   Media communication strategy;

k)   Stakeholder communication strategy;

l)   Tourism information networks and technology;

m)   Market research;

n)   Tourism marketing strategy

o)   Tourism development plan;

p)   Tourism funding;

q)   Institutional capacity and design;

r)   Public-Private-Partnership and

s)   Joint venture programmes and budget implications.

The above key priorities for tourism development in the Eastern Cape are subject to a number of critical success factors as explained in the following paragraphs.

Political leadership

Commitment by political principals in the province is critical. The draft National Tourism Growth Strategy proposes the establishment of MEC Tourism Forum in the provinces to promote co-operation in the tourism sector.

Co-ordination

Adequate co-ordination between provincial, district and local tourism functions is quite critical. Efforts to intensify or revive the existing tourism structures at all levels are quite critical. The ECTB should accelerate the establishment of a broader tourism co-ordinating structure which will ensure the broader representation of all industry players in the tourism cluster. Department of Economic Development, Environmental Affairs (DEDEA) and ECTB should ensure that such structures are functioning effectively. Effective co-ordination depends on the commitment by the various participants in such structures.

Funding

If tourism is so well pronounced in the national and provincial strategies, this should be expressed in the budget allocation by the Treasury (ECTB, 2003).

The current budget allocation for tourism in the department, as well as the budget for ECTB is inadequate. The same applies to the municipalities that attach a minimal budget to the tourism programme. With increased current fiscal allocation and municipal tourism budget allocations, implementation of the tourism Development Fund and strategic partnerships, concomitant with private sector investment, will enable the benefits of tourism in the Transkei Wild Coast to be realised.

3.15   Summary

The legislative framework for tourism as a catalyst to LED in the Transkei Wild Coast, from both a national and provincial government perspective, has been discussed. Now these need to be complemented with good results at an operational level. This operational level of implementing, monitoring and evaluating what is working and what not, is a huge challenge that needs to be met, particularly in the Transkei Wild Coast.

The Eastern Cape Tourism Master Plan, which is key for tourism development and growth outcomes, with its effects felt and seen in the Transkei Wild Coast, becomes important for the realisation of South African policy. Thus far, the existing legislative framework for tourism

development has only managed to talk about its clear intent to address the challenges of the main historical role of the Eastern Cape in South Africa's industrial development under apartheid, which was to function as a labour reserve for mining and all other forms of semi- and unskilled work.

The next chapter presents tourism trends and practices generally. The particular focus is on outlining how areas with significant tourism potential, like the Transkei Wild Coast, could be positioned to be a world tourist destination, through modern infrastructure and partnerships.

CHAPTER FOUR

TRANSKEI WILD COAST TOURISM ECONOMIES: LITERATURE REVIEW, TRENDS AND CHALLENGES

4.1   Introduction

For the successful investigation of tourism economies as tools for local economic development in the Transkei Wild Coast area, a brief history of the Transkei as a former homeland is presented in this chapter, with specific reference to social problems such as illiteracy, poverty, crime and unemployment.

This chapter identifies and explains activities pertinent to tourism-led local economic development in the Transkei Wild Coast. It explains common, key aspects that are linked with successful tourism strategies, which the Transkei Wild Coast authorities would need to take into account. The issues raised in this chapter are seen as essential to combat migratory moves prompted by a subsistence economy. Also, to attract investments from national and international businesses, encourage participation by local authorities in activities in support of a vision of fostering tourism as an additional economy and enhance programmes and activities aimed at the upliftment and well-being of the inhabitants of the relevant rural areas. This chapter is concluded with a summary.

4.2   A brief history of the Transkei as a former homeland

In the context of the research of tourism as a catalyst for local economic development in the Transkei Wild Coast, a brief overview is provided of the development history of the Transkei as a former homeland (one of South Africa's so-called former Bantustans), in order to enhance understanding of the historical developments of the region. According to Mpambani (1994:1), the general background of the socio-political and economic history of this area (as a former Bantustan, homeland and independent country), needs to be understood in order to conceptualise the economic situation of the Transkei (which now forms part of South Africa). Transkei was one of the Bantustans created by the former South African apartheid government. Of these Bantustans, a number later developed into Bantu homelands and the independent states of Transkei, Bophuthatswana, Venda and Ciskei, collectively referred to as the TBVC states.

The Bantustans were reserved areas for black people only, mainly serving as labour reserves for the old South African mining and production industries. Most importantly, these TBVC states were designed to showcase the 'success' of the separate development programme of the South African apartheid government (Venter, 1969:8; Mpambani, 1994:4). According to O'Malley (1963; 1976) the Transkei attained self-government on 30 May, 1963 in terms of the Constitution of Transkei Act, 1963 and became an independent state on the 26th October, 1976 in terms of the Status of Transkei Act, 100 of 1976.

According to Davies, O'Meara and Dlamini, (1988:204-205), the then-Minister of Native Affairs, MDC De Wet Nel, on introducing the Promotion of Bantu Self-government Act, argued that:

> The Bantustan policy rested on three principles. The first is that God has given the divine task and calling to human beings to develop people in the world, which dare not be destroyed or denied by anyone. The second is that every individual has the inherent right to live and develop. The third, a deep conviction that the personal and the national ideals of every ethnic group can be best developed within its own national community.

This was the philosophical basis which the apartheid government policy used to create the Bantustans, meant as areas of homogeneous ethnicity. The Bantustan policy was to be the origin of the current state of misery of these areas. Its consequences were exponential, leaving a legacy of social problems still prevailing among Transkei inhabitants as a whole and particularly among Transkei Wild Coast communities. In his observations about the creation of the homelands, Laurence (1994:67) argues that the homeland system was designed to fulfil three central purposes:

a)   to provide a moral justification for white domination in the rest of South Africa, the rationale being that black hegemony in the homelands was a trade-off for white rule over most of the country;

b)   to deflect black political aspirations from the centre to the periphery by focusing black attention on subordinating legislatures in the 'homelands' instead of South Africa's white dominated parliament in Cape Town; and

c)   to reduce the black population in white designated South Africa and thus reduce the immediate threat to the white minority.

The proclamation in 1976 of Transkei as an independent state, despite the fact that its economy was firmly rooted in the wider South Africa, marked the poor development and underdevelopment of the area (Mpambani, 1994:4).

A crisis in the administration of the independent state of Transkei soon flared. Corruption within the region was so rife, that in 1980 the South African state assumed a measure of control over

the administration of the budget of this independent state (Davies *et al.*, 1988:234). Given that the Transkei never had much to offer its inhabitants by way of any sustainable development programmes and mainly served as a labour reservoir, it is no wonder, according to Laurence (1994:70), that "These homelands were exporting migrant labourers to the white designated areas."

The political decision to create the Transkei as an independent state not only achieved political futility but it also bequeathed this area with an economic crisis because it had never had a strong economic vision built on a sustainable economic strategy for the area. This is evident because of the fact that a potential economic sector, like tourism, never received priority. Hence, very little effort has been made to date to initiate a turnaround strategy to position the Transkei Wild Coast area as one of the prime tourist destinations of choice in South Africa in general, and in the Eastern Cape Province in particular.

For this study, it is necessary to deliberate about the Transkei area as a former independent state of convenience for, as Lawrence (1994:70) puts it:

> … a moral justification of white domination in the rest of South Africa, the rationale being that black hegemony in the homelands was a trade-off for white rule over most of the country.

This aspect of the study is relevant in order to see from where this integral part of South Africa originated (Transkei Wild Coast), and what opportunities it missed economically. The main purpose it serves is to generate the tourism industry as the hub and catalyst for local economic development (LED) of the contemporary Transkei Wild Coast. The Transkei independence of 1976 was an economic tragedy and delivered a syndrome of dependency, as elsewhere, to all its inhabitants, including those in the Transkei Wild Coast area (Laurence, 1994:70).

4.2.1 Physical terrain of the Transkei

A description of the physical terrain of the Transkei is essential for the purpose of this study. According to Robinson (1981:2) the Transkei's physical terrain is characterised by stepped topography and incised rivers. The following are its main features:

a)   the Drakensberg and Witteberg mountains, which form part of the Great Escarpment of Southern Africa;

b)   the adjoining high plateau of rolling country at an altitude of some 15 000 metres, and separated from the central plateau by a minor escarpment;

c)   the central plateau of undulating and rolling country, comprising several surfaces at slight different altitudes between 700 metres and 1 100 metres;

d) the coastal belt of steeply sloping land, which drops from 700 metres to sea level over a distance of some 30 kilometres.

The role of the Transkei Development Corporation (TDC), as the organ assigned by the Transkei homeland government to oversee all economic development activities in the area, cannot be omitted. A brief history of the TDC is presented below.

4.2.2 Transkei Development Corporation (TDC)

In 1966, the RSA Government established the Xhosa Development Corporation (XDC) for the purpose of stimulating economic growth in Transkei areas. The strategy employed by the Corporation mainly entailed the recruitment of large industries from metropolitan RSA and other developed countries to growth points in the Transkei. The selection of industries was based on their willingness to establish subsidiaries in the Transkei and also on their contribution to the creation of jobs for unskilled labour. The assistance given to black Transkeians mainly took the form of loans for the acquisition of trading stores and hotels owned by whites. The Corporation also provided basic management training for loanees (Republic of Transkei, 1985:4).

When the Transkei attained independence in 1976, the XDC was disbanded. Its assets and activities were taken over by the TDC. The management of the XDC was divided between the TDC and a new corporation that was also under establishment in the Ciskei. The managing director of the XDC moved to Mthatha to become the first chief executive of the TDC. The TDC continued with the basic approach of the old XDC. Efforts to recruit industrialists were intensified, while involvement in agriculture, especially large-scale farming, increased. The Corporation also became heavily involved in transport (Republic of Transkei, 1985:4).

Within a few years (that is, between 1977 and 1980) it became obvious that the agricultural and transport sectors, because of their importance to the country's development and their specialised nature, had to be separated from the Corporation. The result was the establishment of an Agricultural Corporation in 1981 and a Transport Corporation in 1982. This was, of course, in the best interests of the Transkei. It was also the beginning of a process of narrowing down the Corporation's areas of involvement. It further resulted in the stimulation of development both in the transport and agricultural arenas (Republic of Transkei, 1985:5).

During the period between 1976 and 1984, the Corporation had four managing directors. The participation of Transkeians in the management of the Corporation, the allocation of businesses to the Transkeians and disagreements about the mandate of the TDC, caused conflict between

the leadership of the Corporation and the Transkei government, which culminated in the dismissal of 12 top management members (Republic of Transkei, 1985:8).

Raising the issue of significance of development for the Transkei inhabitants, Laurence (1994:67) describes post-independent Transkei as battling with immense social development problems of various intensity and occurrence, with specific reference to the fact that the lion's share of fertile agricultural land remained in the possession of white South Africans. For this area (Transkei) to make any real progress and develop, the post-1994 dispensation must re-address such occurrences, concludes Laurence (1994:67).

4.3 The socio-economic status of the inhabitants of the Transkei Wild Coast

After its independence, the Transkei was faced with a major challenge: poverty amelioration and eradication. The land question, industrial capacity, and a continuous, rapidly increasing population, which resulted in low productivity, were some of the enormous problems of growing complexity with which the Transkei government and administration had to cope (Houghton, 1969:12-14). Houghton further argues that despite the highly fertile land of this state, farming made little contribution to producing sufficient food to feed the inhabitants. Poor farming, which largely relied on primitive agricultural methods, equipment and a subsistence approach, conspired to force the Transkei inhabitants into relying heavily on imported consumable foodstuffs from South Africa.

According to Laurence (1976:125), "the single over-riding reality of the Transkei on the eve of independence was its almost total economic dependence on South Africa", a most relevant economic factor for development in the Transkei. Disease, mostly the outcome of a combination of malnutrition and unsanitary conditions, became a widespread problem affecting both young and old. Unfortunately, the situation continued to deteriorate because of the ineffective healthcare system, aggravated by the sparse distribution of rural clinics, hospitals and related health services (Wolfgang, 1983:58). Alarming levels of unemployment, added to the heavy reliance on primitive agricultural methods, aggravated the already harsh living conditions and deepened poverty levels in the Transkei (Houghton, 1969:10).

In 1983, the Transkei government established the Transkei Appropriate Technology Unit (TATU), to aid rural development, as part of its strategy to eradicate poverty (Mpambani, 1994:39-41). TATU adopted a top-down approach to cater for the needs of people in rural areas.

Needs that were identified included the following:

a)   clean water;

b)   village access roads;

c)   irrigated gardens and woodlots (for example, communal gardens at Mqanduli, Mt Frere and Tsolo);

d)   hospital gardens at the St Barnabas Hospital, the Ntlaza Tuberculosis Section and the Mthatha General Hospital;

e)   low-cost housing and toilets;

f)   community buildings; and

g)   strong local organisations.

Mpambani (1994:39-41) reveals that the TATU training process for technology transfer included the following areas:

a)   ferro-cement tank manufacture;

b)   stove-making;

c)   soil-cement brick-moulding;

d)   net wire manufacture;

e)   leather-work;

f)   furniture manufacture; and

g)   sewing

Nattrass (1984:29) points out that the legacy of poverty in the Transkei as an independent state was also reflected in the street trade, which was mainly dominated by poor, marginalised people who eked out a living for their families through hawking.

Considering the history of development of the Transkei area, as a former independent state, the issue of economic diversification was never a priority and as a result economic sectors like tourism became secondary and had no opportunity for growth. This shortcoming not only handicapped the economic activities of this area, but it also proved that the Transkei regimes for economic strategy priorities, which were supposed to be futuristic, were wrong. A non-agricultural economic sector, such as tourism, is critical to the Transkei Wild Coast communities, though its main challenge is its dependence on the private sector for investment and to drive growth. Critical about this challenge is the situation whereby the private sector comes on board,

whilst it is not clear whether or not direct benefits to the host poor communities will be as great as predicted (Ashley & Ntshona, 2003:ii).

4.3.1 Poverty and disease

Wilson (1992:43) establishes a link between disease and poverty, by stating that poverty is "… known to have a strong influence on diseases worldwide …". This statement is borne out by the fact that as little improvement in the poverty level was recorded, poverty-related diseases became rife in the independent state of Transkei, causing great hardship to its inhabitants. Community health education, baby care, water hygiene and the use of pit latrines still needed much improvement. With little to mitigate the impact of disease, poverty remained the critical issue to address (Wolfgang, 1983:48).

What McKeown (1979:156) argues with reference to Britain, conversely applies to the Transkei, that is:

> The decline in infection mortality in Britain in the latter part of the nineteenth century was due, not so much to the development of medical science, but to improvements in nutrition and improvements in hygiene, which were the predominant reasons for the decline of water and food borne diseases.

Residents suffered because of the lack of factors that Crow (1992:28) argues constitute an adequate life:

> an adequate life requires the capability to get enough food, adequate healthcare, access to clean water and sanitation and to be a functionary member of society.

The Transkei, far from offering residents an adequate life and enjoyment of the fruits of its independence, was largely rural and poverty-stricken. Many of the inhabitants shared water sources with wild animals. This and other factors made the escalation of poverty-related diseases inevitable. Continuing his argument on poverty, Crow (1992:29) raises lack of adequate income as a major characteristic of poverty, that is to say, poor people are identified as having an income and ownership that are insufficient to provide a minimum standard of living, which was typical in the independent Transkei.

According to Mpambani (1994:4), the independent Transkei had an estimated 3.7 million citizens, of whom just over 5% were estimated to be urbanised or living in the 'proclaimed' 28 towns, while 95% of the population resided in rural areas. At the 33 hospitals, there were 235 doctors, 9 169 nurses and 592 para-medical personnel. Mpambani (1994:29) summarises the health service situation of Transkei as inadequate and poorly organised to meet the needs of its growing population.

4.3.2 Private sector and non-governmental organisations (NGOs)

NGO programmes are usually started in response to a specific need in a particular area. This need could be rural credit, combating adult diseases, the empowerment of the landless, economic programmes for women, or any of a hundred other options. An NGO could also be involved in an integrated programme with a variety of objectives (Clark, 1991:1).

NGOs in the Transkei differ in size as much as they differ in their operations and sources of funding. The NGOs operating in the Transkei were mostly established through individual innovation and were therefore not a product of democratic development processes. While ostensibly targeting disadvantaged communities, many of these institutions seemed to be focused on benefiting their owners/directors and their families, clan and friends. Most of these organisations were relatively small in size and capacity. The NGOs that played a significant role were those funded by international organisations outside the homeland. According to Mpambani (1994:32), the post-1994 era has seen little change in the traditional practices of NGOs in the Transkei: insignificant, small NGOs abound, mainly as a result of a lack of funding. The Transkeian government's commitment to the eradication of poverty, in co-operation with NGOs and private sector participation, insofar as the latter existed, achieved little, if anything (Houghton, 1969:11).

Arguing against a development approach based on the needs and interests of the developer, Crow (1992:252) states that in providing solutions to the problems of poverty, some governments, NGOs and international aid agencies place considerable reliance on income-generating projects. Allen and Thomas (1992:91) argue that poverty is strongly associated with powerlessness; therefore, a development approach that is informed by the needs and interests of the people targeted for development has to involve empowerment as a strategy that is sustainable. Mayo (2000:6) believes that community empowerment may be achieved in different ways, including adult education, economic development, and social, health, sport, recreation and cultural education. Poor participation by the private sector in the Transkei development strategy was not an unanticipated occurrence. Houghton (1969:14) had already warned that private sector involvement in large industrial developments in the Transkei was unlikely to occur in the near future. The report of the Commission of Inquiry into the functioning of the Transkei Development Corporation echoed this statement, arguing that in Third World countries like the Transkei, development efforts in industry and commerce as in other sectors, largely depended on the availability of sufficient quantities of capital, skilled and managerial labour and the

relevant technology (Republic of Transkei, 1985:13). To create these locally, would be a slow process; developing countries are usually reliant on outside sources (developed countries). For a satisfactory return, developed countries are usually prepared to make these resources available. To guarantee such a return and at the same time protect their investment, outside investors (developed countries) usually strive for some sort of control over new ventures. Conversely, less developed countries want to retain control over their resources and new ventures; they want to determine the pattern of their future development and to obtain maximum benefit from new ventures. These contrasting perspectives constituted one of the basic conflict situations in the industrial and commercial development of the Transkei.

4.3.3 Education

Stultz (1980:77) viewed the Transkeian independence as a chance for restoring African dignity, stating that the positive consequences for African pride could flow beyond the Transkeian borders. Stultz's view that the quality of Bantu education system should be the supporting tool of this independence, had no significant influence. The Bantu education system operating in the Transkei (strictly introduced and designed for Black, Coloured and Indian people) never achieved the upliftment of the people by raising the general standard of living in this so-called 'independent state'. The educational system produced qualifications that were predominantly non-technical, such as nursing, teaching, law and social work. This systemic flaw in its educational system had repercussions for the Transkei areas and contributed to their technological backwardness (Welsh, 1994:40-42).

Kramer (1969:61) advised the Transkei inhabitants that education was very necessary, as it was important for them to relinquish the attitude underlying the economic situation of Transkei, that 'because we have enough for today, maybe tomorrow, we would be all right'. Kramer further made the interesting statement that economic development took action and sweats, suggesting that for the Transkei to advance economically, it must pay heed to the introduction of the applied education disciplines. Mpambani (1994:i) notes that the non-recognition of the Transkei as an independent state by the international community further exacerbated the skill and information shortages as international exposure became limited, if not impossible. Examining the state of Transkei education and its contribution to development, Wolfgang (1983:55) noted that the introduction and construction of pre-schools, primary schools and tertiary institutions were encouraging moves in broadening the economic growth of this area. Advancing Wolfgang's argument, the report of the Commission of Inquiry into the functioning of the Transkei

Development Corporation emphasised the significance of human resources development for the Corporation to achieve its industrial and commerce development goals as part of the education programme (Republic of Transkei, 1985:84-85).

4.3.4 Unemployment

The Transkei's independence had far-reaching consequences for its inhabitants. Firstly, the economic dependence of its citizens on South Africa as migrant, unskilled and semi-skilled cheap labourers forced some of them to leave their families for extended periods, which left the families vulnerable to criminal activities and lawlessness, both as victims and participants (Houghton, 1969:13-18). Mpambani (1994:4) states that:

> …because of the scarcity of job opportunities in Transkei, over 800 000 male and female economically active people migrate every year to work in South African mines, industries and farms.

According to Wolfgang (1983:65) unemployment as well as underemployment in the Transkei had specific symptoms, which include the following:

a)   Matric-level school leavers in the Transkei took between two and three years to find regular employment, while the situation was worse among lower level school leavers.

b)   The difficulty of finding (better paid and more secure) employment results in the blossoming of informal jobs-for-pals arrangements.

c)   It became known that the Civil Service was confronted with a large number of job applications every day and that a fair amount of 'feather bedding' took place in order to absorb at least some of the applicants.

d)   In district towns, long queues in front of the Labour Bureau and the offices of recruitment agencies illustrated the extent of open unemployment.

The introduction by the Transkei government of the Transkei Agricultural Corporation (TRACO) in 1983 was one attempt to fight unemployment.

Ellis-Jones (1985:22) describes TRACO as:

> …a statutory body set up in 1981 which aims to develop the Transkei's agricultural potential through the establishment of community farming projects, commercial farming projects, loans to farmers, the training of local people in agricultural techniques, the promotion of private investments as well as the encouragement of agro-industries.

The active support of small-scale industries, including home industries and other informal sector industrial activities, was sought with the establishment of Transkei Small Industrial Development Organisation (TRANSIDO) to increase the efforts being made against unemployment (Wolfgang, 1983:47). According to Mpambani (1994:39), the government of Transkei established the

Transkei Appropriate Technology Unit (TATU), a government parastatal, in 1983 as integral part of its strategy for rural development programmes.

During its existence, the Republic of Transkei Development Strategy 1980 – 2000 (Republic of Transkei, 1980:37-39) raised the following limitations to the expansion of the non-agricultural sector in Transkei, which included the tourism sector:

a)   the size of the domestic market that can reasonably be supplied by the Transkei's own industries;

b)   the market limitations for manufactured goods in Africa and overseas for the supply of which the Transkei has, as yet, no particular competitive advantage in respect of raw materials or skills;

c)   the skills of the labour force, that is to say, the readiness with which labour can acquire skills in manufacturing industries;

d)   domestic savings to finance investment or the ability to attract foreign investment; and

e)   the public finance needed to build up the necessary infrastructure and, where necessary, to participate directly in the financing of industrial development.

Republic of Transkei (1980:460) concludes by identifying three potential sectors that could increase employment opportunities within its boundaries:

a)   Although the Transkei is not a mineral-rich area, there are certainly mineral resources which could provide a basis for industries, which is interesting from an employment point of view;

b)   One resource in the Transkei, capable of large-scale development is its water power. While interesting from a revenue point of view, this would not directly create much employment. However, the development of this resource in both water and hydro-electrical power, would be significant for industrial development and other sectors of the economy; and

c)   Tourism is another sector with an interesting development potential and employment opportunities.

4.3.5 Sustainable development

Insofar as development programmes in the Transkei as an independent state were concerned, not everything looked bleak; the real problems lay with the future plans. The challenge was on the sustainability of development projects, few and small as they were, in particular the financial, organisational, control, management and monitoring aspects. The Ncorha Agricultural Scheme in the Ngcobo District, the Magwa Tea Scheme in the Lusikisiki District, the Qamata Irrigation Scheme at Cofimvaba, and the Manyube Tree Plantation in the Centane District were brought about through the commitment of residents and were paid for by the Transkei government

through and under the supervision, guidance and co-ordination of the Transkei Agricultural Corporation. The construction of four-roomed houses by the government for the residents of urban areas, for example in the Ngangelizwe, Khwezi and North Crest townships in Mthatha, and the Msobomvu, Bika, Mchubakazi and Cuba townships in Butterworth, was a sign of development in the urban areas. Poor commitment marked many developments in rural areas, with the exception of some construction and maintenance work carried out on a few gravel roads by the Public Works Department and a plantation planted by the Department of Agricultural and Forestry (Ntusi, 1969:46; Wolfgang, 1983:49).

The establishment of secondary schools and tertiary institutions such as the University of the Transkei in Mthatha, a host of colleges of education over the Transkei and the Eastern Cape Technikon (currently known as Walter Sisulu University) in the nineties at Butterworth was encouraging and offered a glimpse of hope for development programmes.

According to Wolfgang (1983:53), Transkei's health services consisted of the following elements:

a) primary health care, offered mainly at clinics

b) secondary health care, consisting of general hospitals with resident doctors

c) other health services, which included medical practitioners, voluntary organisations (for example, the Red Cross) and traditional healers

4.3.6 Tourism development

The final report of the Commission of Inquiry into the conduct of the Department of Commerce, Trade and Tourism (Republic of Transkei, 1987:73-75) states that tourism is considered as one of the largest industries in the world. Transkei, with its beautiful, almost unique, coastline, mountains, undulating uplands, awe-inspiring valleys, gorges and rivers, must gear itself up to reap the benefits of tourism. Echoing these observations, Mahony and Van Zyl (2002:88) argue that the Wild Coast areas of the Transkei have a wide diversity of attractions, including awe-inspiring scenery, unique cultures, wildlife, history and a predominantly unspoiled coastline, which can provide a strong base for tourism activities. This report further states that tourism operations should be transferred from the Department of Commerce, Trade and Tourism to the Transkei Tourism Board, which already exists in terms of the provisions of the National Tourism Board Act, 1983 (Act 17 of 1983). This demonstrates that tourism was valued as one of the sectors that could contribute to the economic development of the Transkei. According to this report, the Transkei Tourism Board must be an independent, full-time executive board in order to

attract highly qualified and experienced individuals in the field of tourism and should be accountable to Parliament through a Minister of State.

In the above context, in terms of the 1994 democratic dispensation, with reference to the study of tourism as a catalyst for local economic development in the Transkei Wild Coast, the Tourism Act, No. 3 of 2014 (see Appendix B) makes provision for a national tourism sector strategy as follows:

(1)   The Minister must by notice in the *Gazette* and after following the consultation process contemplated in subsection (3), adopt a national tourism sector strategy to promote the objects of this Act.

(2)   The national tourism sector strategy must at least make provision for strategies, objectives, indicators, targets, plans, guidelines, procedures and institutional arrangements and intergovernmental co-ordination with provincial and local spheres of government relating to the promotion, development and transformation of tourism.

The economic development of the Transkei has been largely dependent on agriculture and industrial development, with little attention being paid to the development of tourism know-how. For example, Matanzima (1969:4) argues that the Transkei's first objective should be agricultural development – the Transkei has land, wonderfully fertile land, and the Transkei has labour, which need not necessarily be highly skilled. Its second objective should be to find capital and skills for industrialisation. Venter (1969:81) also argues that the Transkei has an abundance of land and any industrial development must, to some extent, be preceded by the exploitation of the land, which is available. It is the Transkei's contention that agricultural development is of prime importance to its economy.

Robinson (1981:20) and Wolfgang (1983:14) argue that the Transkei's economy must be centred on agriculture, though in view of the poor level of employment and fiscal deficits, other aspects of development, such as tourism, particularly in the Wild Coast areas, and industry, must also increase their contribution to the economy. The final report of the Commission of Inquiry into the conduct of the Department of Commerce, Industry and Tourism further points out that for tourism to be developed to its full potential, a proper infrastructure must be built in Transkei areas, with the focus on roads, accommodation and training facilities (Republic of Transkei, 1987:74). Echoing this statement, Mahony and van Zyl (2002:88) further argue that:

> Despite the significant tourism potential of the Eastern Cape, the potential of the Wild Coast area is restricted by the poor access, a lack of supportive infrastructure, as well as by negative perceptions about safety.

4.4 Key mechanisms for tourism-led local economic development in the Transkei Wild Coast

There is a need for a thorough and objective investigation of activities pertinent to tourism-led local economic development in the Transkei Wild Coast. Such an investigation may reveal the mechanisms that should be implemented in order to remedy the current unsatisfactory state of tourism and development in that region.

4.4.1 Undeveloped areas

According to Keyser (2002:379) "tourism is dependent on the quality of the environment". She further argues that tourism depends largely on certain historic, cultural and environmental resources for its development, because these resources serve as attractions for tourists. These criteria highlight the need for tourism developmental programmes in undeveloped and underdeveloped areas like the Transkei Wild Coast.

The beauty and history of the Qwaninga and Qhora mountains in the Gatyana district, the Bawa Falls in Butterworth, and the Manyube and Mazeppa forests in Centane, as well as the rich diversity of cultural activities in all Transkei Wild Coast communities, provide potential areas for development. Exploring these beautiful and historical, but undeveloped, attractions in the Transkei Wild Coast could have a positive impact on the communities concerned. However, tourists are currently deprived of a unique experience. Keyser (2002:380) argues on this point that the high quality of environments across the world provides the primary tourism receiving areas.

At the outset, all efforts should be made to improve the current situation, where most tourism areas in the Transkei Wild Coast are underdeveloped. In this, the communities will have to be engaged. They must have a participative share in tourism development planning and the identification of strategic tourism resources as part of the initiation and continuation of these development activities in practice. It is this stage that will encourage them, as hosting communities, to participate in and sustain these development tourism activities. In this context, Nickerson (1996:45-52) identifies the basic mechanisms that need to be identified and exploited for tourism development, referring to them as steps in tourism planning, which are basic to almost any planning process, namely:

a)   inventory;

b)   forecast trends;

c) developing a mission statement;

d) goals and objectives;

e) study alternative plans of actions to reach goals and objectives;

f) select preferred alternatives;

g) develop a strategy to reach goals;

h) implement plans; and

i) review, evaluate, revise and continue with plans.

In addition to the above, UNESCO (2009:15-27) proposed the following criteria for sustainable tourism:

a) Income and revenues

b) Employment

c) Strengthening of the local economy and long term economic viability

d) Improvement of living conditions

e) Participation in decision-making and local control

f) Satisfaction with tourism

g) Strengthening of social and cultural patterns

h) Sustainable use of natural and cultural resources

i) Protection of natural heritage

j) Protection of cultural heritage

k) Enhancement of environmental awareness

l) Quality of services and experience

m) Tourists' satisfaction

n) Tourism product quality and economic viability

o) Communication of sustainability towards the tourists

p) Cultural exchange as a driving force for peace

q) Management and monitoring planning

Because of the vast potential of eco-tourism in the Transkei Wild Coast, taking of an inventory needs to be proposed as a means to identify the key types of eco-tourism development. Adventure tourism, coastal tourism, cultural tourism, rural tourism, sport tourism and events tourism could constitute the pillars of tourism as major tool to strengthen local economic development programmes in the Transkei Wild Coast.

4.4.2 Underdeveloped areas

Transkei Wild Coast tourism activities are currently marked by the underdevelopment and underutilisation of the abundant natural resources of the area. Since the research performed during 2001, no marked development has taken place Transkei Wild Coast area. The development of these resources could make a difference, for example upgrading the poor infrastructure at two popular beaches that attract national and international tourists, namely the beaches at Mazeppa and Qolorha in Centane.

In pursuit of the argument that underdevelopment and underutilisation should be dealt with as a matter of urgency, it is necessary for both tourism planners and developers to attend to the construction of modern infrastructure and support services for tourism to strengthen local economic development programmes in the Transkei Wild Coast. Tarred roads, railway lines, general transport availability, clean water, telecommunications, electricity, accommodation and health services are major and crucial tourism support facilities required for sustainable local economic development programmes. Such infrastructure can benefit tourist and host communities alike.

4.4.3 Combating migration

Inherited from the former independent state of Transkei, an economic and social structure characterised by labour migration left its mark on the Transkei Wild Coast communities. Combating migratory moves originating in the subsistence economy of the area remains a major challenge that will require multi-government involvement. According to Heeley (2001:274), public sector intervention in development programmes is brought about by a variety of factors, foremost amongst which is the need to:

a) regulate private sector activities;

b) provide non-remunerative infrastructure and superstructure;

c) remove obstacles to more effective performance;

d) provide development policy guidance; and

e) redress market failures.

Heeley (2001:274) further argues that over and above the above-mentioned rationale for public sector involvement in tourism, there is another significant dimension, namely the leadership role that this sector could play. Firstly, in order to overcome the problem of unsustainable economic activities, the government in the Transkei Wild Coast has to take a strong leadership role. It

needs to initiate and realise strategies for combating the economic-related migratory moves by skilled, semi-skilled and unskilled economically active members of the communities of this area. Secondly, these steps are necessary from inception, so that a broader awareness of, and an education campaign about, the economic status of the Transkei Wild Coast can be established. It would stimulate interest and action that may bring foreign and local investment.

4.4.4 Attracting investors

In a holistic explanation of how investors may be attracted, August (1997:220) raises two underlying benefits of investment, namely:

a)   promoting local productivity and technological development; and

b)   encouraging local participation.

August (1997:220) argues that countries commonly fall into two groups in the way they attempt to attain the goal of attracting investors. One group attracts investors through incentives and minimal regulation. The second group uses investment incentives, but also requires 'local participation quotas'. Friends of the Earth International (2001:4) states that attracting investors has now virtually become an auction in which governments offer tax breaks, subsidies, infrastructure development, low-interest loans or other incentives in the hope of attracting companies to invest in their countries.

In this study, transport support services and marketing are identified as key mechanisms to attract investors in the development of sustainable tourism in the Transkei Wild Coast.

4.4.5 Transport and key support services

Attracting investments from national and international business would certainly be one strategy for reviving the dying economic activities within the Transkei Wild Coast area. However, at the same time efforts should be made to address the long-standing problem of transport in the area. Seekings (2001:222) notes that "the future of transport is thus pivotal to the future of tourism". Seekings continues to argue that transport is of paramount importance for the general economy, and indeed for society as well.

Mobility is a key element in facilitating all business and other economic activities within the tourism industry, as well as meeting the needs of the Transkei Wild Coast inhabitants. This study emphasises that modern road construction, facilities and the provision of transport modes through public-private sector partnerships, has been prompted by major operational priorities for

sustainable local economic development through tourism in the Transkei Wild Coast. According to Heeley (2001:275):

> There is no doubt that the growth of public-private sector partnerships is a world-wide trend, manifest at all territorial levels – international, regional, sub-regional and local.

The existing transport problems in the Transkei Wild Coast are many, but a major cause is the fact that only one transport mode is utilised. This is a critical deficiency, because it limits client choice, competition, as well as price stability. Investment activities need to support all transport modes, as good means of transport provide the supporting mechanism for any basic operation. In addressing the transport problem of this area the construction of railway lines should therefore be considered by public-private sector partnerships. Keyser (2002:191) specifically refers to four types of transport: "road, rail, water and air". She further argues that transport will function effectively and provide tourists with maximum utility only if all the following components are in place:

a)   Transport networks, for example, railways and roads systems

b)   Transportation services, for example, bus services, rail services and cars

c)   Terminal facilities, as the points of access to and departure from destinations

d)   Signage and directions, assisting in guiding tourists to and within their destinations, as they are typically unfamiliar with the destination area

A railway line for trains commuting from Mazeppa Bay to Butterworth and from Cob Inn to the district towns of Gatyana and Dutywa is vital to ease the existing transport problems and to allow tourism to flourish. The extension of the Garden Route road from East London along the Transkei Wild Coast areas will give a competitive advantage to Transkei Wild Coast tourism activities. According to Keyser (2002:191), "sometimes transportation is an attraction in its own right". Obviously, in the Transkei Wild Coast, an extended Garden Route road will open up beautiful scenery to travellers, while also giving Transkei Wild Coast communities an opportunity to market local tourism attractions.

In terms of the Mnquma Integrated Development Plan, attracting investors to the southern part of the Transkei Wild Coast will also require other infrastructural elements and services, such as health-care, water supply, electrical power, telecommunications, as well as sewage and solid waste disposal (Mnquma Local Municipality, 2003:11-28). This will offer southern Transkei Wild Coast communities, battling as they do with disease and other health problems and the pollution of the environment, with a major opportunity to improve their situation and share in the benefits.

Furthermore, the availability of these facilities will play a crucial role in combating migration from this area for health, environmental and economic reasons.

However, political will and courage and organisation to support such a commitment, will be needed for any progressive sustainable local economic development using tourism as the trump card in the Transkei Wild Coast. Williams and Shaw (1998:11) suggest another significant factor in tourism, namely "tourism is also important in local economic development because of its role in reshaping place images". Development in the Transkei Wild Coast has to start somewhere and within a particular sector; tourism might be the key to making a difference in the prevailing conditions of poverty, migration, poor health-care, crime and unemployment problems in this area, as it is a distinctive sector that has the potential to spark a broad spectrum of economic activities.

4.4.6 Marketing

Marketing is a vital area to be considered by the Transkei Wild Coast, as it does not have a history of attracting sustainable, sound investment and solid investors. Both in tourism and other economic activities, it is evident that the Transkei Wild Coast has a long way to go in marketing itself. Marketing tourism activities in the Transkei Wild Coast to tourism investors will be a major challenge, as the area has never had a comprehensive and well-organised programme. Particularly, a new image of the area as a foremost and desirable tourism destination will have to be created (Mnquma Local Municipality, 2003:57). Elaborating on this concept (marketing), Morgan and Pritchard (1998:3) state four practical areas where promotion through tourism imagery and presentation plays a vital role in a highly competitive and constantly changing marketplace:

> Firstly, images can be used to communicate messages about particular places and products. Secondly, images can be used to redefine and reposition such places and products. Thirdly, images can be used to counter negative and enhance positive perceptions of products, places and people. Fourthly, images and presentations of products, places and peoples can be used to specifically target key market areas…

The creation of a strong tourism base and sound investment image for the Transkei Wild Coast calls for the effective management and co-ordination of tourism as prerequisites to the successful marketing of this area. Culture and eco-tourism must be the cornerstones of the newly created Transkei Wild Coast image, which has to be marketed in a protected manner. Morgan and Pritchard (1998:44) remind participants in tourism development that "the ultimate purpose of image creation is to influence buyer behaviour and manipulate demand".

Heath and Wall (1992:21) argue that "a crucial step in strategic marketing planning is to develop the systems that the organisation needs to execute the strategies that will achieve its goals in the dynamic changing environment". For tourism developers to achieve their goals of attracting both local and international investors to the Transkei Wild Coast in a sustainable manner, strategic market planning has to be developed and carefully implemented. Apart from that, for the success of the effective marketing of this area, a Transkei Wild Coast Marketing Body (TWCMB) has to be established and be fully and clearly informed of the economic, political, social and cultural, technological and ecological environmental status of this area. Heath and Wall (1992:40) argue from the point of view of a competitive analysis, emphasising that the "competitive advantages of other regions and tourism business units should be considered".

Transkei Wild Coast tourism developers should study the weaknesses, strengths and possible competitive advantages of the Durban and Cape Town tourism business units, to properly understand tourism progress and the power relations that underpin the tourism industry in South Africa in general and the Transkei Wild Coast in particular. Though marketing involves a number of activities, TWCMB will specifically have to consider the important role of price in marketing. However, this will require a full understanding of the price effects of tourism in other areas in order to give the Transkei Wild Coast a competitive advantage over other provinces, and within the Eastern Cape. Middleton (1994:97) suggests many strategies in using price as part of the marketing strategy mix. He contends that "price is a high relevant symbol in signalling or communicating what buyers should expect in terms of product quality and value for money". Middleton (1994:98) further outlines a clear picture of how the strategic and tactical pricing operates or influences marketing (Figure 4.1 refers).

Inevitably, marketing tourism-led local economic development programmes in the Transkei Wild Coast will underline the significance of empowerment and capacity-building in respect of leadership in the tourism industry in this area. This will ensure that tourism developers are able to attract both local and international investors convincingly.
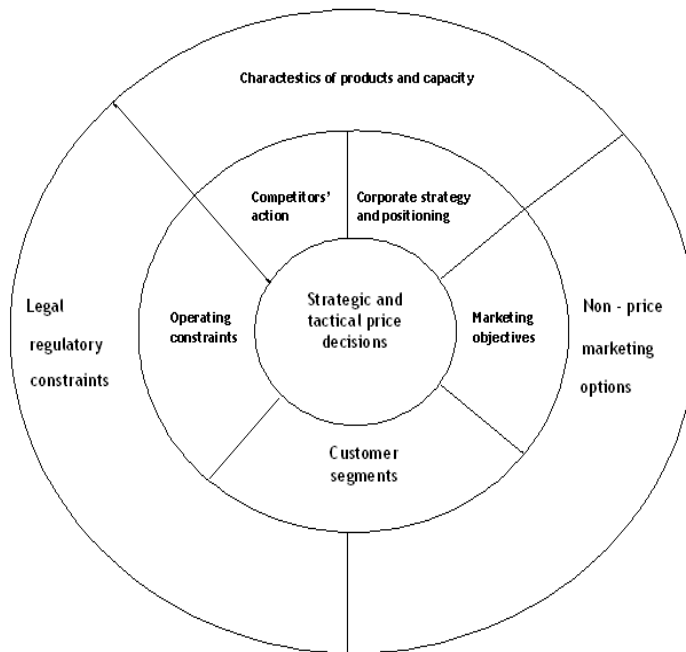
Figure 4.1: The network of influences on pricing decisions (Adapted from Middleton, 1994:98)

4.4.7 Local community and local authority participation

According to Nickerson (1996:48-50), "a mission statement giving direction to the outcome of development must be adopted". He continues by stating that the residents' quality of life should be part of a mission statement. This move will involve all stakeholders in sustainable tourism development and planning for the Transkei Wild Coast, as they will be made to feel valued participants in these processes. Broad consultation has to be the order of the day among all participating stakeholders and host communities. Keyser (2002:367) argues strongly for such participation, emphasising the importance of community involvement so that the level of involvement in tourism by local people ranges from consultation, where people are told about plans for tourism and given the opportunity to voice their comments, to partnerships, where local people share responsibility for the development and management of tourism operations, to projects completely controlled and executed by local residents.

To ensure successful, tourism-led local economic development in the Transkei Wild Coast, every local authority office and local community have to be consistently consulted, to co-operate

and participate from a well-informed position. This must take into account the following warning sounded by Keyser (2002:367):

> If tourism development brings no positive changes in the social and economic situation facing communities, there is little incentive for residents to change their attitude towards the utilisation of tourism resources.

This means that actively fostering and promoting tourism awareness among all communities in the entire Transkei Wild Coast, remains crucial, because the communities are both directly and indirectly involved as hosts of tourism economic activities.

Keyser (2002:368) adds another warning regarding community participation, which developers of tourism-led local economic development in the Transkei Wild Coast would be wise to heed: "without true participation, communities are left with the perception that tourism happens to us and that we do not make tourism happen". Therefore, the empowerment of local communities through training in the skills needed in the tourism industry will be a vital and significant step. Shafritz, Rosenbloom, Riccucci, Naff and Hyde (2001:301) draw a distinction between training and development and argue for the vital understanding of these terms before any empowerment efforts are undertaken. Shafritz *et al.* define training as an instrument of instruction in a myriad forms and settings, in which both technical and conceptual knowledge and skills are communicated to the trainees, whereas development is a process of progressing within an organisation, while acquiring skills and experience.

The participation and empowerment of tourism-hosting communities, as opposed to the current empty and over-emphasised term 'beneficial' to the tourism host communities, is advocated by Cernea (1991:126) as giving people more opportunities to participate effectively in development. Cernea adds that it means empowering people to mobilise their own capabilities, to become social actors rather than passive objects, to manage their resources, to make decisions and to control the activities that affect their lives. Local people's willingness to participate in hosting tourism activities is encouraged by sufficient information about tourism short-term and long-term goals because "empowerment starts with access to information" (Johnson,1990:2-25).

To give effect to this need, a practical approach to sustainable tourism development and planning programmes for the Transkei Wild Coast should be adopted. The first step would be to identify local leaders, existing tourism organisations, both local and provincial, and major community priorities and expectations about the proposed tourism-led local economic development in this area. The benefit of involving the community in hosting tourism activities is

that a strong sense of prestige of ownership, which will ultimately offer tourists a good reception, protection and information sharing, will be established. However, Murphy (1985:169) emphasises that:

> If the community is to be put on show, selling its natural resources and heritage, it should be able to identify satisfactory levels of returns for its efforts and inconvenience.

The communities of Transkei Wild Coast are very proud of and love their culture. Their active participation in tourism-led local economic development programmes will serve to position them for a number of activities attracting tourists. Hinch and Butler (1996:5) contend that "… from an economic perspective indigenous people are seen to have a competitive tourism advantage because they possess unique cultural and physical resources", and they develop their argument by claiming that therefore a symbiotic relationship exists, to the extent that cultural survival will contribute to economic success, and vice versa.

For two reasons, namely the success of tourism-led local economic development and a decent life, Transkei Wild Coast communities should use whatever they naturally possess, whether cultural or physical uniqueness, to fight poverty, lack of development and underdevelopment of the area. Their involvement as active participants in tourism development planning will also generate fresh and relevant ideas for tourism-led local economic development programmes, ultimately ensuring a better life for themselves.

According to Brandon and Wells (1992:557-570) the active participation of Transkei Wild Coast communities will remain important in a number of areas for full development programmes, namely:

a) Information gathering

b) Consultation

c) Decision-making

d) Initiating action

e) Evaluation

This type of active co-operation in tourism-led local economic development in the Transkei Wild Coast by its communities will surely allay the concerns voiced by early critics of tourism as an agent of development (Hinch & Butler, 1996:6), namely that:

> The tourism industry is often dominated by outside interests who retain most of the benefits for themselves and leave the host destinations to suffer the costs.

The active participation of Transkei Wild Coast communities in tourism-led economic development activities will have a positive impact on their lives. Supporting the significance of local participation, Johnson (1992:274) argues for making a positive difference to rural livelihoods by means of action from below, emphasising that:

> Action on rural poverty is not just a question for the state or for international organisations and non-governmental organisations, important though their activities may be.

This is a direct suggestion that whoever does what for development in the Transkei Wild Coast, it is its communities that ultimately have to take any available development opportunity into their own hands. They have no option but to participate.

4.5   Understanding LED and the challenges it faces in South Africa

Local economic development is relatively new to South Africa, although it interfaces with the study of tourism as a catalyst for LED in the Transkei Wild Coast. It is a concept that was first debated in the sub-committee on local government in the CODESA meetings which examined the nature of the country and the extent to which shared governance, social cohesion and sustainable development could be promoted by the new constitutional and developmental state. After the democratic government was established in 1995 and 1996, robust debates were held on the real meaning of LED and how it should be implemented in a sustainable way, by creating jobs for the local inhabitants (Binza, 2010:246). As a result, Section 152(2) of the Constitution of the Republic of South Africa Act 108 of 1996, which provides for the promotion of the social and economic conditions of the local inhabitants as one of the five objectives of developmental local government, was enacted. Rogerson (2010:482) writes that although there was then a mandate (legal requirement) for South African local authorities to begin local economic development, it was only in 2006 that the government came up with a national framework for it to create "inclusive local economies, exploiting local opportunities, real potential and competitive advantages, addressing local needs, as well as contributing to national development objectives" (South Africa. Department of Provincial and Local Government, 2006:17). This section has specific relevance to the study of tourism as a catalyst for local economic development in the Transkei Wild Coast.

This 2006 definition of LED was an "outcome of actions and interventions resulting from local good governance and the constant improvement and integration of national priorities and programmes in local spaces" (South Africa. Department of Provincial and Local Government,

2006). This gap between the time of LED's creation and its definition by the government gives an impression that developmental municipalities were chasing an unknown objective. The government could be seen as wasting ratepayers' and taxpayers' money. There were also differences in the way money was spent on LED activities by different municipalities. Some municipalities, in particular the six category A and 46 category C municipalities, had LED directorates with an executive or director responsible for achieving this constitutional mandate, while others had officers with only limited qualifications in Public Administration or Economics. What seemed to matter in the appointments of these executive directors and/or officers was an understanding of party politics rather than knowledge of administration or government (Binza, 2010:245).

Relevant scholarly and academic books on LED were published mostly after the dawn of the 21st century. For example, scholars like Trah and Abrahams, and institutions such as the World Bank and the International Labour Organisation, in their books and reports, defined and explained LED. According to Trah (2004:1), LED is a concept to do with development of local territory, specifically aiming to stimulate the local economy to grow, compete, and create jobs, in particular by making better use of locally available resources. ILO (2006:2) sees LED as a development process in which local people take part. It encourages partnership arrangements between the main private and public stakeholders of a particular territory, enabling the joint design and implementation of a common development plan, by making use of the local resources and even looking for a competitive advantage in a global context, with the final objective of creating decent jobs and stimulating economic activity. Abrahams (2003:20) writes that LED is a process of creating wealth through the organised mobilisation of human, physical, financial, capital, and natural resources in a locality. The aim ultimately is to produce higher standards of living, improve the quality of life, alleviate poverty, create more and better jobs, advance skills, and build capacity for sustained development in the future. This section has specific relevance to the study of tourism as a catalyst for local economic development in the Transkei Wild Coast.

The World Bank (2010:2) views LED as offering local government, the private and not-for-profit sectors, and local communities, the opportunity to work together to improve the local economy. It says that LED focuses on enhancing competitiveness, increasing sustainable growth, and ensuring that growth includes everyone. Its purpose is to build up the economic capacity of a local area, to improve its economic future and the quality of life for all, through a process by

which public, business, and non-governmental partners work together to create better conditions for economic growth and creating jobs. The UN-Habitat (2009:1) provides the following four basic ideas about LED:

a)   LED is a shared process in which local citizens from all sectors work together to stimulate local business, producing a resilient and sustainable economy. It is a way to help create decent jobs and improve the quality of life for everyone, including the poor and the marginalised.

b)   LED encourages public, private, academic, and civil-society people to establish partnerships and together find local solutions to common economic problems. The LED process tries to empower local people to effectively use business enterprise, labour, capital, and other local resources to achieve things that are important locally (e.g. to encourage quality jobs, reduce poverty, steady the local economy, and use municipal taxes to provide better services).

c)   LED is about sustainable development in the long term. It takes time to change local conditions, build ability, organise shared processes, and empower stakeholders, especially the marginalised and the poor.

d)   Creating a LED strategy is a joint process, and an effort that does not lay down laws. It uses local values (poverty reduction, increased self-reliance, satisfying basic human needs, mutual commitment, integrated social and environmental goals), uses economic drivers (growth in jobs, income, business activity) and considers development (the role of structural change, quality of development). This suggests that LED is not about quick fixes or creating and fulfilling a wish list.

What is deduced from the above definitions is the importance of locality; partnerships between local government and other spheres of government; business and civil society sectors; community empowerment; local communities taking part in considering, designing, and implementing LED policies and programmes; and using local resources effectively. In addition, LED has to invest in the socio-economic infrastructure, employment, and improvement of the quality of life of the local people (Ntonzima & Binza, 2011:259)

Further ideas have been suggested by Helmsing (2003:69), who writes that LED can be encouraged through tourism, when the attention of local government is focused on three categories, namely the development of enterprise, locality, and community. These categories are briefly discussed below.

a)   **Enterprise development**

This refers to actions which help to strengthen the economic base and competitiveness of the area by improving the access of individual and group enterprises to market opportunities, and improving the efficiency of groups of connected businesses. It includes starting up links between local businesses, entrepreneurs, and start-up companies, with potential investors from outside,

the use of public procurement policies, strengthening of economic clusters, financial support and non-financial business development services.

b)   **Locality development**

This refers to improvement in social, economic, and environmental conditions in which businesses operate in a particular area, and includes the strengthening of both physical and spiritual qualities that make the local area special. Hindson and Vincente (2005:21) put an emphasis on planning as a key instrument of locality development, and strongly believe that local government is in the best position to carry this out. Sometimes, a top-down directive is necessary to correct the current problem of all the municipalities in South Africa by investing resources in the promotion of tourism even if their own locality is not suitable for it. Some of the tourism institutions have hardly changed their approaches since they started up in early 2000. In most coastal municipalities, this lack of energy spoils the potential of tourism as a priority of the LED approach. Hindson and Vincente further point out that in South Africa the integrated development plans (IDPs), based on the principles of participation, have succeeded in uniting local stakeholders to have broad visions and programmes of locality development. However, they have not yet succeeded in implementing or financing any of these local business ideas. This section has specific relevance to the study of tourism as a catalyst for local economic development in the Transkei Wild Coast.

c)   **Community development**

This refers to measures to improve the health, housing, education, and welfare, including economic welfare, of individuals, households, and communities in particular areas. These community development services must be designed and implemented in ways that will benefit international and local tourists. This means improving the standard of services and the maintaining of service excellence to show that the municipalities are globally competitive, and their operations meet international service standards. In the development literature, community development is strongly associated with ways to support poor or disadvantaged communities. In South Africa, particularly in rural communities in areas like the Transkei Wild Coast, results from LED initiatives to improve the situation of the current communities are hardly visible because of weak LED planning and implementation.

The World Bank (2010:5) points out that the practice of LED can be undertaken at different geographical places, and should include not only business development initiatives, but also community development initiatives. The view is that combining business and community development could increase employment opportunities, improve the country's rating on human development as measured through the human development index, and narrow the deep gap between the rich and the poor. LED is about communities continually improving their investment climate and business environment to improve their competitiveness.

The World Bank (2010:5) points out further that local communities respond to their LED needs in many ways, and a variety of approaches can be taken, such as:

a)   Ensuring that the local investment climate encourages local businesses;

b)   Supporting small and medium-sized enterprises;

c)   Encouraging the formation of new enterprises;

d)   Attracting external investment (nationally and internationally);

e)   Investing in physical (hard) infrastructure;

f)   Investing in soft infrastructure (educational and workforce development, support systems and regulatory issues);

g)   Supporting the growth of particular clusters of businesses;

h)   Targeting particular parts of the city for regeneration or growth (areas-based initiatives);

i)   Supporting informal and newly emerging businesses; and

j)   Targeting certain disadvantaged groups.

If tourism is prioritised as one of the main sectors to improve and sustain LED in the Transkei Wild Coast, the relevant municipality can ensure that the local investment climate encourages the formation of new enterprises. This means that the municipality must create an enabling environment for investment in physical (hard) infrastructure (such as roads), soft infrastructure (educational and workforce development), and support the growth and sustainability of particular clusters of businesses (such as those involved in nature-based tourism and agri-tourism) (Ntonzima & Binza, 2011:667).

Rogerson (2010:483) writes that there are difficulties in implementing LED strategies, which tourism-led LED in the Transkei Wild Coast area are very likely to face. They are described below.

a)   **Lack of integration and co-operation between LED stakeholders**

There is considerable overlap between the roles and responsibilities of leading LED stakeholders in South Africa. In particular, there is a great deal of duplication between the activities and responsibilities of the various major government ministries, the Department of Corporate Governance and Traditional Affairs (CoGTA), the Department of Trade and Industry (DTI), and the Department of Tourism. There is a pressing need for closer co-operation between all LED stakeholders so as to avoid duplication of tasks and establish specific roles to be performed by different national and provincial government departments. To achieve this, the National Joint Programme of Actions for LED was proposed in 2008, involving the departments of agriculture, minerals and energy. DTI and CoGTA are supposed to mobilise resources for ensuring that LED projects are implemented in an effective, efficient, economical and equitable manner to promote and protect the socio-economic interests of the country.

b)   **Lack of appropriate scaling for LED**

There is a lack of awareness and understanding of the most appropriate scale for accomplishing LED in South Africa. A defined territory for LED should be on a scale that creates trust, co-operation and innovation among leading stakeholders. The implied assumption in existing guidelines is that each local area is a separate economy, and that the role of LED strategy is to develop this unit. Rogerson (2010:483) writes that many of the problems that limit the success of LED in South Africa could be solved either by re-scaling LED or by forging closer relationships between local, district and provincial authorities in development planning. For this to succeed, constant and professional communication is the key. This section has specific relevance to the study of tourism as a catalyst for local economic development in the Transkei Wild Coast.

c)   **Weak performance in the role of provinces**

The relevant departments in the national and provincial spheres of government have an important role to play in guiding local governments in the evolution of LED programmes through the IDP processes. This guidance could assist municipalities by grounding them in the realities and specific needs of each municipality. The Provincial Growth and Development Strategy (PGDS) provides an essential link between national and local development processes, and can

be vital for creating links in LED sectors. Recent evidence suggests that guidelines issued by CoGTA have not always been followed in PGDS preparation. It is essential to reinvigorate the role of provinces by making the PGDS a more powerful influence in the design and implementation of LED strategies where tourism is prioritised.

d)   **The gap between LED practices in cities and small towns**

The difference between the practice of LED in large and small towns is producing divergent economic growth performance because the competitive approach of large cities to LED, offers a more promising path for sustainable economic growth than the approach of small towns. The difference between approaches of large centres and smaller towns is simply increasing existing inequalities. An important point is that perceptions of the practice of LED differ from municipality to municipality. A critical issue is to recognise the limitations of the CoGTA's one-size-fits-all approach, and instead to accept the need for a differentiated approach to the practice of LED by municipalities. This differentiation can be implemented by looking at the municipal categorisation, and the urban/rural divide of municipalities. Such an approach would acknowledge that not all municipalities are or will ever be in the exactly the same situation regarding economic development, and therefore they require different LED tools to at least ensure that their local economies are growing, that jobs are being created, and that each municipality can expand its sources of revenue.

e)   **Poor dissemination of correct LED practice**

Many LED projects and programmes have been implemented since the existence of developmental local government in 1995/1996 and the defining of LED in 2006. However, there have been shifts in LED practices as a result of learning by doing and also learning from mistakes. While there is growing consensus about what does not work in LED, there is much less appreciation for its good practice. Although people argue about what constitutes good practice, and acknowledging that it cannot always be transferred from one context to another, there is widespread agreement about the basic need for better governance and for municipalities to get the basics right in terms of functioning properly. Learning from other municipalities what has best succeeded, and making use of it, without re-inventing the wheel, could be very beneficial in LED practices.

f)   **Lack of Availability of LED data for policy development**

Rogerson (2010:492) opines that to build competitive local economies, LED officials need much more effective analytical tools and must focus on the real economic challenges, such as accurate economic data and value chain analyses. The availability of official local-level data for planning has deteriorated since 1995/96 in some municipalities. The shortage of socio-economic data prohibits effective LED planning and results in poor policy development. In sectors such as manufacturing, the quality of available spatial data has declined because certain regular data series, such as a manufacturing census, was abandoned. In priority economic sectors, such as tourism and creative industries, almost no economic data exists which might inform competitive advantage and enhance LED planning for these critical sectors.

In a report by Rhodes University, Human Science Research Council and the University of Free State (2003:12) LED in South Africa has the following dimensions:

i)   It can exist at the policy level e.g. a municipality can take a decision to become more like a business;
ii)   It can exist at an institutional level e.g. it can establish a job centre or establish Section 21 company;
iii)   It can exist at a project level e.g. it operates as focus for undertaking an enterprise, such as chicken co-operatives, a tourism promotion strategy or a privately funded initiative;
iv)   It can function by providing support for livelihood programmes e.g. Extended Public Works Programmes; and
v)   It can function as the operator of independent or private support centres e.g. a local bank or a community upliftment and support programme.

LED can take any approach to establish itself, when considering a specific context of its locality. Mvula Trust (2006:1) identifies the following common approaches implemented by South African municipalities:

i)   Traditional approaches that seek to attract investments into the local area;
ii)   Entrepreneurial competitive approaches that emphases opportunities for local businesses through research, loans, grants, premises, technical infrastructure etc.;
iii)   Urban efficiency approaches that aims to raise urban productivity by lowering the cost of doing business;

iv)   Human resource development that aim to develop the local skills base;

v)   Community-based strategies that emphasise working directly with local communities and their organisations; and

vi)   Progressive approaches that explicitly aim to link profitable growth to a redistributive economy.

This section has specific relevance to the study of tourism as a catalyst for local economic development in the Transkei Wild Coast.

4.6   Summary

In this chapter, a brief history of the former independent state of the Transkei was given in an attempt to highlight the need for development in general. It shows that even at this stage, poor levels of development have had a strong influence on the standard of living of the Transkei inhabitants. These features have been thoroughly investigated and discussed.

This exposition is supplemented by suggested mechanisms to remedy the situation; the salient areas have been investigated and fully discussed in order to provide a number of alternative approaches to sustainable tourism-led LED in the Transkei Wild Coast. The views of a number of selected authors on tourism are explored as part of a literature review; all of these appear to indicate to Transkei Wild Coast communities how tourism in their areas may contribute to improving their lives. Furthermore, this chapter highlights that by developing proper and modern infrastructures, the Transkei Wild Coast should be able to launch sustainable tourism-led LED programmes that offer a key strategy to revive the declining economic activity in this area.

The literature reviewed revealed that for tourism economies to realise their potential and to succeed in areas such as the Transkei Wild Coast, numerous interventions are needed. Among these interventions, proper planning and host community participation, broad marketing of tourism products, transport services and the creation of an environment conducive to attracting as many tourism investors as possible, remain a priority.

The following chapter provides an overview of research methodology theory. This clarifies the selected methods for this study and its impact on the quality of the study in terms of possible approaches to the empirical phase of the study, the data collected, as well as analysis and interpretation thereof.

CHAPTER FIVE
RESEARCH DESIGN AND METHODOLOGY

5.1   Introduction

Within a scientific environment, answers are accepted as credible if they emanate from a defined and methodical scientific research process. Undertaking research involves a process or series of linked activities moving from the beginning to the end. The research process is not rigid, but an understanding exists that it will be weakened or become more complex if certain procedures are not executed carefully (Bouma & Ling, 2004:1).

Scientific research methods applicable to this study are explained. An overview of methods used in social research, within which this study falls, is provided. This chapter further discusses research objectives, the survey population, the sampling process, data presentation, and data analysis and interpretation.

5.2   An overview of social science research

Social science research, as a tool for gaining knowledge and gathering information about people and their social life, has been used extensively for more than 2 000 years, and therefore, it is not an invention of the modern social scientist. In a number of cases, it was used similarly to the methodological context as used by social researchers today (Sarantakos, 1988:1). Greek philosophers such as Socrates investigated the structure of society and the causes of social problems more than 2 000 years ago, and produced accounts of social life and of society. Walliman (2006:5) states that social science research is a 'catch-all' term, which includes research into any facet of life in society. Social research takes place within science parameters, which Bouma and Ling (2004:2) view as a discipline that collects, weighs and evaluates the empirical evidence for accepting a particular theory or explanation. Bouma and Ling (2004:2) argue further that scientific research, whether social, psychological, biological or in the field of physics, does this by collecting and analysing data in such a way that others looking at the same data in the same way would draw the same conclusions, or at least understand that why the researcher was examining in that way.

Sarantakos (1988:1) points out that evidence of empirical science existed before Socrates entered the scientific environment. Thales (640-550 BC) is an example of a researcher who used an empirical rational framework to understand the world of his time. Instead of employing a

traditional explanation based on religious principles, beliefs and superstitions, he applied observation of events and offered what could be termed an empirical scientific approach to the world. There was Anaximander (611-547 BC) with his theory of evolution; Empedocles (c. 450 BC) and Xenophanes (c. 600 BC) are other examples of empirically-thinking philosophers of the distant past. Hippocrates (c. 450 BC) was more involved in empirical research than his contemporaries. His experiments in health and illness opened up general knowledge and directed public opinion away from superstitions and powers of demons and bad spirits. He established guidelines and findings based on observation and empirical science. Bouma and Ling (2004:2) argue that scientific research involves the attempt to gather evidence in such a way that others can see why particular evidence was gathered, how that evidence was gathered, and what the findings were. They can then draw their own conclusions on the basis of that evidence.

Walliman (2006:8) explains that the history of social science research is closely bound to the theoretical developments that were promoted by philosophers and key thinkers and practitioners in the social sciences, which include:

Research in general:

a) **Plato and Aristotle** – these represent the two contrasting approaches to acquiring knowledge and understanding the world (epistemology). Plato argued deductive thinking (starting with theory to make sense of what we observe) and Aristotle for the opposite, inductive thinking (starting with observations in order to build theories).

b) **Hume** – recognised the importance of inductive thinking in the advancement of scientific knowledge, but highlighted its restrictions in finding the truth.

c) **Popper** – formulated a combination of deductive and inductive thinking in the hypothetico–deductive method, commonly known as the scientific method.

d) **Kuhn** – revealed that scientific research cannot be separated from human influences and is subject to social norms.

On social research:

a) **Compte** – maintained that society could be analysed empirically just like any other subjects of scientific enquiry, and social laws and theories could be established on the basis of psychology and biology.

b) **Marx** – defined the moral and social aspects of humanity in terms of material forces.

c) **Durkheim** – argued that society develops its own system of phenomena that produce collectively shared norms and beliefs, so called 'social facts'.

d) **Weber** – maintained that in order to describe social practices adequately we must understand what meanings the practices have for the participants themselves. This requires an understanding of the values involved, but without taking sides or making value judgements.

Describing the thinking of a social science researcher from a historical point of view, but in the present context, Walliman (2006:8) provides the following characteristics:

i) Social science researchers are interested in how to study human behaviour, its causes and consequences.

ii) They look at factors within society and try to find ways to understand and explain human actions and the results of these.

iii) They are aware that they, as humans, inevitably play a role within the research process that must be taken into account when coming to conclusions.

iv) They tend to hold particular beliefs about knowledge and how it can be gained, and select their research approach based on their particular stance within the theoretical framework of social science research.

v) They strive to choose a research design that they can argue to be appropriate for the subject of their research.

vi) They apply particular research methods for collecting and analysing data, chosen from a repertoire of methods devised over many years, on bases of appropriateness for the particular research problem tackled. If necessary, they adapt existing or even devise new methods to suit.

vii) They use argument in order to build up a case for the validity of their inferences.

viii) Social science research is relevant to a wide range of disciplines, so apart from sociology, researchers can be specialists in subjects such as education, healthcare, the built environment, business, welfare, housing and many others.

Sarantakos (1988:6) identified the following types of social research which in practice are not mutually exclusive:

a) **Quantitative research** – refers to the type of research that is based on the methodological principles of positivism and neopositivism, and adheres to the standards of strict research design developed before the research begins. It makes use of quantitative measurement and of statistical analysis.

b) **Basic research** – is usually used for the purpose of gaining knowledge that will advance understanding of the social world. It may help in rejecting or supporting existing theories about the social world.

c) **Applied research** – is directly related to social and policy issues aimed at solving specific problems and establishing policy programmes that will improve social life in general, and specific conditions in particular. Types of applied research are social impact studies, action research evaluation research and cost – benefit analysis.

d) **Longitudinal research** – involves the study of a sample on more than one occasion. Versions of this type of research are panel studies and trend studies.

e) **Qualitative research** – refers to a number of methodological approaches, based on diverse theoretical principles (e.g. phenomenology, hermeneutics, and social interactionism), employing methods of data collection and analysis which are non-quantitative, aim at towards exploring social relations, and describing reality as experienced by the respondents.

f) **Descriptive research** – aims to describe social systems, relations or social event, providing background information about the issue in question as well as stimulating explanations.

g) **Comparative research** – a researcher is interested in identifying similarities and/or differences between units at all levels, for example at a historical or cultural level.

5.3   Research methods

Understanding the concept of research methods is the first key to research. According to Leedy (1980:4) a research method is described as essentially a thought process on accumulated facts and data in order to determine what the facts 'say' and what the 'data' means. Leedy (1980:52) goes further, he explains a research methodology as the research strategy or methods of collecting data, which necessitates a reflection on the planning, structuring and execution of the research to conform with the demands of truth, objectivity and validity. The methodology indicates the methods of data collection as well as the techniques used for such data collection. Bryman (2004:19) identifies two common research strategies, quantitative methodology and qualitative methodology. These two methodologies use different tools for data collection and analysis.

5.3.1 Quantitative methodology

Quantitative techniques rely on collecting data that is numerically based and amenable to such analytical methods as statistical correlations, often in relation to hypothesis testing (Walliman, 2006:36). Guba and Lincoln (2004:106) state that quantitative data refers to data that can be easily transmitted to mathematical formulas to articulate functionality. Babbie and Mouton (2002:281) contend that quantitative research methodology is based on placing "emphasis on quantification of constructs...", that the best, or only, way of measuring the properties of

phenomena is through quantitative measurement, such as assigning numbers of perceived qualities of things and the central role of variables in describing and analysing human behaviour.

Bryman (2004:19) lists three main characteristics of a quantitative research:

i)   **Orientation** – uses a deductive approach to test theories;

ii) **Epistemology** – is based on a positivist approach inherent in the natural sciences; and

iii) **Ontology** – objectivist in that social reality is regarded as objective fact.

This study employed a quantitative research methodology and relied on a questionnaire as the data collection tool (see Appendix D).

5.3.2 Qualitative methodology

Qualitative techniques rely more on language and the interpretation of its meaning, so data collection methods tend to involve close human involvement and a creative process of theory development rather than testing (Walliman, 2006:36). Poggenpoel and Myburgh (2006:304) say that qualitative research refers to a deep holistic examination and description of an identified phenomenon in the field. Babbie and Mouton (2002:282) assert that qualitative research allows the researcher to get a better understanding of the research subject within its own particular setting. The qualitative framework not only enables the researcher to understand the research subjects, but it also enables him/her to explore and describe their behaviour, rather than to make broad generalisations. Bryman (2004:19) list three characteristics of a qualitative research:

i)   **Orientation** – uses an inductive approach to generate theories;

ii) **Epistemology** – it rejects positivism by relying on individual interpretation of social reality; and

iii) **Ontology** – constructionist, in that social reality is seen as a constantly shifting product of perception.

5.4   Research objectives

According to Walliman (2006:37) research objectives of a particular research project delineate the intentions of the researchers and the nature and purpose of the investigations. The range of possible objectives as viewed by Walliman could be to describe; to explain and evaluate; to compare; to correlate; and act, intervene and change.

In this study the key research objectives were to describe and to explain and evaluate how tourism as the catalyst for LED in the Transkei Wild Coast can work. This is done from conclusions made following a survey and through suggested workable recommendations. Walliman (2006:38) explains the two research objectives listed below as follows:

A) Descriptive

Descriptive research relies on observation as a means of collecting data. It attempts to investigate situations in order to establish what the norm that is and what can be predicted to happen again under the same circumstances. Observation can take many forms, depending on the type of information sought. People can be interviewed, questionnaires distributed, visual records made, even sounds and smells recorded. The important point is that the observations are written down or recorded in some way, in order that they can be subsequently analysed. It is important that the data collected is organised and presented in a clear and systematic way, so that the analysis can result in valid and accurate conclusions.

Walliman warns that since descriptive research depends on human observations and responses, there is a risk that distortion of the data can occur. This can be caused, among other things, by unintentionally biased questions in questionnaires or interviews, or through the selective observation of events. Although bias cannot be wholly eliminated, an awareness of its existence and likely extent is essential.

In this study unintentional bias was eliminated through interpretation of the survey results focus that attempted as much as possible to remain within statistical numerical distribution of respondents' answers. Furthermore, the interpretation discussion was based on the observation of the Transkei Wild Coast landscape and its potential to grow in the tourism industry.

B) Explanation and evaluation

This type of research is specifically designed to deal with complex social issues. It aims to move beyond merely getting the facts in order to make sense of the myriad human, political, social, cultural and contextual elements involved. According to Guba and Lincoln (1989:8), this type of research has six properties, which are directly linked to this study:

i)   The evaluation outcomes are not intended to represent the way things are, or how they work, but to present the meaningful constructions of the individual actors or groups of actors in order to make sense of the situations in which they find themselves.

ii)   In presenting these constructions, it is recognised that they are shaped to a large extent by the values held by the constructors. This is a very important consideration in a value-pluralistic society, where groups rarely share a common value system.

iii)   These constructions are seen to be inextricably linked to the particular physical, psychological, social and cultural context within which they are formed and to which they refer. These surrounding conditions, however, are themselves dependent on the constructions of the actors which endow them with parameters, features and limits.

iv)   It is recognised that the evaluation of these constructions is highly dependent on the involvement and viewpoint of the evaluators in the situation studied.

v)   This type of research stresses that evaluation should be action-oriented, it should define a course which can be practically followed, and should stimulate the execution of its recommendations. This usually requires a stage of negotiation with all the interested parties.

vi)   Due regard should be given to the dignity, integrity and privacy of those involved at any level, and those who are drawn into the evaluation should be welcomed as equal partners in every aspect of design, implementation, interpretation, and the resulting action.

Robson (2002:201) points out that the common purpose of evaluation research is to examine programmes or the working of projects from the point of view of levels of awareness, costs and benefits, cost effectiveness, attainment of objectives and quality assurance. The results are generally used to prescribe changes to improve and develop the situation, but in some cases might be limited to descriptions that give a better understanding of the programme.

Explaining more clearly, Sarantakos (1988:15) argues that the driving force behind any type of social research is to drive or influence one or some of the following aims:

a)   to explore social reality for its own sake or in order to make further research possible;

b)   to explain social life by providing reliable, valid and well-documented information;

c)   to evaluate the status of social issues and their effects on society;

d)   to make predictions;

e)   to develop and/or test theories.

f)   to understand human behaviour and action.

g)   to offer a basis for a critique of social reality;

h)   to emancipate people;

i)   to suggest possible solutions to social problems; and

j)   to empower and liberate people.

The scientific aim of this study was, in short, what is explained by Sarantakos (1988:16) who classifies it as critical research, aimed at criticising the social reality, emancipating people, empowering people to change social reality by suggesting possible solutions and thus liberating them from oppressive and exploitative social structures. According to Mahr (1995:85) these aims are pursued in social research for the following reasons:

a)   to educate and inform the public;

b)   to offer credibility to views held by the researcher; and

c)   to provide support to political plans and programmes.

This study investigated the possibility of employing tourism as a catalyst to LED in the Transkei Wild Coast. The programme that should be led by all seven local municipalities in this area, with the aim to educate and enlighten all the communities by informing them of the credible views, as contained in the findings of this research. The ultimate intention of this study was to make these findings available, to provide support to political plans and programmes that are meant to improve the socio-economic conditions of the Transkei Wild Coast inhabitants, using the potential opportunities provided by tourism.

5.5   Data collection

Employing a quantitative research methodology which relies on an empirical survey, this study used questionnaires as the data collection tool. Walliman (2006:51) opines that there are two forms of data—primary data and secondary data. He is of the view that distinguishing between different kinds of data is important because their nature has direct implications in reliability and for the sort of analysis to which they can be subjected.

5.5.1 Primary data

According to Walliman (2006:51) data that have been observed, experienced or recorded close to the event are the nearest one can get to the truth, and are called primary data. Primary data are present all around people. People's senses deal with primary data all the time, for example hearing sounds, seeing things, tasting, tactile stimuli. Instruments also provide primary data in instances where human sensory organs cannot, for example, thermometers which record temperature, clocks that tell time.

Walliman presents four basic types of primary data:

a) **Observation** – records, usually of events, situations of things, of what the person has experienced with his/her own senses or with the help of an instrument for, example a camera, microscope, tape recorder.

b) **Participation** – data gained by experiences that can perhaps be seen as an intensified form of observation. For example, the experience of learning to drive a car tells that person different things about cars and traffic, other than from just watching.

c) **Measurement** – records of amounts or numbers, for example temperature, instruments that measurement distance.

d) **Interrogation** – data gained by asking and probing.

This study relied on primary data, using questionnaires as the data collection tool. Once collected, the data were processed using Statistical Packages for Social Sciences (SPSS) version 22. Thereafter interpretation of the analysed data was undertaken.

5.5.2 Secondary data

Secondary data is data that has been interpreted and recorded. It includes published books, journal papers, magazine articles and newspapers presented in a written form. It is important to look critically at secondary data because its quality depends on the source and methods of presentation (Walliman, 2006:51).

The review of literature (secondary data) was useful and assisted the researcher in the process of results articulation, development of the proposed framework and the construction of suggested recommendations. The researcher assessed the weaknesses of existing or other proposed frameworks and recommendations with the purpose to enrich what could be the suitable proposed framework and recommendations for the Transkei Wild Coast tourism strategy.

Conducting research using quantitative research method demands the careful design of a questionnaire, one in which the respondents are able to understand the questions asked and the statements made. According to Browne (2005:108) there are many pitfalls for the novice questionnaire designer. Therefore, designing good, reliable and valid questionnaires is a task requiring knowledge and skill. Streiner and Norman (2003) (cited in Browne, 2005:111) point out two problems that quantitative method researchers should always try to minimise—questions which would make excessive mental demands on respondents when answering, and questions which could lead to biased responses from respondents.

5.5.2.1 Excessive mental demands problem

a) **Misunderstanding the question** – simple misunderstanding of the intention behind a question is very common.

b) **Inability to recall** – for example, if you ask you respondents "how satisfied have you been with work over the last year?" You are asking them to recall many moods and events over a long period, an extremely difficult task.

c) **Guessing** – the answer to many of the questions cannot be recalled with perfect accuracy so respondents will possibly use a variety of strategies to guess what they consider to be the 'right' answer.

d) **Mapping the answer onto the response alternative** – response formats are unlikely to correspond exactly to that of the respondents' individual mental representation, and the 'true' answer can often become lost in translation.

5.5.2.2 Biased responses problem

a) **Satisfying** – this occurs when respondents give what they consider a 'satisfactory' rather than an optimal answer. A common example of this is the tendency to select the first response alternative that seems reasonable, rather than considering all the options and then choosing.

b) **Social desirability and faking good** – when responding to the questionnaire, respondents are likely to want to present themselves in the best light. This can lead to extreme bias when asked about, for example, socially undesirable behaviours.

c) **Deviation and faking bad** – there are some situations where respondents may believe that it is advantageous to appear in as bad a light as possible. For example, in a survey, young men might exaggerate their experiences of alcohol use or smoking, if these are acceptable among their peer groups.

d) **Acquiescence** – there is some evidence to suggest that respondents are more likely to agree than disagree with statements in a questionnaire. This is particularly problematic when one is asking about opinions or attitudes.

e) **End-avoidance and positive skew** – these problems arise when respondents are asked to provide an answer on some form of continuous scale. End avoidance occurs because respondents often do not like to choose extreme answers. Positive skew occurs because respondents tend to favour more positive responses, leading to response distributions that do not centre on the middle option.

5.6   Pilot study

A pilot study is a small-scale replica of the main study. While pre-tests help to solve isolated mechanical problems of an instrument, pilot studies are concerned with administrative and

organisational problems related to the whole study and respondents (Sarantakos, 1988:293). Oppennheim (1992), Moser (1971) and Sproull (1988), (cited in Sarantakos, 1988:293) all point out the following purposes are served by a pilot study:

a)   to estimate the cost and duration of the main study and test the effectiveness of its organisation;

b)   to test the research methods and research instruments and their suitability;

c)   to show whether the sampling frame is adequate;

d)   to estimate the level of response and the form of drop-outs;

e)   to gain information about how diverse or homogeneous the survey population is?

- to familiarise the researcher with the research environment in which the research is to take place;

- to give researchers and their assistants the opportunity to practice research in a real situation and before the main study begins; and

- To test the response of the subjects to the method of data collection and through that, the adequacy of its structure.

A pilot study was conducted in this study and feedback was used to produce a refined and reliable version of the questionnaire as an applied tool for data collection. This process was designed to respond to all areas raised above by Oppennheim (1992), Moser (1971) and Sproull (1988), (cited in Sarantakos, 1988:293) as common purposes served by a pilot study.

5.7   Survey population and sampling process

According to Browne (2005:118) whatever the research question and however the data are to be collected, a key concern is the generalisability of a survey. The researcher of a survey needs to know how far the findings are applicable, not only to those surveyed, but to the whole population of interest. To ensure that results of an investigation are completely generalisable the whole population must be surveyed. Walliman (2006:75), in agreeing with Browne's view, states that if a researcher wants to get information about a large group of people or organisation, it is normally impossible to get all of them to answer your questions and it would be too time-consuming and too expensive. The solution is to ask a randomly selected sample of them, with the expectation that the answers they give are representative (typical) of the entire population. The process of selecting a small group of people from the large group, according to Walliman, is

called 'sampling', whilst Browne calls it a 'sample survey'. Agreeing with Walliman, Browne, (2006:119) argues that results from a smaller sample survey are less unwieldy, and therefore easier to analyse. Lastly, both Walliman (2006:76) and Browne (2005:119) state that there are two types of sampling procedure methods:

a)   Probability sampling – which is based on random selection, and
b)   Non-probability sampling – which is based on non-random selection.

These two sampling methods rely on different techniques suited to different population characteristics. Probability sampling relies on:

a)   simple random sampling;
b)   systematic sampling;
c)   simple stratified sampling;
d)   proportional stratified sampling;
e)   cluster sampling; and
f)   multi-stage sampling.

Non-probability sampling relies on:

a)   accidental sampling;
b)   quota sampling;
c)   theoretical sampling;
d)   purposive sampling;
e)   systematic matching sampling; and
f)   snowball sampling.

This study employed both sampling techniques but at different stages of the questionnaire application. The probability sampling technique selected was cluster sampling which was used during the design of the questionnaire and during the pilot study stage, whilst the non-probability technique of purposive sampling was employed for the actual questionnaire distribution.

Walliman (2006:78-79) states that cluster sampling, also known as area sampling, is used when the population is large and spread over a wide area. Rather than enumerating the whole population, it is divided into segments. Purposive sampling is where the researcher selects what he/she thinks is a 'typical' sample based on specialist knowledge or selection criteria.

In this study a cluster sampling method was employed for questionnaire distribution to identify places in the western, eastern, northern, southern and central geographical parts of the Transkei Wild Coast for the pilot study. This was done to ensure that the purposes of a pilot study as listed above (refer to 5.6, Pilot Study) were successfully addressed.

5.8   Data presentation

Sarantakos (1988:343) states that in quantitative research, the most common forms of grouping and presenting data are distributions, tables and graphs. In this way data are integrated into a form that provides, at a glance, summarised information about the research topic or aspects of it. These forms of grouping and presenting data were utilised in this study. Sarantakos (1988:343-358) explains as follows:

a)   Distribution

Distribution is one of the most common ways of presenting data. A distribution is a form of organisation or classification of scores obtained for the several categories of a particular variable. There are several types of distributions, for example, frequency distributions, proportional or percentage distributions and cumulative distributions. In social research frequency distributions are most common.

b)   Tables

Tables are the most common way of presenting data and usually contain extensive information. They enable the researcher or reader to gain an overall view of the study findings, to identify trends and to display relationships between different aspects of the findings.

c)   Graphs

Graphs are figures that offer a visual image of the results. Most consist of a skeleton and a body. While the skeleton in such graphs is the same, the shape of their body usually varies from one type to the other. Graphs may appear as circles (pie charts), bar graphs, flowcharts, line graphs, pictographs, for example, to display and compare data sets in a simple format.

In this study statistical data was presented in the form of distributions, tables and graphs.

5.9   Data analysis and interpretation

Bouma and Ling (2004:209) state that at this stage of the research there are four basic questions that guide the activities of data analysis and interpretation, which are:

a) **What did you ask?**

The first step in data analysis and interpretation is to remember what it was you asked and to remain focused on the purpose of the research. It is useful to remind yourself (the researcher) about the questions that originally motivated you to undertake the research. During data analysis

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and interpretation, because the researcher may have made many interesting discoveries during data collection or while preparing the data for presentation, it may be necessary for the researcher to restate what the central issue in the study was (Bouma & Ling, 2004:213).

b) **What did you find?**

Once the researcher has been reminded what was being asked and how the research hypothesis or objectives related to that general area of interest, the researcher can ask "What did I find?" The data produced by the study are by now displayed in tables or graphs or expressed as percentages. Now the question is "But what do you think they say?" They do not analyse or interpret themselves.

Firstly, the data need to be interpreted. Secondly, the data must be related to the hypothesis or research objectives. Thirdly, the data must be evaluated. So the next question is "What does your data, as presented, say?"

Interpreting data involves expressing in words what tables, graphs or percentages say. The researcher does not try to explain the data, nor draw conclusions from them. If the results are unclear, the researcher reports that the data are unclear. It is best at this stage to report the implications of data without discussion or comment (Bouma & Ling, 2004:213).

c) **What did you conclude?**

A good conclusion has two levels. Firstly, it clearly states in simple terms what the data reveal. Secondly, it relates this simple statement to the larger issues. This can be seen as the reverse of the process by which the researcher narrowed his/her attention in the first stage of the research process. The role of the conclusion is to restate the findings of the study and then to state the implications for both the hypothesis or research objectives and larger issues (Bouma & Ling, 2004:218).

d) **To whom do your conclusions apply?**

The question "to whom do your conclusions apply" can be answered in a narrow sense and in a broader sense. On the one hand, the conclusions are limited to the sample studied and to the population of which it is representative. This is the narrow interpretation of the conclusion. The narrow interpretation of the applicability of conclusions is based on the limitations imposed by the sampling procedure selected. This narrow interpretation refers to the data, to the facts produced by the research (Bouma & Ling, 2004:218).

On the other hand, research is done to gain some understanding about larger issues. Some of the conclusions refer to the implications of the research findings for those larger issues. This is the broader sense of the applicability of the conclusion. In drawing conclusions, the researcher moves from the narrow conclusions about the findings of the study to the implications of those findings for the larger issues. It is in this sense that conclusions have a broader applicability (Bouma & Ling, 2004:219).

The above-mentioned four basic questions were answered in this study. Statistical data analysis was presented and objective data interpretation was given.

5.10   Summary

Social research takes place in science parameters. Bouma and Ling (2004:2) view science as a discipline that collects, weighs and evaluates the empirical evidence for accepting a particular theory or explanation. Bouma and Ling argue further that science, whether social, psychological, biological or in the field of physics, does this by collecting and analysing sensory evidence in such a way that others looking at the same evidence in the same way would draw the same conclusions or at least understand that is possible to see what the researcher was examining.

More critical, this chapter presented and explained key aspects of scientific research methods, which are commonly used in social science research, and the parameters that this study for tourism as the catalyst for local economic development in the Transkei Wild Coast has employed. The key aspects that are articulated included an overview of social research which presents various comments on what still makes social research relevant and how it intends to contribute in the broader society.

The next chapter presents the statistical survey results which were processed using SPSS version 22. Data was encoded and statistically analysed with the assistance of a registered CPUT statistician. These results are interpreted in relation to the specification of the study itself and the general implications of these results are discussed in relation to other areas that face a similar economic situation to that of the Transkei Wild Coast.

CHAPTER SIX

SURVEY FINDINGS, DATA ANALYSIS AND INTERPRETATION

6.1   Introduction

This chapter presents the survey findings, data analysis and an interpretation of the results of this study. The study employed a quantitative methodology, and used a questionnaire as the data collection tool from the identified research population for the study. After collection, the data were analysed with the assistance of a registered CPUT statistician, using Statistical Packages for Social Sciences (SPSS v21). The data was checked and aligned by the researcher in order to correct all data errors, and prepare it for presentation and interpretation. This chapter starts by presenting the demographics of the research population of the study. The demographic information of respondents covered current employer or area of responsibility, experience in the industry (indicated in years); gender, language group and age group.

A structured approach to analysis and data interpretation was followed. A sub-title for the descriptive analysis of the empirical survey results of each statement was crafted, while the statistical results of each statement was presented in tabulated format, each of which was given a distinct number. The statistical results were numerically presented under the title of the descriptive analysis, which ranged from disagree, strongly disagree, undecided, agree and strongly agree in the form of a Likert scale questionnaire.

The second part of the structured approach that was applied was an interpretation of the presented statistical descriptive data analysis. A sub-title for interpretation of the statements was crafted, and followed with an objective interpretation, which was premised on the numerical statistical distribution of answers that were given by the respondents. The chapter ends with a summary presentation.

6.2   Process undertaken during questionnaire survey

The study identified key role players in the spheres of local government for local economic development stakeholders with specific emphasis on the tourism industry. These stakeholders included government officials, councillors who are government representatives in communities, and Community Development Workers (CDWs). These stakeholders deal with community development projects in communities that work with established government institutions,

depending on the economic activity, which is delivered and whether it is for a short-term or long-term plan.

The coastal area of the Transkei Wild Coast has seven local municipalities, namely Mnquma, Mbashe, King Sabatha Dalindyebo, Nyandeni, Port St Johns, Ingquza Hill and Mbizana. At the time of the research, Mnquma had 31 CDWs and 66 councillors; Mbashe had 31 CDWs and 61 councillors; King Sabatha Dalindyebo had 35 CDWs and 70 councillors; Nyandeni had 26 CDWs and 61 councillors; Port St Johns had 10 CDWs and 39 councillors; Ingquza Hill had 31 CDWs and 74 councillors; and Mbizana had 25 CDWs and 72 councillors. Each municipality had one Local Economic Development Manager who is the leading official for economic activity within the municipality, including planning. This totalled 639, which formed the population of this study. Of the total 639 questionnaires distributed, 449 were completed and returned. Of the 449 respondents, 7 were Local Municipal Managers, 227 were councillors and 215 were CDWs (see Table 6.1).

Preceding the questionnaire, a pilot study was conducted to assess the time that it took respondents to complete the questionnaire, and whether or not they understood the statements in the questionnaire. A total of 140 questionnaires were distributed to the seven municipalities with 20 questionnaires for each municipality. The target for each municipality was 10 councillors, 9 CDWs and 1 Local Economic Development Manager. All respondents completed and returned the questionnaires. This exercise revealed potential obstructions during the actual distribution of the questionnaire, which included statement understanding and time spent to complete the questionnaire. This assisted with reconstruction of questions to take between 15 and 20 minutes to complete all sections of the questionnaire, which contained 60 statements presented in a Likert-type scale format.

Questionnaires were self-administered by the researcher. The questionnaire was compiled in English and all respondents were able to read and write. Respondents were assisted where necessary. Questionnaires were distributed to all respondents, who were given up to a week to complete and return it to the Secretary of the Municipal Speaker or the CDW's supervisor at each municipality. This exercise took place over a period of three months, as some respondents exceeded the one week planned return deadline, whilst others did not return the questionnaires at all. Telephone administration strategy was used to co-ordinate this process, and dependency on established relationships was helpful throughout.

6.3   Presentation of descriptive data analysis

6.3.1   Demographic description of the respondents

a)   Employment

Table 6.1 below reflects the employment organisation or area of responsibility of the respondents. Of concern was that government employees responsible for tourism development throughout the seven municipalities located in the Transkei Wild Coast is very limited and comprised only 1.6% of respondents. All were Local Economic Development Managers within the seven municipalities. This highlights an undesirable situation of the absence of tourism officers in the current municipal employment structure of Transkei Wild Coast. This does not bode well where local economic development in the Transkei Wild Coast is argued to be tourism-led

Table 6.1: Current employment organisation or area of responsibility of respondents

	Frequency	Percent	Cumulative Percent
Government Employee	7	1.6	1.6
Councillor	227	50.6	52.1
Community Development Worker	215	47.9	100.0
Total	449	100.0	

b)   Experience

The level of experience of the respondents shows that the majority have been directly involved in the tourism industry from 3 to 10 years. The advantage of this is the indication that tourism is perceived as a popular sector in which to be involved.

Table 6.2: Respondents' experience in the tourism industry (in years)

	Frequency	Percent	Cumulative Percent
1 - 2 years	21	4.7	4.7
3 - 5 years	382	85.1	89.8
6 - 10 years	45	10.0	99.8
More than ten years	1	0.2	100.0
Total	449	100.0	

c)   Gender

Result showed that 62% of respondents were male and 38% were female. This could be due to the fact that within the TWC area most women are housewives or that the tourism industry is not attractive to females. This imbalance needs to be addressed and changed.

Table 6.3: Respondents' gender

	Frequency	Percent	Cumulative Percent
Male	279	62.1	62.1
Female	170	37.9	100.0
Total	449	100.0	

d)   Language

The majority (99%) of the study respondents were Xhosa-speaking, an indication that affirms dominance of the Xhosa nation in the province of Eastern Cape

e)   Age

The results revealed that 86% of respondents fell within the ages of 21-40 years, with the indication of years' experience in the industry (see Table 6.2) shows that young people in Transkei Wild Coast are interested in the tourism industry.

Table 6.4: Respondents' age group

	Frequency	Percent	Cumulative Percent
21 - 30	206	45.9	45.9
31 - 40	181	40.3	86.2
41 - 50	60	13.4	99.6
51 - 60	2	0.4	100.0
Total	449	100.0	

6.3.2 Analysis and interpretation of statement responses

STATEMENT 1

In order for the tourism industry to grow in the Transkei Wild Coast, a leading role is required to be taken by local government to develop a blueprint working plan.

Descriptive analysis: Statement 1

A total of 65.9% of the respondents agreed with Statement 1, while 34.1 % of the respondents strongly agreed. This gave a response of overwhelming agreement from all respondents. Table 6.5 presents a detailed statistical distribution of the responses in this regard.

Table 6.5: Statement 1: Develop a blueprint working plan

	Frequency	Percent	Cumulative Percent
Agree	296	65.9	65.9
Strongly Agree	153	34.1	100.0
Total	449	100.0	

Interpretation: Statement 1

All (100%) of the respondents agreed on the leading role of local government to facilitate the growth of the tourism industry in the Transkei Wild Coast. Linked to this response is the fact that government is seen as playing a vital role in creating an enabling business environment and building key tourism infrastructure such as roads, clean water, clinics and providing safety and security. This response could be linked to the level of understanding of Transkei Wild Coast inhabitants that the tourism industry is one of the strongest economic sectors in the area. Another key here could be an interpretation of buy-in and confidence amongst the inhabitants of the Transkei Wild Coast in the tourism industry strengthening local economic development efforts within the area through the leading role of local governments.

STATEMENT 2

In order for tourism industry to grow in the Transkei Wild Coast, a leading role is required by local government to build from existing potential tourism products' strengths.

Descriptive analysis: Statement 2

A total of 65.3% of the respondents agreed with this statement, while 34.7% of the respondents strongly agreed. Table 6.6 presents a detailed statistical distribution of answers.

Table 6.6: Statement 2: Build from existing potential tourism products strengths

	Frequency	Percent	Cumulative Percent
Agree	293	65.3	65.3
Strongly Agree	156	34.7	100.0
Total	449	100.0	

Interpretation: Statement 2

All the respondents (65.3% and 34.7%) agreed with Statement 2, which could relate to the significant factor of the destination's distinctiveness of a tourist product experience. Hence, the originality that makes the Transkei Wild Coast area attractive and the fact that it has a competitive edge compared to other tourist destinations. This originality stems from its culture, traditional games, way of life, food, forestry, tranquility, sand and sun, green panorama, and other attractions and activities. These could form part of the existing tourism infrastructure, while its originality could be inferred as a key building block to a viable tourism industry, where local governments in the Transkei Wild Coast should play a leading role in maintaining the originality of the area.

STATEMENT 3

In order for the tourism industry to grow in the Transkei Wild Coast, a leading role is required to be played by local government to build and invest in support infrastructure such as roads and communication.

Descriptive analysis: Statement 3

A total of 64.4% of the respondents agreed with Statement 3, while 35.6% of the respondents strongly agreed. Table 6.7 presents a detailed statistical distribution of the responses.

Table 6.7: Statement 3: Build and invest in support infrastructure such as roads and communication

	Frequency	Percent	Cumulative Percent
Agree	289	64.4	64.4
Strongly Agree	160	35.6	100.0
Total	449	100.0	

Interpretation: Statement 3

All the respondents (64.4% and 35.6%) agreed with Statement 3, which could be viewed as a need for the improvement of tourism support infrastructure, and which should be led by the local governments in the Transkei Wild Coast. This would include roads construction and maintenance, as well as a stable working communication network infrastructure. The Transkei Wild Coast local governments should take the lead in this undertaking.

STATEMENT 4

In order for the tourism industry to grow in the Transkei Wild Coast, a leading role is required to be taken by local government to encourage nature conservation.

Descriptive analysis: Statement 4

A total of 65.5% of the respondents agreed with statement four, while 34.5% of the respondents strongly agreed. Table 6.8 presents a detailed statistical distribution of the responses.

Table 6.8: Statement 4: Encourage nature conservation

	Frequency	Percent	Cumulative Percent
Agree	294	65.5	65.5
Strongly Agree	155	34.5	100.0
Total	449	100.0	

Interpretation: Statement 4

The total (65.5% and 34.5%) agreement response by respondents with regard to statement four could be considered as an affirmation that the Transkei Wild Coast tourism industry must remain green and promote responsible ecotourism. The Transkei Wild Coast local governments are seen as strategic partners in the promotion of ecotourism.

STATEMENT 5

For the tourism industry to grow in the Transkei Wild Coast, it requires a leading role by local government to strengthen safety and security.

Descriptive analysis: Statement 5

A total of 65.0% of the respondents agreed with this statement, while 34.7% strongly agreed and 0.2% were undecided. Table 6.9 presents a detailed statistical distribution of the responses.

Table 6.9: Statement 5: Strengthen safety and security

	Frequency	Percent	Cumulative Percent
Undecided	1	0.2	0.2
Agree	292	65.0	65.3
Strongly Agree	156	34.7	100.0
Total	449	100.0	

Interpretation: Statement 5

The above statement rendered an agreement of 99.7% among respondents that government should take a leading role in providing safety and security in the Transkei Wild Coast. This is significant because the tourism sector appears to be sensitive on the matter of safety and security. For any tourist destination to be popular, it is important that the area has a zero tolerance policy in relation to crime. Crime and perceptions of a destination being unsafe will cause fear and apprehension among tourists. This response indicates that government is responsible to deliver a safe tourist environment so that tourists will not fear any destination.

The 0.2% of respondents who were undecided should be noted as an area of concern, which could be interpreted as suggestive of the role that other stakeholders play in respect of safety and security in the Transkei Wild Coast. This is important, as tourists walk among the host communities, are received by host communities, and interact with host communities, where the first line of law enforcement should be visible, whilst government law enforcement agencies adopt a secondary supplementary role.

STATEMENT 6

In order for the tourism industry to grow in the Transkei Wild Coast, a leading role is required by local government to improve transport modes.

Descriptive analysis: Statement 6

A total of 65.05% of the respondents agreed with Statement 6, while 35.0% of the respondents strongly agreed. Table 6.10 presents a detailed statistical distribution of the responses.

Table 6.10: Statement 6: Improve transport modes

	Frequency	Percent	Cumulative Percent
Agree	292	65.0	65.0
Strongly Agree	157	35.0	100.0
Total	449	100.0	

Interpretation: Statement 6

All the respondents (65.0% and 35.0%) agreed with this statement, which can be regarded as an indication of transport significance in the tourism industry. For tourist destinations such as those in the Transkei Wild Coast, different transport modes are limited, and those that operate face huge limitations. Transport modes here are largely limited to public transport, which is often poor and unreliable. This is a major problem. The fact that the Transkei Wild Coast local governments should play a leading role to improve the prevailing situation, is an indication that the transport systems in this area are still in an infancy stage.

STATEMENT 7

For the tourism industry to grow in the Transkei Wild Coast, it requires a leading role from local government to create an environment conducive for the private sector to do business.

Descriptive analysis: Statement 7

A total of 64.6% of the respondents agreed with Statement 7, while 35.4% of the respondents strongly agreed. Table 6.11 presents a detailed statistical distribution of the responses.

Table 6.11: Statement 7: Create a conducive environment for private sector to do business

	Frequency	Percent	Cumulative Percent
Agree	290	64.6	64.6
Strongly Agree	159	35.4	100.0
Total	449	100.0	

Interpretation: Statement 7

All of the respondents (64.6% and 35.4%) agreed with this statement, which indicates that the private sector in the Transkei Wild Coast area has an important role to play here, while government should ensure that an enabling environment is created. This requires government to ensure that the cost of doing business is decreased, particularly with regard to infrastructure such as roads, electricity supply, crime control, and a business-friendly legal framework.

STATEMENT 8

Implementation of tourism as a key driver for local economic development in the Transkei Wild Coast should always involve relevant stakeholders.

Descriptive analysis: Statement 8

A total of 64.6% of the respondents agreed with Statement 8, while 35.4% of the respondents strongly agreed. Table 6.12 presents a detailed statistical distribution of the responses.

Table 6.12: Statement 8: Involve relevant stakeholders

	Frequency	Percent	Cumulative Percent
Agree	290	64.6	64.6
Strongly Agree	159	35.4	100.0
Total	449	100.0	

Interpretation: Statement 8

All of the respondents (64.6% and 35.4%) agreed with this statement, which could be associated with the significance of stakeholders streamlining with the purpose of getting the right people with the right minds together to do business right. This can be seen as important in the process of establishing key role players for the industry, particularly during the building stage of this sector to high levels of competitiveness in the area of the Transkei Wild Coast.

STATEMENT 9

Implementation of tourism as a key driver for local economic development in the Transkei Wild Coast should always involve relevant experts.

Descriptive analysis: Statement 9

A total of 63.7% of the respondents agreed with this statement, while 36.3% of the respondents strongly agreed. Table 6.13 presents a detailed statistical distribution of the responses.

Table 6.13: Statement 9: Involve relevant experts

	Frequency	Percent	Cumulative Percent
Agree	286	63.7	63.7
Strongly Agree	163	36.3	100.0
Total	449	100.0	

Interpretation: Statement 9

All of the respondents (63.7% and 36.3%) agreed with this statement, which indicates the significance of experts who are involved with the government on how best tourism in the Transkei Wild Coast area can be planned, implemented and monitored as a driver for local economic development. The results also indicate that experts, as key role players, can conduct research for possible solutions and workable models elsewhere.

STATEMENT 10

Relations among stakeholders who are involved in tourism should be kept healthy in order to strengthen existing partnerships.

Descriptive analysis: Statement 10

A total of 66.6% of the respondents agreed with Statement 10, 33.2% of the respondents strongly agreed, and 0.2% disagreed. Table 6.14 presents a detailed statistical distribution of the responses.

Table 6.14: Statement 10: Keep healthy stakeholders' relations in partnerships

	Frequency	Percent	Cumulative Percent
Disagree	1	0.2	0.2
Agree	299	66.6	66.8
Strongly Agree	149	33.2	100.0
Total	449	100.0	

Interpretation: Statement 10

A total of 99.8% (66.6% and 33.2%) of the respondents agreed with the statement, which signifies the power of stakeholders working in unison when handling matters in their interest. Maintaining healthy relations is seen as key in the Transkei Wild Coast for lobbied decisions, where the business community speaks in unison in relation to its expectations from government and the host communities. Government speaks in unison of its expectations from the host communities and business, while the host communities speak in unison of the expectations from government and business.

The 0.2% of the respondents who disagreed could be indicative of the view that stakeholders relations are kept healthy by working together, which is as good as individual stakeholders operating on their own. This on its own should influence good relations with other stakeholders who are involved in the sector. Nevertheless, this practice is suitable in areas where economy and development have matured, hence areas such as the Transkei Wild Coast may not work in this regard, as every aspect of economic activity and development is confronted with unfavourable working conditions.

STATEMENT 11

All the relevant stakeholders such as government, communities, and the private sector, which are involved in the tourism industry in my area, are aware of the roles that they should play.

Descriptive analysis: Statement 11

A total of 0.7% of the respondents strongly disagreed with Statement 11, while 11.8% disagreed, 6.0% was undecided, 49.7% agreed and 31.8% strongly agreed. Table 6.15 presents a detailed statistical distribution of the responses.

Table 6.15: Statement 11: Stakeholders and roles awareness

	Frequency	Percent	Cumulative Percent
Strongly Disagree	3	0.7	0.7
Disagree	53	11.8	12.5
Undecided	27	6.0	18.5
Agree	223	49.7	68.2
Strongly Agree	143	31.8	100.0
Total	449	100.0	

Interpretation: Statement 11

A combination of the 0.7% who strongly disagreed and the 11.8% who disagreed shows a significant indication of challenges which face stakeholders who are involved in the tourism industry. Poor involvement of stakeholders and where stakeholders are involved, poor understanding of the industry, are sometimes evident.

The undecided 6.0% of the respondents is viewed as signifying a lack of awareness on the part of respondents with regard to how the stakeholders are expected to fare in their respective duties within the tourism industry. It also concerns how to do business successfully on the part of the private sector, or compliance monitoring and investment planning on the part of the government or passiveness of the host communities in the Transkei Wild Coast area.

The 49.7% of respondents who agreed with the statement and the 31.8% of the respondents who strongly agreed, indicate that stakeholders who are involved in the tourism industry in the Transkei Wild Coast are fully aware of their roles. Government is responsible for creating an enabling environment for the private sector to operate, while the private sector has learned to do business despite prevailing limitations, and the communities play their role by welcoming tourists and interacting with them.

STATEMENT 12

Private and public partnerships should be designed to empower host communities to start tourism community-based businesses.

Descriptive analysis: Statement 12

A total of 65.0% of the respondents agreed with statement twelve, and 35.0% strongly agreed. Table 6.16 presents a detailed statistical distribution of the responses.

Table 6.16: Statement 12: Host communities empowerment to start tourism community-based businesses through partnerships

	Frequency	Percent	Cumulative Percent
Agree	292	65.0	65.0
Strongly Agree	157	35.0	100.0
Total	449	100.0	

Interpretation: Statement 12

All of the respondents (65.0% agree and 35.0%) strongly agree) agreed with statement twelve, which indicates that host communities want to be involved, and be fully empowered to operate within the tourism industry. A low level of empowerment of the host communities will inevitably lead to low levels of host communities' involvement in the tourism industry.

STATEMENT 13

Private and public partnerships should be designed to empower host communities to manage tourism businesses.

Descriptive analysis: Statement 13

A total of 0.2% of the respondents were undecided about statement thirteen, 64.1% agreed, and 35.6% strongly agreed. Table 6.17 presents a detailed statistical distribution of the responses.

Table 6.17: Statement 13: Empower host communities to manage tourism businesses

	Frequency	Percent	Cumulative Percent
Undecided	1	0.2	0.2
Agree	288	64.1	64.4
Strongly Agree	160	35.6	100.0
Total	449	100.0	

Interpretation: Statement 13

A total of 99.7% (64.1% strongly agree and 35.6% agree) of the respondents agreed with Statement 13, which could be interpreted as an indication of a strong desire by host communities in the Transkei Wild Coast to become active participants in the economic activities in their area. It appears that 0.2% of the respondents remain doubtful of the involvement of host communities in the tourism industry.

STATEMENT 14

Private and public partnerships should be designed to empower host communities to market their products.

Descriptive analysis: Statement 14

A total of 64.4% of the respondents agreed with this statement, while 35.6% strongly agreed. Table 6.18 presents a detailed statistical distribution of the responses.

Table 6.18: Statement 14: Empower host communities to market their products

	Frequency	Percent	Cumulative Percent
Agree	289	64.4	64.4
Strongly Agree	160	35.6	100.0
Total	449	100.0	

Interpretation: Statement 14

From the 100% response in agreement to this statement, it may be seen as an indication by the host communities in the Transkei Wild Coast wanting increased market access to sell their tourism products. It may also indicate that host communities are interested to showcase their tourist destinations as widely as possible.

STATEMENT 15

Private and public partnerships should be designed to empower host communities to meet both national and international tourist needs.

Descriptive analysis: Statement 15

A total of 0.2% of the respondents were undecided with regard to Statement 15, while 63.0% agreed, and 36.7% strongly agreed. Table 6.19 presents a detailed statistical distribution of the responses.

Table 6.19: Statement 15: Empower host communities to meet both national and international tourist needs

	Frequency	Percent	Cumulative Percent
Undecided	1	0.2	0.2
Agree	283	63.0	63.3
Strongly Agree	165	36.7	100.0
Total	449	100.0	

Interpretation: Statement 15

With the majority of the respondents agreeing with Statement 15, it can be concluded that host communities in the Transkei Wild Coast feel the need to be empowered with regard to constantly changing tourist international and national needs. This further indicates a need for information sharing or education on how the tourism industry operates, and an awareness of future needs of tourists, and how best to prepare for these needs.

STATEMENT 16

Private and public sector partnerships should transfer financial planning skills to community businesses.

Descriptive analysis: Statement 16

A total of 63.0% of the respondents agreed with Statement 16, while 37.0% strongly agreed. Table 6.20 presents a detailed statistical distribution of the responses.

Table 6.20: Statement 16: Transfer financial planning skills to community businesses

	Frequency	Percent	Cumulative Percent
Agree	283	63.0	63.0
Strongly Agree	166	37.0	100.0
Total	449	100.0	

Interpretation: Statement 16

All the respondents agreed with this statement. This may be viewed as an indication that the Transkei Wild Coast host communities should be empowered with financial skills in order for them to be able to handle the dynamics of the financial side of the tourism business. This can also be seen as an indication for a need to know how to operate a financially viable and sustainable tourism business, both for peak and low seasons without experiencing huge negative financial implications.

STATEMENT 17

Private and public sector partnerships should be able to transfer financial management skills to community businesses.

Descriptive analysis: Statement 17

A total of 62.6% of the respondents agreed with this statement, while 37.4% strongly agreed. Table 6.21 presents a detailed statistical distribution of the responses.

Table 6.21: Statement 17: Transfer financial management skills to community businesses

	Frequency	Percent	Cumulative Percent
Agree	281	62.6	62.6
Strongly Agree	168	37.4	100.0
Total	449	100.0	

Interpretation: Statement 17

The overwhelming agreement with this statement can be viewed as an indication that both the public and private sector in the tourism industry should be able to transfer skills to the Transkei Wild Coast host communities for business purposes, particularly those that are owned by the

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host communities. This implies that efficient financial management skills transfer to host communities will contribute to economic development and growth, and independence amongst the Transkei Wild Coast inhabitants.

STATEMENT 18

Private and public sector partnerships should transfer financial accountability skills to community businesses.

Descriptive analysis: Statement 18

A total of 62.6% of the respondents agreed with Statement 18, while 37.4% strongly agreed. Table 6.22 presents a detailed statistical distribution of the responses.

Table 6.22: Statement 18: Transfer financial accountability skills to community businesses

	Frequency	Percent	Cumulative Percent
Agree	281	62.6	62.6
Strongly Agree	168	37.4	100.0
Total	449	100.0	

Interpretation: Statement 18

All of the respondents agreed with Statement 18, which indicates the significance of accountability value, particularly with regard to partnerships that involve government, the private sector and host communities in respect of financial matters. This statistical distribution further indicates the significance of accountability items of operating proper financial management systems and accountability to funders of tourism projects, which are driven by partnerships.

STATEMENT 19

To what extent are you in agreement with the need for improvement of services in health centres?

Descriptive analysis: Statement 19

A total of 61.9% of the respondents agreed with this statement, while 38.1% strongly agreed. Table 6.23 presents a detailed statistical distribution of the responses.

Table 6.23: Statement 19: Improvement of services in health centres

	Frequency	Percent	Cumulative Percent
Agree	278	61.9	61.9
Strongly Agree	171	38.1	100.0
Total	449	100.0	

Interpretation: Statement 19

This overwhelming agreement points to the significant issue of health facilities for tourists whose lives should not be placed at risk simply because they are visiting tourist destinations in the Transkei Wild Coast. This can also be interpreted as a need for complete interconnected services to tourists, which the Transkei Wild Coast should be able to provide in the form of health facilities, especially if it wants to be a preferred tourist destination within South Africa.

STATEMENT 20

To what extent are you in agreement with the need to improve entertainment facilities?

Descriptive analysis: Statement 20

A total of 0.2% of the respondents were undecided concerning Statement 20, 61.9% agreed, and 37.9% strongly agreed. Table 6.24 presents a detailed statistical distribution of the responses.

Table 6.24: Statement 20: Need to improve entertainment facilities

	Frequency	Percent	Cumulative Percent
Undecided	1	0.2	0.2
Agree	278	61.9	62.1
Strongly Agree	170	37.9	100.0
Total	449	100.0	

Interpretation: Statement 20

Tourism generally is about leisure. Entertainment facilities contribute to attracting tourists to a destination. The overwhelming majority of respondents who agreed with this show a strong need for an improvement in entertainment facilities in the Transkei Wild Coast, which include sporting facilities, arts and performance facilities, multipurpose indoor facilities, a range of food piazzas, world class marriage facilities and so on.

STATEMENT 21

To what extent are you in agreement with the need to improve sporting events as a tourism strategy?

Descriptive analysis: Statement 21

A total of 60.1% of the respondents agreed with Statement 21, while 39.9% strongly agreed. Table 6.25 presents a detailed statistical distribution of the responses.

Table 6.25: Statement 21: Improve sporting events as a tourism strategy

	Frequency	Percent	Cumulative Percent
Agree	270	60.1	60.1
Strongly Agree	179	39.9	100.0
Total	449	100.0	

Interpretation: Statement 21

All of the respondents agreed with Statement 21, which indicates a need for the improvement of sporting facilities in the Transkei Wild Coast as an integral part of tourism development and advancement strategy for the area. This improvement includes world class sporting facilities for various sports codes, which will make it possible for both national and international competitions to be hosted within the area.

STATEMENT 22

To what extent are you in agreement with the need for conference facility improvement?

Descriptive analysis: Statement 22

A total of 59.9% of the respondents agreed with statement twenty-two, while 40.1% strongly agreed. Table 6.26 presents a detailed statistical distribution of the responses.

Table 6.26: Statement 22: Conference facility improvement

	Frequency	Percent	Cumulative Percent
Agree	269	59.9	59.9
Strongly Agree	180	40.1	100.0
Total	449	100.0	

Interpretation: Statement 22

All of the respondents agreed with Statement 22, which means that the Transkei Wild Coast needs a comprehensive plan for improvement in the building of conference facilities. Building complementary amenities could contribute to placing the tourism industry on a competitive level with world-class conference destinations.

STATEMENT 23

To what extent are you in agreement with the need for improvement in front desk customer care service?

Descriptive analysis: Statement 23

A total of 0.2% of the respondents disagreed with statement twenty-three, while 61.0% agreed, and 38.8% strongly agreed. Table 6.27 presents a detailed statistical distribution of the responses.

Table 6.27: Statement 23: Front desk customer care service improvement

	Frequency	Percent	Cumulative Percent
Disagree	1	0.2	0.2
Agree	274	61.0	61.2
Strongly Agree	174	38.8	100.0
Total	449	100.0	

Interpretation: Statement 23

With 99.8% of the respondents agreeing with this statement, a conclusion can be drawn that the majority of people in the Transkei Wild Coast believe that there is a need for the improvement of front desk customer service at existing tour operators in the area. Tourists expect a warm and

informative reception, which is related to their interest in spending on tourism products in the area, and encourages them to pay repeat visits to the area.

STATEMENT 24

To what extent are you in agreement or disagreement with the need for all tour operators in the Transkei Wild Coast to be members of a professional tourism body?

Descriptive analysis: Statement 24

A total of 62.6% of the respondents agreed with Statement 24, while 37.4% strongly agreed. Table 6.28 presents a detailed statistical distribution of the responses.

Table 6.28: Statement 24: Membership for service standards compliance

	Frequency	Percent	Cumulative Percent
Agree	281	62.6	62.6
Strongly Agree	168	37.4	100.0
Total	449	100.0	

Interpretation: Statement 24

All of the respondents agreed with this statement, which indicates that the Transkei Wild Coast stakeholders who are involved in the tourism industry do see a need for tour operators in the area to be members of a professional body. This would regulate acceptable levels of service offered by tour operators.

STATEMENT 25

To what extent are you in agreement or disagreement with the need for the introduction of tourism human relations workshops and training sessions?

Descriptive analysis: Statement 25

A total of 0.2% of the respondents disagreed with Statement 25, while 61.9% agreed, and 37.9% strongly agreed. Table 6.29 presents a detailed statistical distribution of the responses.

Table 6.29: Statement 25: Tourism human relations workshops and training sessions

	Frequency	Percent	Cumulative Percent
Disagree	1	0.2	0.2
Agree	278	61.9	62.1
Strongly Agree	170	37.9	100.0
Total	449	100.0	

Interpretation: Statement 25

With an overwhelming majority (448 of 449) of respondents agreeing with this statement, and given the reality that tourism is dominated by human interaction, tourists want to know about community life and the surroundings of the host communities. This response also indicates the value that is added in relation to training on how to interact or relate to other people who visit the Transkei Wild Coast in terms of whether they are there as tourists or for business purposes.

The disagreement of one respondent with statement twenty-five can be interpreted as an indication that some people in the Transkei Wild Coast are not comfortable with visits from tourists into their residential areas. Linked to this could be that tourists may introduce other human behaviours that are foreign to what the locals are accustomed to.

STATEMENT 26

To what extent are you in agreement or disagreement with the need for the introduction of tourism leadership skills workshops and training sessions?

Descriptive analysis: Statement 26

A total of 0.2% of the respondents strongly disagreed with Statement 26, while 62.8% agreed, and 37.0% strongly agreed. Table 6.30 presents a detailed statistical distribution of the responses.

Table 6.30: Statement 26: Tourism leadership skills workshops and training sessions

	Frequency	Percent	Cumulative Percent
Strongly Disagree	1	0.2	0.2
Agree	282	62.8	63.0
Strongly Agree	166	37.0	100.0
Total	449	100.0	

Interpretation: Statement 26

The overwhelm majority of the respondents agreed with statement twenty-six, which can be associated with a need to develop business leadership within the tourism industry in the Transkei Wild Coast as a strategy intervention to drive a sustainable business sector. Knowledge of any business sector requires in-depth understanding and the tourism industry in the Transkei Wild Coast is no exception.

STATEMENT 27

Roads in my area are in an adequately good state to support tourism economic activities.

Descriptive analysis: Statement 27

A total of 31.6% of the respondents strongly disagreed with this statement, 35.2% disagreed, 23.6% agreed and 9.6% strongly agreed. Table 6.31 presents a detailed statistical distribution of the responses.

Table 6.31: Statement 27: Good roads to support tourism economic activities

	Frequency	Percent	Cumulative Percent
Strongly Disagree	142	31.6	31.6
Disagree	158	35.2	66.8
Agree	106	23.6	90.4
Strongly Agree	43	9.6	100.0
Total	449	100.0	

Interpretation: Statement 27

The spread of responses with regard to Statement 27 which ranged from strongly disagree (142 respondents), disagree (148 respondents), agreed (106), and strongly agree (43), indicates a challenge that faces the Transkei Wild Coast for improved roads, whether gravel or tarred. This is key for both development and growth in the tourism industry and for reduction of input costs to operate business and to attract more tourists through easy access into the area.

STATEMENT 28

The quality of electricity supply in my area is not in a good state to support tourism economic activities such as provision of quality foods.

Descriptive analysis: 28

A total of 30.1% of the respondents strongly disagreed with this statement, 58.1% disagreed, 10.9% agreed and 0.9% strongly agreed. Table 6.32 presents a detailed statistical distribution of the responses.

Table 6.32: Statement 28: Electricity supply to support tourism economic activities

	Frequency	Percent	Cumulative Percent
Strongly Disagree	135	30.1	30.1
Disagree	261	58.1	88.2
Agree	49	10.9	99.1
Strongly Agree	4	0.9	100.0
Total	449	100.0	

Interpretation: Statement 28

The large number of respondents (396) who disagreed with Statement 28 compared to the number of respondents (53) who agreed indicates that electricity supply is not a problem. This is important for tourists, and is a positive indication to both government and the private sector, which are providing the electricity supply. However, In terms of those who agreed, it shows that there are still problems with electricity supply, which could mean that there are some areas that still need electricity supply or require a stable electricity supply.

STATEMENT 29

There are systems in place for tourist arrival in my area, which are in a good state, for example banks and destination information centres.

Descriptive analysis: Statement 29

A total of 24.1% of the respondents strongly disagreed with Statement 29, 49.0% disagreed, 0.4% was undecided, 19.6% agreed and 6.9% strongly agreed. Table 6.33 presents a detailed statistical distribution of the responses.

Table 6.33: Statement 29: Facilities such as banks and information centres are in place

	Frequency	Percent	Cumulative Percent
Strongly Disagree	108	24.1	24.1
Disagree	220	49.0	73.1
Undecided	2	0.4	73.5
Agree	88	19.6	93.1
Strongly Agree	31	6.9	100.0
Total	449	100.0	

Interpretation: Statement 29

With the majority of respondents (328) disagreeing with this statement, a conclusion may be drawn that key tourist facilities such as banks with foreign exchange facilities and information centres are not in place in the Transkei Wild Coast. It is key that this situation is improved. Banks are linked to tourist spending within the host communities and information centres for more exploration, longer visits and increased visits should be established at the tourist destinations.

Agreement by respondents that there are support facilities such as banks and information centres indicates that these do exist in some areas of the Transkei Wild Coast, and that they operate well. This positive indication should be replicated across the Transkei Wild Coast for maximisation of tourist visits to the area.

STATEMENT 30

Health centres in my area are in an adequately good state to cater for tourists' needs.

Descriptive analysis: Statement 30

A total of 33.6% of the respondents strongly disagreed with this statement, 59.2% disagreed, 0.2% was undecided and 6.9% agreed. Table 6.34 presents a detailed statistical distribution of the responses.

Table 6.34: Statement 30: Health centres are in good state to cater for tourists' needs

	Frequency	Percent	Cumulative Percent
Strongly Disagree	151	33.6	33.6
Disagree	266	59.2	92.9
Undecided	1	0.2	93.1
Agree	31	6.9	100.0
Total	449	100.0	

Interpretation: Statement 30

These results in Table6.34 indicate that health centres generally do not function at a satisfactory level, which can be detrimental to tourist health needs. Improvement is needed if it is to be beneficial to the tourism industry. Given the rural coastal location of the Transkei Wild Coast, tourism health should be considered as an area of competitive advantage if planned and developed well.

The positive response from 31 respondents who agreed with this statement may be interpreted that in the small towns of the Transkei Wild Coast health centres work better than health centres that are based in the deep rural villages, although in some areas in the deep rural villages of the Transkei Wild Coast there may be health centres that function at an acceptable level.

STATEMENT 31

There are enough tourist information centres in my area to inform visiting tourists about the area, and for them to travel more within the area.

Descriptive analysis: Statement 31

A total of 33.4% of the respondents strongly disagreed with statement thirty-one, while 64.1% disagreed, and 2.4% agreed. Table 6.35 presents a detailed statistical distribution of the responses.

Table 6.35: Statement 31: Tourist information centres availability

	Frequency	Percent	Cumulative Percent
Strongly Disagree	150	33.4	33.4
Disagree	288	64.1	97.6
Agree	11	2.4	100.0
Total	449	100.0	

Interpretation: Statement 31

A total of 97.5% of the respondents disagreed with this statement, which indicates that there is a marked shortage of information centres to offer information to tourists on the destinations in the area and available products. It is crucial for the success of the TWC tourism industry that information centres are established. This means that no information is available to tourists concerning destinations and tourist products that may be enjoyed at the destinations. The 2.4% of respondents who agreed with the Statement 31 can be attributed to the few available information centres in the small towns of the Transkei Wild Coast. With the dominance of self-exploration or guidance in the Transkei Wild Coast area, information centres are key facilities to maximize the full benefits of tourist stays in the area, which includes spending on local products.

STATEMENT 32

Emergency services such as ambulances that have professional first aid workers operate effectively in my area.

Descriptive analysis: Statement 32

A total of 33.9% of respondents strongly disagreed with Statement 32, while 65.0% disagreed, and 1.1% agreed. Table 6.36 presents a detailed statistical distribution of the responses.

Table 6.36: Statement 32: Emergency services

	Frequency	Percent	Cumulative Percent
Strongly Disagree	152	33.9	33.9
Disagree	292	65.0	98.9
Agree	5	1.1	100.0
Total	449	100.0	

Interpretation: Statement 32

The majority of respondents who disagreed with this statement shows that emergency service facilities do not operate regularly or do not exist. This is a very important aspect of tourism, especially in remote and rural areas such as the as Transkei Wild Coast. Local governments must improve this facility if they want to attract tourist to TWC.

STATEMENT 33

Disaster management facilities such as a firefighting station does exist in my area to deal with fires in the area and surroundings.

Descriptive analysis: Statement 33

A total of 33.0% of the respondents strongly disagreed with Statement 33, while 66.1% disagreed, and 0.9 % agreed. Table 6.37 presents a detailed statistical distribution of the responses.

Table 6.37: Statement 33: Disaster management facilities

	Frequency	Percent	Cumulative Percent
Strongly Disagree	148	33.0	33.0
Disagree	297	66.1	99.1
Agree	4	0.9	100.0
Total	449	100.0	

Interpretation: Statement 33

A total of 99.1% of the respondents disagreed with Statement 33, which means that safety mechanisms against disaster incidents are weak and nearly non-existent in the Transkei Wild Coast. Disasters such as forest and building fires are a potential risk that must be managed and require planning and physical infrastructure. Lack of sound disaster management infrastructure may negatively impact on the number of tourists being attracted to the Transkei Wild Coast. The 0.9% who agreed with the statement indicates that there are some disaster management facilities in towns such as Mthatha. However, these facilities are too small to service the entire Transkei Wild Coast area with its widely dispersed tourist destinations.

STATEMENT 34

Small shopping centre facilities are available in my area to allow tourists to spend.

Descriptive analysis: Statement 34

A total of 33.4% of the respondents strongly disagreed with Statement 34, 56.1% disagreed, 0.2% was undecided and 10.2% agreed. Table 6.38 presents a detailed statistical distribution of the responses.

Table 6.38: Statement 34: Small shopping centre facilities

	Frequency	Percent	Cumulative Percent
Strongly Disagree	150	33.4	33.4
Disagree	252	56.1	89.5
Undecided	1	0.2	89.8
Agree	46	10.2	100.0
Total	449	100.0	

Interpretation: Statement 34

A total of 89.5% of the respondents disagreed with this statement, which shows that there are small shopping complexes and are only concentrated in few areas that are far from the tourist destinations. The coastal areas of Mnquma and Mbhashe's local municipalities are at the coalface of this challenge, which limits the spending of tourists, and hence economically benefitting local residents.

The total of 10% of the respondents who agreed with the statement may indicate that shopping centres do exist, but that these are in towns such as Butterworth, Mthatha and Idutywa. These towns are far from the coastal areas where the tourist destination areas are situated, and where tourists spend money. For example, the Mazeppa Bay Beach, Qolorha Beach, Wave Crest Beach, Coffee Bay Beach, Dwesa Game Reserve are attractive coastal tourist destinations, which are frequented by tourists, yet there are no small shopping malls.

STATEMENT 35

There is no gymnasium in my area to cater for tourists needs.

Descriptive analysis: Statement 35

A total of 31.9% of the respondents strongly disagreed with this statement, 54.5% disagreed, 0.4% was undecided, 12.9% agreed and 0.2 per cent strongly agreed. One respondent did not indicate a response to the statement, hence a total of 448 respondents responded to this statement. Table 6.39 presents a detailed statistical distribution of the responses.

Table 6.39: Statement 35: Gymnasium facility

		Frequency	Percent	Cumulative Percent
	Strongly Disagree	143	31.8	31.9
	Disagree	244	54.3	86.4
	Undecided	2	0.4	86.8
	Agree	58	12.9	99.8
	Strongly Agree	1	0.2	100.0
	Total	448	99.8	
Missing	System	1	0.2	
Total		449	100.0	

Interpretation: Statement 35

A total of 387 respondents disagreed with Statement 35, which indicates a need for improved wellness facilities, including a gymnasium. This is an important facility. Many people are health conscious and tourists would be able to continue with their fitness programmes while they are on holiday. The 59 respondents who agreed confirms the availability of gymnasium facilities in Mthatha and Butterworth. The two undecided respondents may be understood as persons who have no interest in a gymnasium being an enticing factor for tourists.

STATEMENT 36

Sport facilities such as such as soccer, cricket, rugby, tennis courts and indoor sport centres are available in my area to cater for tourists' needs.

Descriptive analysis: Statement 36

A total of 37.0% of respondents strongly disagreed, 58.8% disagreed, 0.2% was undecided, and 4.0% agreed. Table 6.40 presents a detailed statistical distribution of the responses.

Table 6.40: Statement 36: Sport facilities

	Frequency	Percent	Cumulative Percent
Strongly Disagree	166	37.0	37.0
Disagree	264	58.8	95.8
Undecided	1	0.2	96.0
Agree	18	4.0	100.0
Total	449	100.0	

Interpretation: Statement 36

The 430 respondents who disagreed with this statement confirm that the Transkei Wild Coast does not have sporting facilities to cater for tourists' needs. This paints a poor picture as sporting-related infrastructure plays a key role in the increase of tourism potential, and enhances the industry segment of sports tourism.

Located along the Indian Ocean, the Transkei Wild Coast has an opportunity to build sporting facilities, which will complement its natural beauty, scenery, sun and sand leisure tourism. The 18 respondents who agreed that sports facilities do exist in the Transkei Wild Coast is because Butterworth and Mthatha have them. This small number of respondents who agreed can further be an indication of the poor condition of the existing sporting infrastructure in the area, since they are under-utilised. The 1 undecided respondent can be interpreted as perhaps an indication of low interest in sports tourism as a business segment.

STATEMENT 37

Multiple infrastructure for transport such as roads for vehicles, rail and small airports do exist in my area to meet tourists' transport needs.

Descriptive analysis: Statement 37

A total of 32.5% of the respondents strongly disagreed with Statement 37, while 67.3% disagreed, and 0.2% was undecided. Table 6.41 presents a detailed statistical distribution of the responses.

Table 6.41: Statement 37: Multiple infrastructure for transport

	Frequency	Percent	Cumulative Percent
Strongly Disagree	146	32.5	32.5
Disagree	302	67.3	99.8
Undecided	1	0.2	100.0
Total	449	100.0	

Interpretation: Statement 37

Lack of transport infrastructure in the Transkei Wild Coast is a grave concern, and a total of 99.8% respondents confirmed this. The indication cuts across all transport modes. The gravel connected roads from the N2 national road bear huge financial costs for tourists, as they may be forced to hire 4x4 or 4x2 vehicles, which are priced from R700.00 (Group K) per day from car hire companies. This alone can be an inhabiting factor inhibiting tourists' movement. Bad gravel roads remain a challenge that affect any economic development thinking, as it has huge financial implications for anyone interested in doing business in the Transkei Wild Coast. The 1 undecided respondent may be interpreted as possibly having a lack of understanding of how transport modes and roads' conditions may impact the growth of the tourism industry. This response can also be interpreted as including bad or poor maintenance of the existing roads.

STATEMENT 38

Public transport functioning in my area is adequately effective to allow tourists who travel between different tourist destinations to be on time.

Descriptive analysis: Statement 38

A total of 38.1% of the respondents strongly disagreed with this statement, 61.2% disagreed, 0.2% was undecided and 0.4 agreed. Table 6.42 presents a detailed statistical distribution of the responses.

Table 6.42: Statement 38: Public transport functioning

	Frequency	Percent	Cumulative Percent
Strongly Disagree	171	38.1	38.1
Disagree	275	61.2	99.3
Undecided	1	0.2	99.6
Agree	2	0.4	100.0
Total	449	100.0	

Interpretation: Statement 38

The functioning of public transport in the area, which is linked to road infrastructure, is concerning. Public transport in the Transkei Wild Coast is the dominant transport mode in the area. Cars or buses are usually old or badly maintained, and have to wait for many hours along the roadside for assistance when they break down. This contributes negatively as tourist will be concerned about transport reliability or availability, should they choose to use public transport. Tourists should be enjoying themselves and spending money on the local economy, rather than be concerned about transport reliability or availability.

Considering the number of respondents who agreed and were undecided, a conclusion can be drawn that public transport reliability and availability is a problem, both in small towns and rural villages. This statistical indication demands that for the tourism industry to grow in the Transkei Wild Coast area, public transport functioning requires enormous improvement.

STATEMENT 39

Public transport in my area operates 24 hours a day and seven days a week to allow tourists to enjoy themselves.

Descriptive analysis: Statement 39

A total of 34.1% of the respondents strongly disagreed with Statement 39, 65.5% disagreed, 0.2% was undecided and 0.2% strongly agreed. Table 6.43 presents a detailed statistical distribution of the responses.

Table 6.43: Statement 39: Transport operation hours

	Frequency	Percent	Cumulative Percent
Strongly Disagree	153	34.1	34.1
Disagree	294	65.5	99.6
Undecided	1	0.2	99.8
Strongly Agree	1	0.2	100.0
Total	449	100.0	

Interpretation: Statement 39

Lack of 24-hour transport availability prevents tourism activities from continuing into the night. Transport is available in the day only and this creates unintended economic obstacles. Under these conditions, the tourism industry faces significant challenges. Tourist spending is limited by daylight tourism only in the Transkei Wild Coast.

STATEMENT 40

Water infrastructure in the form of clean water supply exists in my area to meet tourists' needs.

Descriptive analysis: Statement 40

A total of 35.6% of the respondents strongly disagreed with this statement, 45.0% disagreed, 0.7% was undecided, 18.5% agreed and 0.2% strongly agreed. Table 6.44 presents a detailed statistical distribution of the responses.

Table 6.44: Statement 40: Water infrastructure

	Frequency	Percent	Cumulative Percent
Strongly Disagree	160	35.6	35.6
Disagree	202	45.0	80.6
Undecided	3	0.7	81.3
Agree	83	18.5	99.8
Strongly Agree	1	0.2	100.0
Total	449	100.0	

Interpretation: Statement 40

With a total of 362 (80.6%) of respondents disagreeing with Statement 40, a conclusion can be drawn that the supply of clean water for drinking, washing and cooking, still needs improvement. This not only applies to water that is fetched from rivers, but also includes the quality of water from taps. The 83 (18.5%) of respondents agreed with this statement, the results can be understood as indicating they do have a good supply of clean water. Three (0.7%) of the undecided respondents can be interpreted as an indication that some people in the Transkei Wild Coast are still dependent on river water. This may even apply to villages where there are taps, which barely supply water for any usage purpose.

STATEMENT 41

The municipality in my area conducts training classes for interested community members to become involved in the tourism industry with available business options.

Descriptive analysis: Statement 41

A total of 37.4% of the respondents strongly disagreed with this statement, while 60.1% disagreed and 2.4% agreed. Table 6.45 presents a detailed statistical distribution of the responses.

Table 6.45: Statement 41: Training sessions by municipality for tourism business

	Frequency	Percent	Cumulative Percent
Strongly Disagree	168	37.4	37.4
Disagree	270	60.1	97.6
Agree	11	2.4	100.0
Total	449	100.0	

Interpretation: Statement 41

The overwhelming response from respondents (97.5%) who disagreed with this statement shows that the Transkei Wild Coast host communities receive little empowerment in respect of tourism-related businesses. This situation may lead to low participation by host communities in tourism business ventures. A total of 11 (2.4%) of the respondents agreed and this must be understood as one of the few and inconsistent government interventions.

STATEMENT 42

Interested and trained community members operate successful tourism businesses in my area.

Descriptive analysis: Statement 42

A total of 37.6% of the respondents strongly disagreed with Statement 42, while 60.8% disagreed and 1.6% agreed. Table 6.46 presents a detailed statistical distribution of the responses.

Table 6.46: Statement 42: Host community tourism success rate

	Frequency	Percent	Cumulative Percent
Strongly Disagree	169	37.6	37.6
Disagree	273	60.8	98.4
Agree	7	1.6	100.0
Total	449	100.0	

Interpretation: Statement 42

A total of 442 (98.4%) of the respondents disagreed with this statement, hence a conclusion can be drawn that there is little involvement in tourism business activities on the part of the host communities in the Transkei Wild Coast. This response complements the response in Statement 41, which indicates that there is little in the way of empowerment programmes for the host communities on how to start a business in the tourism sector, or partner with existing tour operators. Hence, that there is little involvement by host communities in tourism business ventures is to be expected. The implication of this situation, if this situation remain as is, the question of beneficiation, which is often a problem for host communities other than those employed in tourism businesses, will continue unchanged.

STATEMENT 43

Emerging businesses of tour operators in my area receive sufficient financial support from government agencies.

Descriptive analysis: Statement 43

A total of 35.0% of the respondents strongly disagreed with this statement, 58.4% disagreed, 2.2% was undecided and 4.5% agreed. Table 6.47 presents a detailed statistical distribution of the responses.

Table 6.47: Statement 43: Financial support for emerging tour operators from government

	Frequency	Percent	Cumulative Percent
Strongly Disagree	157	35.0	35.0
Disagree	262	58.4	93.3
Undecided	10	2.2	95.5
Agree	20	4.5	100.0
Total	449	100.0	

Interpretation: Statement 43

Table 6.47 reveals that 93.4% of the respondents disagreed with this statement. A conclusion may be drawn that there is little financial support from responsible government agencies (such as Msobomvu Fund or Youth Empowerment Agency) in the Transkei Wild Coast. This could be since there are few empowerment programmes, which are conducted to share information on established entities and to provide start-up funding to host communities to set up tour operator companies. This can be an indication that business coaching or partnerships are not doing well in the Transkei Wild Coast, hence the disagreement rate with this statement. There is a need for funding from government agencies for host communities to start businesses and compete successfully in this regard. The 4.5% of the respondents who agreed with this statement confirm this view. The 2.2% of the undecided respondents may be understood as having little or no involvement in the tourism industry.

STATEMENT 44

Emerging business tour operators in my area obtain sufficient financial support from private sector institutions.

Descriptive analysis: Statement 44

A total of 4.2% of the respondents disagreed with Statement 44, 10.5% disagreed, 2.7% was undecided, 55.0% agreed, and 27.6% strongly agreed. Table 6.48 presents a detailed statistical distribution of the responses.

Table 6.48: Statement 44: Financial support from private institutions for emerging tour operators

	Frequency	Percent	Cumulative Percent
Strongly Disagree	19	4.2	4.2
Disagree	47	10.5	14.7
Undecided	12	2.7	17.4
Agree	247	55.0	72.4
Strongly Agree	124	27.6	100.0
Total	449	100.0	

Interpretation: Statement 44

A total of 92.6% of the respondents agreed with Statement 44, hence a conclusion can be drawn that private financiers are a main source of business start-up capital for host communities in the Transkei Wild Coast. An unintended consequence of this revelation is the small margin of host communities that become involved in tourism business ventures, while others may be worried about repayment rates to private companies, hence they may prefer to refrain from entering into agreements with private financiers. A total of 14.7% of the respondents disagreed and this indicates that few receive support from government agencies or sources other than the private sector. The 2.7% of undecided respondents can be attributed to either a lack of interest in this form of funding, or to the fact that they are not involved in the tourism industry.

STATEMENT 45

Community members are aware of tourism business opportunities in our area, as government awareness initiatives continuously inform them.

Descriptive analysis: Statement 45

A total of 2.2% of the respondents strongly disagreed with Statement 45, 4.7% disagreed, 0.9% was undecided, 65.0% agreed, and 27.2% strongly agreed. Table 6.49 presents a detailed statistical distribution of the responses.

Table 6.49: Statement 45: Tourism business opportunities awareness by government

	Frequency	Percent	Cumulative Percent
Strongly Disagree	10	2.2	2.2
Disagree	21	4.7	6.9
Undecided	4	0.9	7.8
Agree	292	65.0	72.8
Strongly Agree	122	27.2	100.0
Total	449	100.0	

Interpretation: Statement 45

The overwhelming agreement of 92.2% regarding Statement 45 indicates that the government does communicate what potential existing business opportunities there are in the tourism industry in the Transkei Wild Coast. The 6.8% of the respondents who disagreed and the 0.9% who were undecided shows that they were either not informed of these initiatives or they are not concerned with them.

STATEMENT 46

Community members are aware of existing tourism opportunities in our area, as private sector awareness initiatives continuously inform them.

Descriptive analysis: Statement 46

A total of 9.4% of the respondents strongly disagreed with Statement 46, 26.5% disagreed, 1.1% was undecided, 39.0% agreed and 24.1% strongly agreed. Table 6.50 presents a detailed statistical distribution of the responses.

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Table 6.50: Statement 46: Tourism business opportunities awareness by private sector

	Frequency	Percent	Cumulative Percent
Strongly Disagree	42	9.4	9.4
Disagree	119	26.5	35.9
Undecided	5	1.1	37.0
Agree	175	39.0	75.9
Strongly Agree	108	24.1	100.0
Total	449	100.0	

Interpretation: Statement 46

A conclusion which can be drawn from the above results is that the private sector has little involvement in creating opportunities for business in the tourism industry compared to government. This is not surprising as the private sector's interest is different to that of government regarding how host communities should participate in business activities in their area. The private sector may not want to spend money on advertisements or campaigns which inform host communities about available business opportunities that may later deliver low financial returns. This is because the private sector is in the business of making profits and every cent counts. Government, on the other side, is obliged to inform communities of what is happening and how communities can prosper by using the available opportunities with no expected returns.

STATEMENT 47

Our community takes its own business tourism initiatives in order to keep the tourism industry strong and thriving.

Descriptive analysis: Statement 47

A total of 0.4% of the respondents strongly disagreed with Statement 47, 2.0% disagreed, 0.4% was undecided, 70.6% agreed and 26.5% strongly agreed. Table 6.51 presents a detailed statistical distribution of the responses.

Table 6.51: Statement 47: Business tourism initiatives taken by host community

	Frequency	Percent	Cumulative Percent
Strongly disagree	2	0.4	0.4
Disagree	9	2.0	2.4
Undecided	2	0.4	2.9
Agree	317	70.6	73.5
Strongly Agree	119	26.5	100.0
Total	449	100.0	

Interpretation: Statement 47

The overwhelming agreement with regard to this statement can be interpreted as typical creativity from individuals or a group of community initiatives with the intention to sell goods or services to tourists visiting the Transkei Wild Coast. Some of these initiatives are seasonal. Entrepreneurial community business activities of this nature permit host communities to take their own business initiatives seriously, and somehow find ways to be part of the tourism industry, regardless of the size of profit margins.

The 2.4% of the respondents who disagreed with this statement can be attributed to the success factor of host community businesses, which might not be satisfactory or always record a low success rate. The 0.4% of undecided respondents can be attributed to a low interest in business involvement, hence there is no understanding of the situation in order to provide the expected answers.

STATEMENT 48

Our community benefits from existing tourism business activities in our area.

Descriptive analysis: Statement 48

A total of 0.2% of the respondents strongly disagreed with Statement 48, 4.9% disagreed, 4.2% was undecided, 63.0% agreed and 27.6% strongly agreed. Table 6.52 presents a detailed statistical distribution of the responses.

Table 6.52: Statement 48: Community beneficiation from tourism industry

	Frequency	Percent	Cumulative Percent
Strongly Disagree	1	0.2	0.2
Disagree	22	4.9	5.1
Undecided	19	4.2	9.4
Agree	283	63.0	72.4
Strongly Agree	124	27.6	100.0
Total	449	100.0	

Interpretation: Statement 48

A significant 80.6% of respondents support the view that host communities in the Transkei Wild Coast do benefit from the tourism industry. This can be attributed to the job opportunities that host communities receive and other community benefits that are created form ripple effects of the industry. For example, high police visibility during peak tourism seasons ensure safety and security, and allows for more roadside and street business.

The 0.2% who strongly disagreed and the 4.9% who disagreed can be interpreted as an indication of the poor beneficiation problem of the host communities, which is not at a satisfactory level. Host communities are the key drivers of business activities in the Transkei Wild Coast.

The 4.2% of undecided respondents can be interpreted as a lack of interest and/or understanding in terms of how host communities can benefit from the business of tourism.

STATEMENT 49

There is a need to avoid domination of outside business activities in my area, if tourism should benefit us as a host community.

Descriptive analysis: Statement 49

A total of 0.2% of the respondents strongly disagreed with Statement 49, 1.8% disagreed, 2.0% was undecided, 66.8% agreed and 29.2% strongly agreed. Table 6.53 presents a detailed statistical distribution of the responses.

Table 6.53: Statement 49: Domination of outside business

	Frequency	Percent	Cumulative Percent
Strongly Disagree	1	0.2	0.2
Disagree	8	1.8	2.0
Undecided	9	2.0	4.0
Agree	300	66.8	70.8
Strongly Agree	131	29.2	100.0
Total	449	100.0	

Interpretation: Statement 49

An overwhelming majority of 431 respondents agreed with this statement, which can be associated with the challenge that normally confronts rural communities, namely, a lack of interest among highly skilled host communities' inhabitants who take part in business in their home area. Instead, these groups of key people leave their areas to look for other business opportunities in the big cities of South Africa, and elsewhere in the world. Those who are left behind in many instances lack relevant skills to drive successful businesses. This response can also be associated with funding confidence for business opportunities, where financiers would like to lend money for great concepts or to tour operators who have succeeded. Hence, businesses from outside the host communities will be stronger at times compared to those who are driven by the host communities. The advantage that they have is strong financial backing from other franchises and experience that is earned from other areas where they do the same business.

The 0.2% of the respondents who strongly disagreed and the 1.8% who disagreed should be viewed as a plea for strong empowerment among the Transkei Wild Coast communities in order for them to be more competitive tour operators in the area. At times they should also receive preferential treatment so that they can grow and excel within the industry.

The total of 2.0% of undecided respondents can be attributed to the complexity of a free market system, which is not understood by everyone in terms of how it works without driving others outside of the competition space.

STATEMENT 50

Our community understands the tourism business concept and its potential to grow our area.

Descriptive analysis: Statement 50

A total of 27.7% of the respondents strongly disagreed with this statement, 54.4% disagreed, 0.4% was undecided, 17.9% agreed and 1 (0.2%) respondent did not respond. A total of 448 respondents did respond. Table 6.54 presents a detailed statistical distribution of the responses.

Table 6.54: Statement 50: Community understanding of tourism business concept

		Frequency	Percent	Cumulative Percent
	Strongly Disagree	124	27.6	27.7
	Disagree	242	53.9	81.7
	Undecided	2	0.4	82.1
	Agree	80	17.8	
	Total	448	99.8	100.0
Missing	System	1	0.2	
Total		449	100.0	

Interpretation: Statement 50

The above table indicates an overwhelming 366 of respondents who disagreed with this statement. This response can be interpreted as a complex challenge which faces the Transkei Wild Coast communities in respect of numerous key facets for tourism to grow in the area. The following are included:

a) Understanding the business concept of tourism and who is responsible to unpack it for them in order to take up potential business opportunities, which it presents for the Transkei Wild Coast host communities;

b) Understanding who is responsible to empower the communities with tourism businesses for them to succeed in the Transkei Wild Coast;

c) A funding model for tour operators, particularly for those who are based in the predominantly rural areas where business is not at the same level as city-based tour operators; and

d) Basic infrastructure construction and maintenance such as roads, sports fields, health, and entertainment facilities for tourism to grow in the Transkei Wild Coast.

The total of 80 respondents who agreed with Statement 50 may be interpreted that only few people in the Transkei Wild Coast understand the business concept of tourism, and its potential

to grow. The 0.4% of undecided respondents shows that there is a need to address tourism business potential in the Transkei Wild Coast area, and how the host communities should take a leading role on this regard.

STATEMENT 51

The youth in my area engage with tourism business potential opportunities by starting their own small business ventures.

Descriptive analysis: Statement 51

A total of 1.1% of the respondents strongly disagreed with Statement 51, 24.3% disagreed, 55.2% agreed and 19.4% strongly agreed. Table 6.55 presents a detailed statistical distribution of the responses.

Table 6.55: Statement 51: Youth and tourism business

	Frequency	Percent	Cumulative Percent
Strongly Disagree	5	1.1	1.1
Disagree	109	24.3	25.4
Agree	248	55.2	80.6
Strongly Agree	87	19.4	100.0
Total	449	100.0	

Interpretation: Statement 51

A total of 74.6% of the respondents agreed with this statement. This can be interpreted as an indication that youth in the Transkei Wild Coast are involved in the tourism industry, whilst also facing challenges of business dynamics within the industry. A total of 25.5% disagreed with this statement, which could be associated closely with the success rate of young peoples' businesses in the tourism industry in the Transkei Wild Coast area. This could be because of a lack information-sharing among young business owners in Transkei Wild Coast.

STATEMENT 52

Walter Sisulu University (WSU) campuses that exist close to my area play a key role in assisting with growing the tourism industry.

Descriptive analysis: Statement 52

A total of 28.5% of the respondents strongly disagreed with this statement, while 71.0% disagreed, and 0.4% agreed. Table 6.56 presents a detailed statistical distribution of the responses.

Table 6.56: Statement 52: University role in the tourism industry

	Frequency	Percent	Cumulative Percent
Strongly Disagree	128	28.5	28.5
Disagree	319	71.0	99.6
Agree	2	0.4	100.0
Total	449	100.0	

Interpretation: Statement 52

A total of 99.5% of the respondents disagreed with statement fifty-two. This can be viewed as nearly non-involvement of Walter Sisulu University in the tourism industry in spite of being located in the Transkei Wild Coast area. The Butterworth and Mthatha campuses are situated in the Transkei Wild Coast. The implications of this non-involvement of WSU in the tourism industry are far-reaching and includes a lack of research to profile the area or to envisage the future of tourism business in the Transkei Wild Coast. This minimal level of involvement by WSU in the tourism industry hinders that key role of assisting business investors to engage with research output around the area, and to assess where best they can invest, as they see consistent behavior regarding what might be determining elements to invest or not. This also implies little involvement by WSU in study fields that benefit the tourism industry such as professional qualifications like Accommodation Management, Beverage Management, Tourism Law and Tourism Development.

A total of 0.4% of the respondents agreed with statement fifty-two which can be associated with the offering of National Diplomas in Tourism and Professional Cookery.

STATEMENT 53

Tourism offerings in my area are largely communicated to other areas outside the Transkei Wild Coast.

Descriptive analysis: Statement 53

A total of 2.7% of the respondents strongly disagreed with Statement 53, 6.2% disagreed, 10.2% was undecided, 64.8% agreed and 16.0% strongly agreed. Table 6.57 presents a detailed statistical distribution of the responses.

Table 6.57: Statement 53: Tourism offerings and marketing

	Frequency	Percent	Cumulative Percent
Strongly Disagree	12	2.7	2.7
Disagree	28	6.2	8.9
Undecided	46	10.2	19.2
Agree	291	64.8	84.0
Strongly Agree	72	16.0	100.0
Total	449	100.0	

Interpretation: Statement 53

A total of 80.8% of the respondents agreed with this statement. This can be interpreted as an indication that tourism products in each of the tourist destination in the Transkei Wild Coast are widely marketed outside the Transkei Wild Coast. This means that the inflow of tourists to the Transkei Wild Coast is increased as the marketing function is strengthened. The total of 8.9% of the respondents who disagreed with this statement may indicate a need to communicate the Transkei Wild Coast's tourism products in a more unique way.

STATEMENT 54

I know tourism offerings in my area are communicated through national and local radio stations countrywide, and by other forms of marketing worldwide.

Descriptive analysis: Statement 54

A total of 0.2% of the respondents disagreed with Statement 54, 0.7% was undecided, 76.2% agreed and 22.9% strongly agreed. Table 6.58 presents a detailed statistical distribution of the responses.

Table 6.58: Statement 54: Tourism marketing using radio stations

	Frequency	Percent	Cumulative Percent
Disagree	1	0.2	0.2
Undecided	3	0.7	0.9
Agree	342	76.2	77.1
Strongly Agree	103	22.9	100.0
Total	449	100.0	

Interpretation: Statement 54

The conclusion that can be drawn from the above responses is that tourism products offered in the Transkei Wild Coast mainly are marketed using various forms of marketing, both at a national and international level. This is indicated by an overwhelming majority of 445 respondents agreeing, whilst one respondent disagreed and three remained undecided.

STATEMENT 55

Wide marketing of our area's tourism offerings has received good responses, as more tourists visit our area.

Descriptive analysis: Statement 55

A total of 0.2% of the respondents strongly disagreed with this statement, 0.4% disagreed, 2.2% was undecided, 73.7% agreed and 23.4% strongly agreed. Table 6.59 presents a detailed statistical distribution of the responses.

Table 6.59: Statement 55: Marketing and tourists response

	Frequency	Percent	Cumulative Percent
Strongly disagree	1	0.2	0.2
Disagree	2	0.4	0.7
Undecided	10	2.2	2.9
Agree	331	73.7	76.6
Strongly Agree	105	23.4	100.0
Total	449	100.0	

Interpretation: Statement 55

The vast majority of the respondents (431) agreed with this statement. This means that the marketing tools that are used to market the Transkei Wild Coast's tourist products receive positive responses as tourists continue to visit the Transkei Wild Coast.

The three respondents who disagreed and 10 undecided respondents can be viewed as having a lack of understanding about how positive marketing outcomes should be measured, namely by continuing visits from tourists, as well as re-visits.

STATEMENT 56

I can strongly say that my area is a popular tourism destination during summer, particularly during festive season.

Descriptive analysis: Statement 56

A total of 0.7% of the respondents disagreed with Statement 56, 0.2% was undecided, 70.8% agreed and 28.3% strongly agreed. Table 6.60 presents a detailed statistical distribution of the responses.

Table 6.60: Statement 56: Summer season and popular tourists destinations

	Frequency	Percent	Cumulative Percent
Disagree	3	0.7	0.7
Undecided	1	0.2	0.9
Agree	318	70.8	71.7
Strongly Agree	127	28.3	100.0
Total	449	100.0	

Interpretation: Statement 56

A majority of four hundred and forty-five respondents indicated that the Transkei Wild Coast is a summer destination area, which holiday makers visit it during festive season. The implication could be that the Transkei Wild Coast stakeholders who are involved in the tourism industry should work at improving the tourist increase to the area outside of the summer holiday season.

The three respondents who disagreed and the one undecided respondent can be attributed to these respondents being unfamiliar with the fact that the Transkei Wild Coast is a popular tourist destination during South Africa's summer holidays.

STATEMENT 57

Print media publish tourism articles on a weekly basis of my area such as conferencing, accommodation, or family-to-family visits.

Descriptive analysis: Statement 57

A total of 31.8% of the respondents strongly disagreed with Statement 57, while 67.9% disagreed, and 0.2% was undecided. Table 6.61 presents a detailed statistical distribution of the responses.

Table 6.61: Statement 57: Tourism events articles in the print media

	Frequency	Percent	Cumulative Percent
Strongly Disagree	143	31.8	31.8
Disagree	305	67.9	99.8
Undecided	1	0.2	100.0
Total	449	100.0	

Interpretation: Statement 57

Respondents almost unanimously disagreed with Statement 57, which can be interpreted as a total lack of print or other media reporting of tourism-related articles. The absence of print media profiling the Transkei Wild Coast's events or planned events could compromise the perception of the area being a good tourist destination.

The one undecided respondent can be associated with a lack of understanding in respect of how different media forms, including print media, can positively contribute to exposing the tourism industry in the Transkei Wild Coast as a prime business.

STATEMENT 58

Television covers my area as a tourism destination of choice.

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Descriptive analysis: Statement 58

A total of 13.8% of the respondents strongly disagreed with this statement, 38.5% disagreed, 0.2% was undecided, 34.5% agreed and 12.9% strongly agreed. Table 6.62 presents a detailed statistical distribution of the responses.

Table 6.62: Statement 58: Tourism events and television coverage

	Frequency	Percent	Cumulative Percent
Strongly Disagree	62	13.8	13.8
Disagree	173	38.5	52.3
Undecided	1	0.2	52.6
Agree	155	34.5	87.1
Strongly Agree	58	12.9	100.0
Total	449	100.0	

Interpretation: Statement 58

A total of 235 respondents disagreed with Statement 58 and this can be interpreted as a lack of television coverage of positive tourism industry activities in the Transkei Wild Coast. The implication of this may be negative for potential tourists or business investors who may be interested in visiting or doing business in the area, given the attractive scenery, which is not televised.

The 265 respondents who agreed with this statement may be viewed as a need for more television coverage of the Transkei Wild Coast. This could impact on the TWC becoming one of the more regularly visited and popular tourist destinations in Southern Africa

STATEMENT 59

Word-of-mouth is a weak means of marketing tourist destinations and activities in my area.

Descriptive analysis: Statement 59

A total of 28.5% of the respondents strongly disagreed with Statement 59, and 69.9% disagreed, while 0.7% was undecided and 0.9% agreed. Table 6.63 presents a detailed statistical distribution of the responses.

Table 6.63: Statement 59: Word-of-mouth marketing strategy

	Frequency	Percent	Cumulative Percent
Strongly Disagree	128	28.5	28.5
Disagree	314	69.9	98.4
Undecided	3	0.7	99.1
Agree	4	0.9	100.0
Total	449	100.0	

Interpretation: Statement 59

An overwhelming 442 respondents disagreed with this statement, which can be viewed as an indication that word-of-mouth is a positive marketing strategy tool for the Transkei Wild Coast. Stakeholders believe that the prevailing successes of tourism in the area do benefit most from the word-of-mouth experience sharing. This may imply that the various service experiences by tourists who have visited the Transkei Wild Coast are regarded as worthy news to be shared with others.

The four respondents who agreed with Statement 59 and the three respondents who were undecided can be interpreted as lacking an understanding of the influence of word-of-mouth exposure. This marketing tool can increase the number of tourists to the Transkei Wild Coast, particularly as a result of sharing positive experiences of the area.

STATEMENT 60

My area is known for tourist destination safety and security.

Descriptive analysis: Statement 60

A total of 0.4% of the respondents disagreed with Statement 60, 0.9% was undecided, 74.4% agreed and 24.3% strongly agreed. Table 6.64 presents a detailed statistical distribution of the responses.

Table 6.64: Statement 60: Safety and security

	Frequency	Percent	Cumulative Percent
Disagree	2	0.4	0.4
Undecided	4	0.9	1.3
Agree	334	74.4	75.7
Strongly Agree	109	24.3	100.0
Total	449	100.0	

Interpretation: Statement 60

The overwhelming response of 443 of the respondents who agreed with statement 60 can be interpreted as an indication that the Transkei Wild Coast is one of the safest tourist destinations to visit in South Africa. Two respondents disagreed with this statement four were undecided, which can be viewed as an isolated perception that there is a crime concern in the Transkei Wild Coast and this should be addressed by the responsible parties such as South African Police Service.

6.4   Interpretation and articulation of the findings

FINDING 1

There is general consensus that tourism is the key economic sector to lead, resuscitate and strengthen local economic development in the Transkei Wild Coast.

Articulation and conclusion drawn

The potential of tourism industry growth in the Transkei Wild Coast cannot be overemphasised. What confronts the area now is the need for interested stakeholders to develop a comprehensive plan on how to exploit this industry and give answers on what are the basic needs for it to succeed. A master plan for Transkei Wild Coast tourism industry development should be one of government's top priorities. This will lay the foundation for all other secondary stakeholders to play their part. The potential of tourism growth in the Transkei Wild Coast is also premised on the reality that the area possesses a profusion of the beauty of nature and the dominant attractive factor of sea, sand and sun. Therefore, the tourism industry as a catalyst for local economic development in the Transkei Wild Coast has overwhelming support from the

government. Government is seen as the major stakeholder in the area to lead sustainable economic development.

FINDING 2

There is an overwhelming acceptance that government should take lead in the efforts to plan and build infrastructure to resuscitate the tourism industry in the Transkei Wild Coast area.

Articulation and conclusion drawn

Literature on economics and development of an open economic system like South Africa, encourages government to create an enabling environment conducive to business growth, invest in capital infrastructure development and lead the regulatory framework establishment process. Government has a major financial role to play in growing the tourism industry in the Transkei Wild Coast area. Planning and building infrastructure is a government-led project, as it requires vast injections of money. For costly infrastructure units such as roads construction, electricity installation, water drilling and supply, and telecommunication systems, government indeed has a leading role to play. Significant planning and implementation of a sound, basic infrastructure is needed in the Transkei Wild Coast to enable unlimited growth of the tourism industry.

FINDING 3

Government is key in creating an environment conducive for the private business sector to invest in the Transkei Wild Coast tourism industry.

Articulation and conclusion drawn

Where cost of input is higher than the business profit margin, the private sector will always be reluctant to invest in such conditions. Areas such as the Transkei Wild Coast have bad gravel roads, poorly maintained tarred roads, unstable communication systems, erratic electricity supply and poor water supply, yet these are the backbone in making any business activity viable and profitable. In the Transkei Wild Coast achieving a healthy profit margin in any business venture is not guaranteed and business undertakings remain risky. This situation is further complicated by the fact that the Transkei Wild Coast area is predominantly rural and attracting high quality employees is a further business challenge.

Creation of a role conducive to tourism development and growth in the Transkei Wild Coast links government mainly to the:

a)   Development of the tourism industry vision and compelling planning;

b)   Establishment of an enabling legal framework for the private sector and host communities to be comfortable to play their respective expected roles; and

c)   Capital investment in the basic infrastructure development and maintenance.

FINDING 4

Government is considered the leading stakeholder to provide safety and security, which is one of the key factors in a successful tourism industry.

Articulation and conclusion drawn

Besides the hard physical infrastructure which government has to deliver, it has another additional soft primary function, that of safety and security provisioning. A successful tourism industry requires safety and security conditions, despite what other attractions the host community may have. Tourists always hold ambivalent expectations and outcomes as they explore new places, being unfamiliar of the surroundings. Government-guaranteed safety and security creates confidence in the industry in general, and in tourists in particular.

Government is considered to play the leading role for safety and security in the Transkei Wild Coast, an act that should give confidence to the industry and the wide range of its consumers.

FINDING 5

It was established that government is seen as a key partner to promote the nature-based tourism industry in the Transkei Wild Coast area.

Articulation and conclusion drawn

Regulatory framework and public education and awareness link government directly to the significance of nature conservation in nature-based tourism. With the lack of private sector involvement in the Transkei Wild Coast, government and non-governmental organisations have a critical role to play, working hand-in-hand with the host communities. This finding also indicates the expected high involvement of government on economic matters, including tourism industry in the area, given the little involvement of the private sector.

FINDING 6

The study revealed the need for stable, complementary, empowering and fulfilling partnerships, be it partnerships between government and private sector, or government, business and host communities.

Articulation and conclusion drawn

Partnerships are often troubled by power-plays, determined by the magnitude of investment in the project or business venture. The major contribution of the host community partnerships is the input of job seekers. Other significant business elements such as fund injection and relevant knowledge of the core business of the partnership mainly comes from either the government or private sector. Level and quantum of resources contribution influences each stakeholder's power of decision-making and percentage of benefit. Relevant literature indicates that these are the two key elements of partnerships which have proved to be the source of conflict that leads to unstable partnerships and jeopardises the success of joint projects or business ventures in numerous instances in the rural areas. Solid partnerships have to be argued for as being key or contributing positively to cost reduction and bringing in the much-needed skills diversity to the project or joint business venture at hand.

The Transkei Wild Coast is one of the underdeveloped South African areas which have the potential for economic growth and development, if basic infrastructure is put in place, such as tarred roads, stable electricity supply, potable water supply and a strong communication infrastructure. Therefore, the importance of formation of solid partnerships to ease the cost factor cannot be overemphasised.

FINDING 7

It was found that the Transkei Wild Coast has poor sporting, health, conferencing and entertainment facilities.

Articulation and conclusion drawn

For tourism industry expansion, basic and additional infrastructure is required. Therefore, beyond natured-based tourism as a baseline business case, facilities for sporting activities such as soccer, rugby and cricket fields, multipurpose centres for indoors sports events and conference facilities are needed. Modern health facilities that function optimally, having a

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constant supply of medicine, working 20 hours a day and modern medical technology, are required. These facilities are found to be either lacking or of a poor standard, and are crucial for the Transkei Wild Coast to be competitive in the tourism industry. These facilities have the potential to reinforce the popularity of nature-based tourism in the area whilst maximising the economic benefits on the other side.

FINDING 8

The study established the need for extensive involvement by professional bodies in the tourism sector.

Articulation and conclusion drawn

Operating standards for tour operators are significant for the success of this industry generally and the Transkei Wild Coast in particular. It is important that every operator must register with these professional bodies and meet the required operating standards. These established professional bodies include the Federated Hospitality Association of South Africa (Fedhasa), Fair Trade in Tourism South Africa (FTTSA), Guest House Association of South Africa (Ghasa), Southern African Tourism Services Association (SATSA), Tourism Business Council of South Africa (TBCSA) and Southern African Association for the Conference Industry (SAACI). Each of these professional bodies have a clear set of objectives in achieving growth of the tourism industry, growing its professional practices and service excellence.

This intervention (use of professional bodies) will definitely raise the standard of services offered by tourist establishments and improve the quality of tourism products in the Transkei Wild Coast area. The involvement of tourism industry professional bodies will further assist towards creating the industry's service profile and future industry improvements in the Transkei Wild Coast.

FINDING 9

The Transkei Wild Coast area has a poor public transport system in operation.

Articulation and conclusion drawn

Tourism is about travelling from the country of origin to another, or domestic travel from one area to another within the same country. Financial spending, learning, interaction or socialising with the host community and refreshing tourist sites visited are key drivers for tourists travelling. The

fulfilment of these tourist travelling drivers require an effective full functional transport system in order to maximise tourist needs and spending capacity both as an economic benefit and advancement at the level of the host community.

The absence of a reliable functioning public and private transport system is a direct setback to the advancement of tourism industry. The poor transport system in the Transkei Wild Coast is a matter that government as a stakeholder should find the best mechanisms possible to address this situation. Private transport operators are pillars of support that depend on the road infrastructure. This study established that a lack of road infrastructure is one of the weak links in driving flourishing and sustainable local economic development in the Transkei Wild Coast across economic sectors. Link roads to coastal tourist destinations are bad gravel roads which cause problems to tourists visiting the Transkei Wild Coast.

Transport is one of the support businesses of tourism and for the Transkei Wild Coast to maximise tourism industry income, both public and private transport business requires attention for an improved functioning.

FINDING 10
The study found that host communities' participation in tour operators is very low.

Articulation and conclusion drawn
Tourism in the 21st century is about business and has been identified by many governments globally as an area of economic potential to create more job opportunities. The economic activity success in the Transkei Wild Coast in general and in the tourism industry in particular requires full participation of the host communities. This should not only constitute the cultural display, warm reception of tourists, or selling uniquely traditional artifacts on the roadsides. Host communities should be active in preparing tourists' trips, from trip planning, trip itinerary, flights, car hire, accommodation, restaurant outings, and sightseeing, and selling these products directly to travel agencies or individual prospective tourists at a global price.

In this way the meaningful participation of host communities in the tourism industry of the Transkei Wild Coast can be achieved. Alone, this can change the economic strength of the area with the direct positive impact to the host communities as either being the successful entrepreneurs or have improved levels of living standards.

FINDING 11

The study established that the Transkei Wild Coast has a poor health system.

Articulation and conclusion drawn

Health facilities operating at world health quality standards with doctors, and nursing staff being available all the times, constant medication supply and quality diagnostic health technology. This does not only give surety to tourists but infrastructure like this can tap into medical tourism, which has been tracked as the growing tourism market. The estimate puts worldwide medical tourism market between $40 billion to $60 billion spending annually with a growth rate of 20% a year (IPK International, 2012). Visitors who come to the Transkei Wild Coast area for medical needs, particularly the retired age group, should feel comfortable to visit the area with no fears or uncertainties about medical needs or challenges.

FINDING 12

Existing business financing systems for emerging businesses in the Transkei Wild Coast do not adequately assist emerging tourism-related businesses of host communities.

Articulation and conclusion drawn

Sustainable local economic development requires a high level of involvement from the host communities as it has a direct positive impact on their social conditions, be it in the form of successful entrepreneurs or improved level of living standards. This links significantly to preparing the host communities to be able to lead their own economic development and growth. Host communities should be able to develop their own economic plan and identify economic competitive areas. Host communities need funding opportunities, despite their social conditions and poor success in the local economic profile. Therefore, a funding model that responds to the host communities' financial conditions or credit profile is key to the economic viability and kick-start of the Transkei Wild Coast community-driven emerging businesses. Otherwise, business led by outside business entrepreneurs will continue to dominate the business space of the Transkei Wild Coast area, inclusive of accommodation, transport, restaurants, and entertainment segments.

FINDING 13

Domination of business operated by people from outside the host communities was found to be one of the problematic areas in the Transkei Wild Coast.

Articulation and conclusion drawn

A local economic development activity whereby host communities are either merely placed as labourers or product end-users without being drivers themselves, this is the local economic development driven from outside and it has a high risk potential to fail (scenario one). Host communities see things happening for them and remain passive economic role players. The risk lies in instances where the outside tour operator may decide to close down. This may be done without assessing the economic consequences of the tour operator closure on host communities. To the tour operator, business is about making profit and if it is no longer achieving profit, closing down the business becomes a first option.

Local economic development driven by the host communities stands a good chances of having sustainable long-term benefits (scenario two). In this situation host communities conduct their own business and lead from the front. The benefits fall directly to the host communities and this successful entrepreneurship will improve the level of living standards.

Levelling the playing fields through sufficient funding and a regulatory framework biased towards the host communities is but one alternative intervention that government in the Transkei Wild Coast should explore, as well as the introduction of mandatory partnerships and many more options.

FINDING 14

The study revealed that tourist host communities in the Transkei Wild Coast area lack understanding of tourism business concepts.

Articulation and conclusion drawn

In the South African cities, the business of tourism is understood with Cape Town and Durban rated as top destinations, attracting mass tourism throughout the year. On the other hand, communities within rural areas such as the Transkei Wild Coast still need to gain an understanding of the tourism business and how to plan accordingly. They need to understand the importance of exploring opportunities and the importance of factors which are necessary to a

successful tourism industry, such as good basic infrastructure of roads, communication, quality water supply and stable electricity supply.

The tourism business is big and growing rapidly, and areas such as Transkei Wild Coast stand to benefit. Articulation of the tourism business to the level of host communities' understanding through simplification and clarification of the basics is key. This includes baseline awareness and education.

According to Bhatia (2006: 273) tourism has the following categories that could lead to business opportunities:

a)   Individual business trips
b)   Corporate meetings, conferences or training programmes
c)   Association meetings
d)   Organizing or visiting exhibitions or trade fairs
e)   Product launch travel
f)   Incentive travel

The coastal location of the Transkei Wild Coast presents varying tourism business opportunities that could strengthen local economic development for the good of host communities in particular and South Africa in general.

FINDING 15

It was established that the youth does participate in business activities in the Transkei Wild Coast area.

Articulation and conclusion drawn

The findings revealed that young people do have an interest in business opportunities in the Transkei Wild Coast and that this is a prospect for investing in the future. This interest by young people in business growth and development needs to be exploited. It is important to get first things right, such as business financing, partnership strategies and business ownership enhancement.

FINDING 16

The study found that marketing of the Transkei Wild Coast as a beautiful, scenic leisure destination at international level is weak, whilst domestic marketing is fairly good.

Articulation and conclusion drawn

This finding can be linked to the broader marketing strategy of the province of Eastern Cape as an area for business investment in South Africa. It begs the question whether the government of the Eastern Cape Province has invested sufficiently in basic capital infrastructure of the province in response to its identified strategic industries.

According to the Tourism Master Plan of the Eastern Cape province the above questions are answered as tourism is identified as the key industry to improve the economic performance of the province. What thus far has been lacking is putting actions in place, to walk the talk. With the absence of necessary infrastructure for a tourism industry, marketing the Transkei Wild Coast tourism products internationally without strong travel facilities would be the creation of false expectations.

In reality, the current marketing of the Transkei Wild Coast relies on the promise of the area becoming a significant tourist destination, while still faced with the challenge of infrastructure development and much needed facilities such as accommodation. Thus far, marketing can only cover a limited product, information to customers, and stimulate sales in the season.

FINDING 17

It emerged that the Walter Sisulu University plays a minor role in the tourism industry in the Transkei Wild Coast.

Articulation and conclusion drawn

Walter Sisulu University has a key role to play in tourism in the Transkei Wild Coast. Senior management and leadership need to be fully aware of the University location and its economically viable for, particularly the Faculty of Business and Management Sciences. WSU needs to research the economic viability of the tourism industry potential identified in this study, and take an active role in translating such ideas for the benefit of the Transkei Wild Coast.

As the tourism industry is in its infancy stages in the Transkei Wild Coast, WSU can position itself by:

a) Conducting basic research for the area;

b) Strengthen fundamental teaching and learning;

c) Profile tourist destination in the area for national and international interest; and

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d)   Cluster the Transkei Wild Coast tourist products.

If the above notions are implemented, more focus would be placed on the tourism industry in the Transkei Wild Coast and growth will occur as planned. WSU should start exploring the business of tourism as an operator itself.

FINDING 18

The Transkei Wild Coast area lacks both print and television coverage of tourism activities.

Articulation and conclusion drawn

Print and television media is a necessary marketing tool to pique public interest, instil confidence and offer visuals on what the Transkei Wild Coast has to offer, showing that tourism is a serious business. This would act as a stimulus to both host communities and the private sector, to see the bigger picture and to start getting involved on a large scale.

As indicated by the study that young people already do participate in existing tourism activities in the Transkei Wild Coast, print and television media is an aspect which offers a business opportunity to be explored by these young people. This could be tourism products branding, marketing through adverts or billboards, or even a local printed newspaper.

FINDING 19

It was established that the Transkei Wild Coast area has a low incidence of safety and security issues.

Articulation and conclusion drawn

South Africa's crime statistics is one of the government challenges and in general the world believes that South Africa has a very high crime rate. Tourism responds negatively to sentiments or perceptions of this nature and this has potential in the long term to negatively affect international tourism growth.

Low safety and security incidents is key to tourists' confidence, and the Transkei Wild Coast should market this advantage as it develops and grows the tourism industry. With a low incidence of safety and security issues, stakeholder interest in the tourism industry should make Transkei Wild Coast a safe haven to both local and international tourists.

6.5   Summary

This chapter presented the survey results of the study, which covered demographic information on respondents' qualifications, age, gender, experience, occupation and language. The survey results were presented in the form of data summary in frequency tables and were accompanied by an interpretation which gave meaning to the responses.

The responses of the respondents showed varied understanding of how the tourism industry is seen by the participating respondents. Certain trends were noted among the responses, which ranged from strongly agree, disagreed, to undecided. The interpretation given in this chapter was more aligned to the numerical distribution with little generalisation, with an intention to maintain reliability of representativity as consistent as possible. The next chapter presents the study findings, recommendations, proposed framework, revisits the study objectives, and conclusions.

CHAPTER SEVEN
FINDINGS, RECOMMENDATIONS, IMPLICATIONS OF THE STUDY AND CONCLUSIONS

7.1   Introduction

This chapter presents the findings emanating from the survey results presented in Chapter 6. These findings are followed with recommendations that include the proposed unified structure tourism framework as a catalyst for local economic development in the Transkei Wild Coast. It discusses the implications of the study with an emphasis on the key stakeholders identified as the significant role players for both successful planning and implementation of the proposed unified structured tourism framework and recommendations for the Transkei Wild Coast tourism industry development.

The chapter further presents a deconstructed discussion of the proposed unified structured tourism framework as a catalyst for local economic development in the Transkei Wild Coast. Recommendations based on the survey results and findings are presented and discussed how the tourism industry in the Transkei Wild Coast can be better developed to become a world class product which has economic benefit and advancement for the host communities. The chapter discusses how the study objectives were met and ends with a conclusion summarising the highlights of each chapter.

7.2   Study findings

The following significant findings emerged from the study:

7.2.1 There is general consensus that tourism is the key economic sector to lead, resuscitate and strengthen local economic development in the Transkei Wild Coast.

7.2.2 There is an overwhelming acceptance that government should take the lead in efforts to plan and build infrastructure to resuscitate the tourism industry in the Transkei Wild Coast area.

7.2.3 Government is key in creating an environment conducive for the private business sector to invest in the Transkei Wild Coast tourism industry.

7.2.4 Government is considered the leading stakeholder to provide safety and security, which is one of the key factors in a successful tourism industry.

7.2.5 It was established that government is seen as a key partner to promote the nature-based tourism industry in the Transkei Wild Coast area.

7.2.6 The study revealed the need for stable, complementary, empowering and fulfilling partnerships, be it partnerships between government and private sector or government, business and host communities.

7.2.7 It was found that the Transkei Wild Coast has poor sporting, events, health, conferencing and entertainment facilities.

7.2.8 The study established the need for extensive involvement by professional bodies in the tourism sector.

7.2.9 The Transkei Wild Coast area has a poor public transport system in operation.

7.2.10 The study found that host communities' participation in tour operators is very low.

7.2.11 The study established that the Transkei Wild Coast has a poor health system.

7.2.12 Existing business financing systems for emerging businesses in the Transkei Wild Coast do not adequately assist emerging tourism-related businesses of host communities.

7.2.13 Domination of business operated by people from outside the host communities was found to be one of the problematic areas in the Transkei Wild Coast.

7.2.14 The study revealed that tourist host communities in the Transkei Wild Coast area lack understanding of tourism business concepts.

7.2.15 It was established that the youth does participate in business activities in the Transkei Wild Coast area.

7.2.16 It was found that marketing of the Transkei Wild Coast as a beautiful, scenic leisure destination at international level is weak, whilst domestic marketing is fairly good.

7.2.17 It emerged that the Walter Sisulu University plays a minor role in the tourism industry in the Transkei Wild Coast.

7.2.18 The Transkei Wild Coast area lacks both print and television coverage of tourism activities.

7.2.19 It was established that the Transkei Wild Coast area has a low incidence of safety and security issues.

7.3   Recommendations

Specific recommendations suggested in this section are limited only to the main findings of the study and highlight some significant actions to be executed for the full development and growth of the tourism industry in the Transkei Wild Coast. The suggested specific recommendations below are an add-on to the entire interpretation of survey results in Chapter 6 and discussion in Chapter 7 as direct and implied actions suggested.

Recommendation 1

Development of the tourism industry in the Transkei Wild Coast should be priority number one to all seven municipalities located in this area. This should be preceded by the joint development of the Transkei Wild Coast Tourism Development and Growth Master Plan. This master plan should be implemented across municipalities through consolidated joint funds or budget.

Recommendation 2

A Transkei Wild Coast Tourism Infrastructure Plan should be crafted and costed. This undertaking requires joint participation from all seven municipalities located in the Transkei Wild Coast. Government should conduct an audit of basic and tertiary infrastructure needs, which should be informed by the tourism business bigger picture and funds mobilisation strategy.

Recommendation 3

Create an environment attractive to private sector investment in the Transkei Wild Coast. It is recommended that government should work on stable governance of the seven municipalities, particularly the areas of policy guidance, institutional setting, stability of political representatives, effective and efficient administration, skills capacity and quality services provisioning. Build high quality infrastructure to support tourism industry needs.

Recommendation 4

A growing tourism industry will attract much interest, including criminal self-fulfilling interests. It is recommended that government should take the lead in implementing crime control measures in the Transkei Wild Coast. Host community inclusion in the tourism business would be one significant way to unite communities in fighting crime, protect their business interests and

contribute to effective policing. Criminals would find no place to hide in the host communities. Mobile satellite police stations need to be put into operation in this predominantly rural area.

Recommendation 5

Given the nature-based face of tourism in the Transkei Wild Coast, it is recommended that strict regulatory frameworks are implemented. These frameworks would regulate tourism development and growth, and promote sound environmental management principles in protecting indigenous vegetation, forests, water sources and marine surrounds.

Recommendation 6

Partnerships should be encouraged. These include partnerships between government and private sector, government and host communities, private sector and host communities and partnerships between host communities and business. Partnerships should work toward infrastructure development, service provisioning, business pursuit and compliance with quality standards. Partnerships are beneficial in that skills and expertise are shared, and resources from every involved stakeholder are unlocked. This promotes successful tourism industry development.

Prime to the success of partnerships in the Transkei Wild Coast is:
a)   Beneficiation policy that should be put in place in every business venture,
b)   Mutual benefiting contractual terms and conditions, and
c)   Empowering partnerships with host communities.

Recommendation 7

It is recommended that target funding for host communities of the Transkei Wild Coast should be established to build a base of business tour operators run by the host communities. These business tour operators include travel agents, tourist guides, bed and breakfast establishments, and restaurants. This will assist towards eliminating the negative perception that most successful business activities in the Transkei Wild Coast are run by people from outside the host communities, creating a feeling of exclusion from the economic main stream in their own place.

Recommendation 8

It is recommended that three high quality service hospitals should be constructed in the Transkei Wild Coast. This would lessen the complete dependency on East London or Durban health centres which are far from the area, particularly the coastal tourist destinations. The hospitals

should be built in Mbizana, Ngquza Hill and Mbhashe. This suggestion is based on distance and service-reach, minimising health risks to patients. These new health care centres could be supplemented by renovating existing ones to improve their levels of service. Implementation of this recommendation would enhance the healthcare segment in the tourism industry of the Transkei Wild Coast and improve the attendance to emergency health situations.

Recommendation 9

It is recommended that a broad marketing strategy for the Transkei Wild Coast is to be enhanced by international trade fairs and municipal twinning agreements. A Transkei Wild Coast Marketing Agency should be established, which will focus on the offerings of the Transkei Wild Coast to both national and international tourists.

Recommendation 10

It is recommended that Walter Sisulu University come on board and create a Centre for Tourism Economy. This should contribute to the development and growth of tourism in the Transkei Wild Coast through:

a)   Focus tourism segments research profiling,
b)   Tourism business consulting,
c)   Tourism short learning training, and
d)   Profiling rural tourism economies.

Recommendation 11

For a stable, long-term economic plan in the area, the Transkei Wild Coast Municipal Metro should be created, based on the future economic power of the Transkei Wild Coast planned economic development and growth. This Metro should result from the integration of all seven local municipalities located in the Transkei Wild Coast. A special arrangement for the rural-based Metro should be developed at National Government level, which inevitably would have policy and financial implications and shift.

Recommendation 12

A unified structured tourism framework (see Figure 7.1) is proposed for tourism as a catalyst for local economic development in the Transkei Wild Coast. Local governments in the area are encouraged to consider this proposed framework in the process that deals with their tourism planning and implementation.

Government

Business Sector

Host Community

Marketing
Hotel
Food
Transport
Communication
Finance
Sports
Events
Shops
Petroleum
Infrastructure
Safety and Security

Legislative/Policy Guide
Vision setting
Planning
Resources Mobilisation
Finance
People
Infrastructure
development
Safety and Security
Law Enforcement
Business Incentives

Land development
Business
development
Human resources
Hospitality
Business
management

**Transskei Wild Coast
Established Tourism Industry**

- Stable tourists trends
- Stable and productive
  tourism-led LED
- TWC LED growing beyond
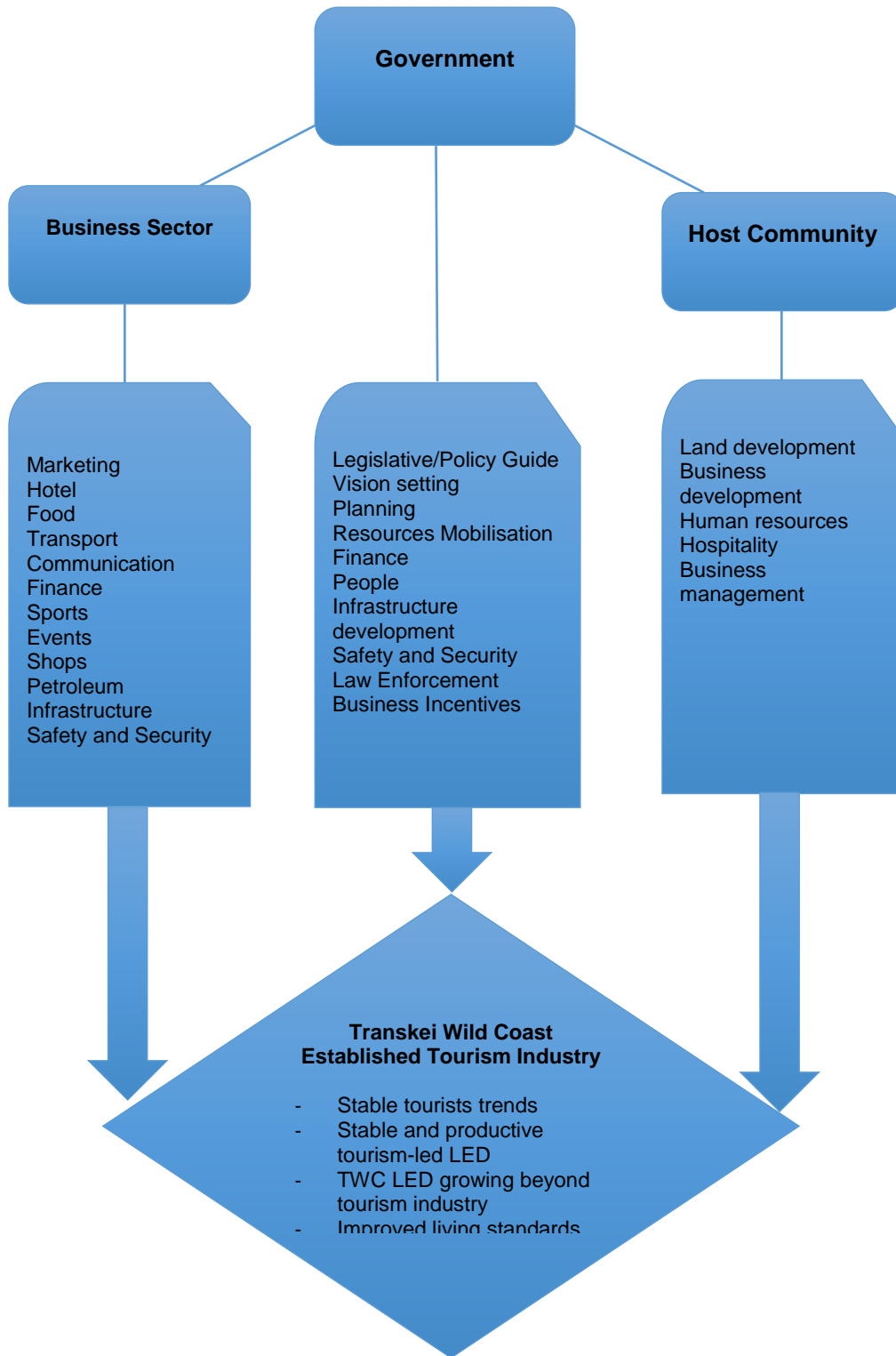 tourism industry
- Improved living standards

Figure 7.1: Proposed unified structured tourism framework (Researcher's construct)

7.3.1 Framework and key stakeholders

7.3.1.1 Government

The Transkei Wild Coast economy is in its infancy stages. Development and growth will require significant input from government. The role of government institutions should be to lead and drive:

d) *Policy or legislative guide development*

This guide should be designed to focus and respond to the tourism industry holistically. By-laws should offer both guidance and compliance to the existing policies or laws.

- *Vision setting*

Interested parties should drive towards a common goal to develop tourism in the Transkei Wild Coast as a catalyst for local economic development. Joint Local Governments Tourism Council (JLGTC) in the Transkei Wild Coast should be directly responsible for this common goal and compelling vision setting.

- *Planning*

Macro planning at the level of JLGTC is seen as key for every tourism economic activity. This is critical in the ground-breaking tourism product design stage which should take into consideration all those to be affected. For example:

i) Planning for beach, cultural, hunting, bird viewing, backpacker, tourism segment promotion for the entire Transkei Wild Coast in a consolidated balanced sequential approach where applicable.

ii) Planning for infrastructure development of sporting facilities.

iii) Planning for basic infrastructure development of tarred roads, communication cabling, stable electricity supply, and quality clean water supply.

- *Resources mobilisation*

Mobilisation of resources in significantly large proportions is much better than the small approach in a situation where there is economic activity interconnectivity to be promoted. This provides financiers for example with broadened confidence in the potential of the business plan. In this case, this means broadened as far as from Kei River mouth to Mbizana coastal area. This wide area offers an extended range for business opportunities.

Government-led resources mobilisation target massive basic infrastructure development in the Transkei Wild Coast. Skills development projects within the host communities remain involved in the local economic development of the Transkei Wild Coast.

- *Infrastructure development*

A consolidated plan for infrastructure development of the Transkei Wild Coast is a major task which requires that the various government levels within the Eastern Cape should draw up a realistic timetable to fulfil the basic infrastructure needs of the area. This basic infrastructure includes tarred roads, quality clean water supply, stable electricity supply, and communication. The secondary infrastructure development includes, sporting and health facilities.

- *Safety and security*

A crucial factor in successful tourist attraction is safety and security in destinations and events. Good safety and security makes it easier for the marketing business component in the tourism industry to market a destination. The power lies not only with government but also in the establishment of security clusters within the host communities, such as social intelligence and crime intelligence in the Transkei Wild Coast.

e) Law enforcement

The premise of this role of government is based on a speedy and effective justice system to address matters for both law enforcement and justice restoration in the Transkei Wild Coast.

- *Business incentives*

Stability of the local government sphere in the Transkei Wild Coast is the primary business incentive, followed by investor business confidence in the structure of the existing business incentives to do business in the area. An Economic Investment Technical Committee should be established in the Transkei Wild Coast with the aim of drilling down to discover what would encourage and boost investor confidence in predominantly rural areas such as the Transkei Wild Coast.

7.3.1.2 Host communities

f) Land development

Changing the lifestyle and structure of predominantly rural areas is a challenge but change is inevitable. Land ownership for productivity versus land ownership for heritage is one of the contentious issues faced by economic advancement in areas such as the Transkei Wild Coast.

Host communities are the landowners and any business initiative would have to take place on this land whose owners are well-versed in how to explore economic opportunities using land as the starting point.

The advancement of the tourism industry in the Transkei Wild Coast is also dependent on how the land question for economic advancement is managed, as every hectare of land has an owner. The host communities of the Transkei Wild Coast have emerged as overwhelmingly supportive of tourism in the area as a catalyst for local economic development. Viable models must be put in place, outlining how land can be best used to benefit the host community, landowner and the investor. A history of land robbery in South Africa is troubling to the Transkei Wild Coast communities, but with genuine intentions explained and exhibited, this can be solved. An economic advancement and profit beneficiation balance scorecard needs to be crafted, without land dispossession, for the tourism industry to be given an opportunity to succeed. This move will allow land development in the Transkei Wild Coast with the consent of host communities as business partners for:

i)   Land zoning for property development business;
ii)   Land zoning for shopping malls business;
iii)   Land zoning for petrol service stations business;
iv)   Land zoning for sporting business;
v)   Land zoning for game reserves business;
vi)   Land zoning for heritage sites development;
vii)   Land zoning for film industry; and
viii)   Free movement for tourist purposes.

g)   Business development

As part of the business plan for the Transkei Wild Coast host communities, business development that emphasises the increase of new tourist products, improved tourist services, and seizing new tourism business opportunities, remains key. This will establish the desired mind set of the host communities and facilitate the business initiatives for tourism industry advancement and promotion in the Transkei Wild Coast area. Once this is achieved, the new paradigm of the tourism industry business development will fall into place.

Skills development within the tourism industry is significant to the success of the plan to position tourism as a catalyst for local economic development in the Transkei Wild Coast.

h)   *Human resources*

For the Transkei Wild Coast host communities to service and meaningfully participate in the tourism industry, basic skills development is crucial to successfully realise the potential which exists in the tourism business. This will ensure that the host communities become a major player in this industry, and not merely remain a labour reserve of low skills levels. Hence the involvement of WSU and other educational institutions as partners, is key.

Findings indicate that the host communities of the Transkei Wild Coast need improved basic skills and levels of confidence to enable meaningful participation in the industry.

i)   *Hospitality*

Host community hospitality is one of the key business development aspects that have a direct impact in the tourism industry. From herd boys driving flocks of sheep, goats and cows, to the elders of villages, to cultural events and business front desks, tourist hospitality remains significant. The Transkei Wild Coast host communities need to be made aware of the importance of the hospitality aspect.

- *Business management*

It is very important that the host communities become integrated into the tourism industry in the Transkei Wild Coast. This includes business management, co-ordination, leadership roles, monitoring and planning. The empowerment and ownership levels of the Transkei Wild Coast host communities are key in implementing a successful, inclusive beneficiation model.

7.3.1.3 Business sector

j)   *Marketing business*

Both stated and unstated tourists' needs and wants in the Transkei Wild Coast require a certain level of satisfaction. Wide marketing of tourist products in the area creates business opportunities to be explored. This emerged as one area of concern in the study findings, particularly marketing of the Transkei Wild Coast outside of South Africa.

k)   *Hotel business*

Accommodation is an integral part of the tourism industry. Tourists need time to rest or sleep after long days of interaction with the host communities. This has become a major tourism-related business and has links to many other potential business opportunities. Access to land

and land development is very important and the host communities are significant partners throughout.

### l)	Food business

The ripple effects of food business in the tourism industry are enormous and link particularly to the host communities farming sector as one of the major suppliers of farming produce.

### m)	Transport business

No tourism business can succeed where the transport system is ineffective or absent. Transportation forms in the Transkei Wild Coast area is a very significant opportunity for business exploration.

- ### Communication business

Communication links the local communities to the world and is crucial to the success of the tourism industry. This is a very important area of business opportunity in the Transkei Wild Coast which needs to be explored.

- ### Finance business

Property is linked to this business segment and offers both the host communities and external investors an opportunity to explore.

- ### Sports business

Different sports codes for talent identification and development, sporting infrastructure and events hosting are potential business opportunities linked to a growing tourism industry.

- ### Events business

Conferencing, sporting events, business meetings, arts and culture events etc are business opportunities to be explored.

- ### Shopping business

Retail businesses, both for food and clothes, offer opportunities to be explored. Accommodation-type establishments and the property business stand to benefit.

- ### Petroleum business

Petrol stations are required. These are linked to goods transportation services, the supply chain business, and public and private transport.

- *Infrastructure business*

An urgent requirement is the development of vital tourism industry infrastructure such as roads, communication, electricity supply, water supply, sewerage infrastructure, hotelier and sporting infrastructure. These all offer business opportunities, which later would be followed by maintenance and upgrade business.

- *Safety and security business*

Safety and security is very important for any successful tourism destination. A significant window of opportunity exists in this area, such as surveillance, physical patrols, crime intelligence operatives. Also, supply of advanced security technologies, infrastructure installation and maintenance.

7.3.2 Underpinning framework key elements

7.3.2.1 Leadership

Display and rise of leadership across the identified stakeholders in this proposed framework features prominently in the successful implementation of this proposed framework. Stable and committed leadership is required in achieving set plans and targets. This includes leadership in government spheres, host communities and business sectors.

7.3.2.2 Tourism product design

Product design for marketing, sales and consumption based on the strengths of the area will give that competitive edge to the Transkei Wild Coast in the tourism industry.

7.3.2.3 Partnerships

Partnerships need to be established between government, host communities and business, government and business, and business and communities. These partnerships would create a strong talent pool of diverse tourism industry related-skills and innovation inputs.

7.3.2.4 Infrastructure

Sound infrastructure is key for the tourism industry to succeed in the Transkei Wild Coast. Basic infrastructure such as roads, communications, water supply, electricity supply and sporting codes should be put in place.

7.3.3 Transkei Wild Coast developed tourism industry

7.3.3.1 Stable tourists travelling trends

Stable tourists travelling trends are seen as a well-managed balance between what is commonly known in the tourism industry as high-peak and low-peak business seasons. Balancing viable business during both high-peak and low-peak seasons requires a planned tourism economic structure. In this regard, international tourism travel has become a big market for the established tourism industry in the Transkei Wild Coast to complement the domestic tourism industry character.

7.3.3.2 Stable and productive tourism-led LED

Stable and productive tourism-led LED in the Transkei Wild Coast can be achieved by focussing on and investing more in existing strengths, such as adventure and travelling tourism, which is a blend of:

a)   Physical activity of some kind in a destination,

b)   Cultural tourism, where travellers experience a new culture, and

c)   Nature tourism, ranging from ecotourism holidays to hiking trips.

Hard adventure and travelling tourism involves pre-planned demanding activities and specialised training. Soft adventure and travelling tourism blends physical adventure with such enriching activities as culinary pursuits, agritourism, archaeology viewing and wildlife viewing. This proposed focus strategy will balance the seasonal tourism gaps that characterise the South African tourism industry generally and Transkei Wild Coast in particular. Ultimately, this should provide stable and productive tourism-led LED in the Transkei Wild Coast.

Stable and productive tourism-led LED in the Transkei Wild Coast can be further strengthened by hosting events in the area. These events may include conferencing events, and sporting events that could be provincial, national, continental (Africa) and global. This will bring necessary balance to the predominantly seasonal tourism industry of South Africa generally and Transkei Wild Coast in particular, of sun, sand and sea, beautiful beaches surrounded by nature.

7.3.3.3 TWC LED growing beyond tourism industry

The diverse LED strengths of the Transkei Wild Coast itself is a significant ingredient for a sustainable tourism industry. These strengths will contribute to the stable buying power of the host communities who offer different tourism products. This refers to the mining sector and processing industries which have emerged and which have great potential in improving local

economic development in the Transkei Wild Coast. This will expand the Transkei Wild Coast tourism-led LED to another level, that of an integrated LED growth strategy for the survival of the complex tourism industry.

7.3.3.4 Improved living standards

The envisaged ultimate impact of the Transkei Wild Coast developed tourism industry is its direct measurable influence on improving the socioeconomic conditions of the host communities, particularly raising living standards that should be characterised through:

a) Quality education offering, from basic education to higher education levels,

b) Quality housing establishment and communal amenities,

c) Quality and diverse transport operating system,

d) Quality physical infrastructure such as roads, electricity supply, water supply and communications infrastructure,

e) Long-term secured job and business opportunities,

f) Safety and security as well as enabling environments for business investment and sustainable tourism industry, and

g) Effective, efficient and stable government administration.

7.4   Revisiting the study objectives

As indicated in Chapter 1, section 1.5, this research had five broad objectives which were all achieved.

The first objective of this study was to analyse the current theories on sustainable tourism development as the catalyst in achieving solid local economic development. Tourism development theories, linked to local economic development and the South African legal framework in Chapters 2, 3 and 4 of this study, dealt with this analysis intensively. The strengths and weaknesses of the current theories and applications were interrogated and the conclusion drawn was that literature recognises that tourism is one of the strongest economic segments in the world generally and in South Africa in particular, that has the potential for development and growth.

The second objective of this study was to investigate tourism as a catalyst for local economic development in the Transkei Wild Coast. The survey findings revealed that the majority of the respondents supported this notion. From Statement 1 to Statement 9, responses showed a

convincing consensus that tourism in Transkei Wild Coast area has a strategic role to play in improving local economic development efforts.

The third objective of this study was to investigate the viability of any potential local economic development and growth through tourism in the Transkei Wild Coast, given its geographical location on the eastern coast of the Indian Ocean and its wealth of natural resources. The findings revealed general agreement from all respondents on the development and growth potential of tourism industry in the Transkei Wild Coast. Responses to Statements 8 and 9 show the statistical distribution of this agreement.

The fourth objective of this study was to demonstrate that undeveloped and underdeveloped predominantly rural areas such as the Transkei Wild Coast, provided with the necessary basic infrastructure, are capable of developing themselves and looking after their own welfare successfully. The overwhelming agreement for the need to improve the infrastructure in the Transkei Wild Coast appears in responses to statements 19, 20, 21 and 22.

The fifth objective of this study was to propose a workable framework and suggest recommendations for tourism as a catalyst for economic development in areas with potential for tourism industry such as Transkei Wild Coast. Sections 7.3 and 7.3.1 of Chapter 7 presented the implementable recommendations and proposed workable framework and respectively.

Following the broad objectives of this study are what are termed as specific or concise objectives of the study, also of which all were achieved.

The first specific objective of this study was to examine the status of the Transkei Wild Coast infrastructural development in unleashing the potential of tourism economies. The survey results have shown that infrastructure development in the Transkei Wild Coast is not at a satisfactory level and for Transkei Wild Coast to have a strong tourism industry, infrastructure needs both improvement and development.

The second specific objective of this study was to make suggestions on how to market the Transkei Wild Coast area as one of the world's desirable tourism destinations. Section 7.3 of Chapter 7 makes recommendations on how to maximize tourism marketing of the Transkei Wild Coast. This will result in an increased number of tourists visiting the area, which in turn will generate revenue for the economic development and growth of the area.

The third specific object of this study was to contribute to the body of knowledge for the field of tourism and development. This was achieved through the proposed framework in section 7.3.1 of Chapter 7 for tourism as a catalyst for local economic development in the Transkei Wild Coast. This framework could be implemented in other predominantly rural areas with potential for tourism development and growth.

The fifth specific objective of this study was to propose strategies that could improve the current poor living standards of the rural Transkei Wild Coast communities. This is achieved by identifying a number of proposed business areas in Chapter 7 that could be explored towards growing local economic development of the Transkei Wild Coast.

7.5   Implications of the study

7.5.1 Implications to government

The first implication of this study was that local, provincial and national governments need to take a leadership role in growing the tourism industry of the Transkei Wild Coast. The basis of this implication is premised on the need for massive investment into infrastructure development, which covers construction of connecting roads to tourist destinations, particularly beach areas, a stable electricity supply, quality water supply, communications infrastructure and sporting facilities.

The second implication covers the provisioning of soft services such as safety and security, and health support. The third implication is the requisite for stable local government institutional arrangement and consistence of policy priorities and implementation. The forth implication to government is the creation of investment confidence and an environment conducive to investment.

7.5.2 Implications to the private sector

The private sector has to come on board, locate its strategic involvement along potential business opportunities that the Transkei Wild Coast area offers in the tourism industry, give consideration to support business activities in the tourism industry and be open to partnerships with government or host communities.

Most importantly, a positive attitude is needed towards development and growth, despite prevailing conditions, of the TWC tourism industry which is in its infancy stages. A long-term sustainable business environment needs to be created. Lastly, the private sector is required to

establish a strong business leadership and vision for developing a sound and viable tourism industry in the Transkei Wild Coast.

7.5.3   Implications to host communities

Implications to host communities include (a) readiness to change and cope with the needs of tourism industry as an inevitable consequence of improving the economic conditions in the Transkei Wild Coast, (b) address land development for tourism industry advancement vis a vis ownership battles and profit beneficiation, (c) champion skills improvement of the host communities for tourism industry sustainability or direct benefit to the area, (d) establishment of leadership for tourism industry business development in the Transkei Wild Coast.

7.5.4   Implications for further research

The tourism industry is understood in this study as the catalyst for local economic development in the Transkei Wild Coast. Therefore, further research into support business sectors to the tourism industry, is needed, to establish how they can strengthen the tourism industry in the Transkei Wild Coast. Business opportunities may be created in other sectors which include agriculture and farming, hydrogenation-linked businesses as the Transkei Wild Coast has ample water reserves from big rivers flowing into the Indian Ocean.

The research implications to the tourism industry are immense, particularly tourism planning, accommodation management, transport systems, events business, cultural tourism and mega sports events in the Transkei Wild Coast. The findings from further research will enhance the normative nature of this study's findings and contribute to the realisation of a viable tourism industry in the Transkei Wild Coast.

7.6   Conclusions

Chapter 1 of this study presented the road map followed during all stages of conducting this study. The chapter presented a problem statement rooted in local economic development, tourism as a catalyst and the predominantly rural communities located along the coastal area of the Transkei Wild Coast in the province of the Eastern Cape in South Africa. Infrastructure capability and partnership status functionality in relation to the advancement of local economic development with tourism industry as a prime focus, were positioned as sub-problems for investigation.

Broad and specific objectives were outlined. The central core of these objectives was to:

a)   Investigate the viability of any potential local economic growth and development through tourism in the Transkei Wild Coast, given its geographical location and wealth of natural resources.

b)   Demonstrate that undeveloped and underdeveloped predominantly rural areas such as the Transkei Wild Coast in South Africa, provided with the necessary basic infrastructure and with solid working partnerships, are capable of developing themselves economically and successfully looking after their own community welfare.

c)   Propose a workable framework and recommendations for tourism as a catalyst for local economic development in areas with potential for this industry, such as the Transkei Wild Coast.

The chapter further outlined the significance of the study. This aspect is articulated throughout the study chapters, discussing various elements for successful local economic development with tourism as a catalyst and its direct impact at economic and social levels. Quantitative methodology and a questionnaire as the data collection tool were selected, motivated and professionally implemented.

Chapter 2 presented philosophical and theoretical perspectives of public administration and tourism development in the context of local economic development and tourism as a catalyst in predominantly rural communities of the Transkei Wild Coast. This chapter focused on the central role that the State plays as the agent of societal development for the common goal of creating and increasing the prosperity of the communities. The State and the tourism industry, together, have the potential to revive the economic development and growth of the Transkei Wild Coast.

Chapter 3 discussed the legal framework and how it is linked to local economic development in South African, and how the tourism industry is directly affected. What are the areas of legal expectations and compliance for the development and advancement of the tourism industry within the context of local economic framework?

Also discussed in this chapter is how the predominantly rural underdeveloped Transkei Wild Coast areas should respond and comply with the legal framework, as they establish their local economic development foundations in general and the tourism industry in particular. Questions of both adaptability and innovation within the existing legal framework were addressed.

Chapter 4 examined tourism economies, with particular emphasis on trends and challenges as well as the prospects facing the rural areas of the Transkei Wild Coast. Trends were explored in tourism investment prerequisites and how this industry generally responds to investors. Questions are posed – How does the tourism industry respond to its challenges? Is the Transkei Wild Coast an exceptional case or do tourism development fundamentals still apply? For the Transkei Wild Coast to prosper in the tourism industry, sound planning, development and sustainable growth is required.

Chapter 5 presented an overview of the social science methods of research and the application of methodology deemed appropriate for this study. The chapter briefly articulated the scientific research methods that are universally applicable to any study but focused on economic development studies, such this one. Topics discussed in this chapter cover various research methods, including those selected for this study. An explanation was given on relevant scientific research objectives, the survey population and the sampling process, data presentation, and data analysis and interpretation.

Chapter 6 presented survey results and interpretation. Data were numerically coded and analysed using the Statistical Program for Social Science, SPSS v22. Collaboration with a registered CPUT statistician ensured scientific reliability and correct application of the software package. This was followed by an objective interpretation of the analysed data gathered from each of the 60 statements contained in the questionnaire. A total of 449 questionnaires were returned from 639 questionnaires distributed.

Study findings and articulations of the findings are also presented.

Chapter 7 presented the findings emanating from the survey results presented in Chapter 6. Recommendations based on the survey results and findings are presented and discussed, how the tourism industry in the Transkei Wild Coast can be better developed to become a world class product which has economic benefit for the host communities. A proposed unified structured tourism framework as a catalyst for local economic development in the Transkei Wild Coast is examined. The implications of the study are discussed, with an emphasis on the key stakeholders identified as the significant role players in the development of the Transkei Wild Coast tourism industry. Government is seen as the key player in creating an environment which is conducive to investment and thus growing local economic development.

The chapter deliberates on how the study objectives were met and ends with a conclusion summarising the highlights of each chapter.

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APPENDIX A: DEVELOPMENT AND PROMOTION OF TOURISM IN SOUTH AFRICA

WHITE PAPER

THE DEVELOPMENT AND PROMOTION OF TOURISM IN SOUTH AFRICA

GOVERNMENT OF SOUTH AFRICA
DEPARTMENT OF ENVIRONMENTAL AFFAIRS AND TOURISM

MAY, 1996

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Abbreviations

CBO	Community-based Organisation
DTI	Department of Trade and Industry
EU	European Union
FIT	Foreign Independent Tourists
GDP	Gross Domestic Product
GEM	Group for Environmental Monitoring
IPTC	Inter Provincial Technical Committee
ITTT	Interim Tourism Task Team
MINMEC	Committee of Members of Executive Councils responsible for tourism in the provinces and the Minister and Deputy-Minister of Environmental Affairs and Tourism in the central government
NGO	Non-governmental Organisation
RDP	Reconstruction and Development Programme
RETOSA	Regional Tourism Organisation of Southern Africa
SADC	Southern African Development Community
SATOUR	South African Tourism Board
SMMEs	Small, Micro and Medium-sized Enterprises
USP	Unique Selling Point
VFR	Visitors to Friends and Relatives

Definition of Terms

Cultural tourism	cultural aspects which are of interest to the visitor and can be marketed as such, including the customs and traditions of people,

	their heritage, history and way of life.
Ecotourism	environmentally and socially responsible travel to natural or near natural areas that promotes conservation, has low visitor impact and provides for beneficially active socio-economic involvement of local people
Emerging markets	population groups entering the market in increasing numbers as domestic tourists, especially those previously neglected.
Emergent SMMEs	small, micro and medium-sized enterprises owned and/or operated by the previously neglected population groups that are entering the market
Environment	includes natural, urban, human living and cultural environments
International tourist	a person who travels to a country other than that in which she/he has her/his usual residence, but outside her/his usual environment, for at least one night but less than one year, and the main purpose of whose visit is other than the exercise of an activity remunerated from within the country visited. Due to markedly different travel and expenditure patterns, a distinction is drawn between international tourists from the rest of Africa (called regional tourists) and those from other countries (called overseas tourists). See definition of tourist.
Previously neglected communities	population groups that were largely excluded from mainstream tourism activities.
Responsible tourism	tourism that promotes responsibility to the environment through its sustainable use; responsibility to involve local communities in the tourism industry; responsibility for the safety and security of visitors and responsible government, employees, employers, unions and local communities
Statutory Organisation/parastatal	an organisation established by an Act of Government
Stop-over visitor	a person who travels away from home for other than commuting purposes, staying less than 24 hours in the place visited
Sustainable tourism	development tourism development, management and any other tourism activity which optimise the economic and other societal benefits available in the present without jeopardising the potential for similar benefits in the future
The tourism industry	all recipients of direct spend incurred by tourists. This includes pre-trip expenditure on travel and booking, travel and en-route expenditure, and all spending at the destination
Tourist	a person who travels away from home, staying away for at least one night. A tourist can be a domestic tourist (for example resident of Johannesburg staying one night in Durban), a regional tourist (a visitor from Zimbabwe spending one or more nights in the Free State) or an overseas tourist (a resident of Germany staying one or

	more nights in the North-West Province). See definition of international tourist. A tourist travels for different purposes including business, leisure, conference and incentive.
Tourism	all travel for whatever purpose, that results in one or more nights being spent away from home
Traditional domestic markets	previously advantaged domestic leisure tourists

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The policy formulation process

In October 1994, the Minister of Environmental Affairs and Tourism appointed the Interim Tourism Task Team (ITTT) with the mandate of drafting a tourism discussion paper as a basis for a future national tourism policy. Representing the business sector, labour movement, provincial governments, community organisations and the national government, the ITTT produced a Tourism Green Paper in September 1995. The Tourism Green Paper was widely distributed for comment, whereafter the European Union was approached to provide technical assistance to the Government of South Africa in developing a Tourism White Paper. An international tourism specialists was appointed by the European Union for this purpose, in October 1995. It was recognised that the process of arriving at a White Paper for tourism is as important as the White Paper itself. As such, a great deal of emphasis was placed on developing the White Paper in such a way as to facilitate maximum participation by all. To this end, the process involved a number of research methods and strategies as follows:

1. A number of ITTT meetings were held to monitor progress and provide comments on the process followed and the content of the document.
2. Ten workshops were held country-wide to discuss the Green Paper and obtain inputs for the White Paper. More than 500 persons participated in these country-wide workshops.
3. Nearly 100 expert interviews and one-on-one consultations were carried out with key stakeholders in the industry.
4. More than 100 written submissions were received and reviewed.
5. A number of strategic meetings were attended, including meetings of MINMEC, IPTC, Hotel Industry Liaison Group, the Strategic Tourism Security Workshop, Museum Workshop and the national tourism workshop held on 4 March 1996.
6. Local consultants were appointed by the lead consultant to assist in carrying out secondary research and analysis of the tourism industry as well as the development of strategies and implementation programmes.
7. The consultants drew upon a number of reports by SATOUR and other organisations, White Papers of other government departments and other relevant documents.

The White Paper provides a policy framework and guidelines for tourism development in South Africa. It will be followed by an implementation strategy which will contain a number of key actions in order to effectively implement the guidelines contained in the White Paper

PART I: ROLE OF TOURISM IN SOUTH AFRICA

1.1 Tourism potential

With a population of approximately 41 million and a land area of 1.27 million sq. km (nearly five times the size of the UK), South Africa's resource base for tourism is phenomenal. The country's tourism attractiveness lies in its diversity. Some of the features which make South Africa an incredibly attractive tourism proposition include: accessible wildlife, varied and impressive scenery, unspoiled wilderness areas, diverse cultures (in particular traditional and township African cultures), generally sunny and hot climate, no 'jet lag' from Europe, a well-developed infrastructure and virtually unlimited opportunities for special interest activities such as whale-watching, wild water rafting, hiking, bird-watching, bush survival, deep-sea fishing, hunting and diving. In addition, unique archaeological sites and battlefields, the availability of excellent conference and exhibition facilities, a wide range of sporting facilities, good communication and medical services, internationally known attractions (Table Mountain, Cape of Good Hope, Sun City, Kruger National Park, Garden Route, Maputaland) and unrivaled opportunities to visit other regional internationally known attractions (e.g. Victoria Falls and the Okavango Swamps) make South Africa an almost complete tourist destination.

Tourism has become a fiercely competitive business. For tourism destinations the world over, as indeed for South Africa, competitive advantage is no longer *natural*, but increasingly *man-made* - driven by science, technology, information and innovation. As such, it is not simply the stock of natural resources of South Africa that will determine her competitiveness in tourism, but rather, how these resources are managed and to what extent they are complemented with man-made innovations. In this regard, South Africa scores well on three important fronts. First, the already well-established network of national parks (covering some 6.3% of the surface area of the country) and private nature reserves are very much 'on trend' with the demands of the increasingly environmentally sensitive visitor. Second, some companies are already leaders in global 'best practice' in ecotourism, while others have created Disneyland-like attractions in South Africa, boosting the country's name internationally. Third, the recent successful political transformation in South Africa has virtually 'opened' the country's tourism potential to the rest of the world and indeed to the previously neglected groups in society. It is not surprising that the *World Tourism Organisation* in its 1995 review of African tourism considers South Africa to be "one of the most promising tourism destinations of the African continent". The *Horwath 1995 Worldwide Hotel Industry Review* concluded that South Africa's tourism potential "is outstanding, providing peace and harmony remain".

Notwithstanding all the abovementioned advantages, South Africa has not been able to realise its full potential in tourism. As such, the contribution of tourism to employment, small business development, income and foreign exchange earnings remains limited.

1.2 Role in the economy

Tourism currently plays a relatively small role in the economy of South Africa. The *Economist Intelligence Unit* estimates the value added of tourism in South Africa to be no more than 2% of Gross Domestic Product (GDP) in 1994. *Kessel Feinstein* and SATOUR estimate that in 1995, tourism's contribution to GDP was in the vicinity of 4%, which is very low by any standard. The *World Travel and Tourism Council* estimated that in 1995, tourism contributed 10.9% to the GDP of the world economy; 10.5% to the US economy; 13.4% to the European economy; 12.3% to the British economy and 31.5% to the Caribbean economy. SATOUR estimates that 480,000 jobs are directly and indirectly created by tourism. Tourism is the fourth largest earner of foreign exchange in South Africa.

The potential for South Africa to grow its tourism industry, to triple its contribution to national income and to at least double its foreign exchange earnings by the year 2000, is very real. If contributed 10% to the GDP of South Africa, as it does in the US, the industry would generate some R40b annually and create 2 million jobs.

1.3 Recent performance

In 1995, South Africa received 4.48 million international visitors. Africa continues to generate the bulk of international arrivals to South Africa (73%) with Europe accounting for about 15%. North and South America, the Middle East, Australasia and the Indian Ocean Islands continue to be very marginal contributors, together accounting for not more than 12% of total international arrivals. In 1995, South Africa received just under 1,1 million overseas visitors (originating from outside Africa). In addition it is estimated that there are some 7.9 million domestic tourists who took a total of 17 million holidays in 1994. The potential for South Africa to increase both arrivals and expenditures from all three markets -overseas, regional and domestic - is substantial, considering that the majority of the previously neglected groups in society have not traveled and that the neighbouring African markets have good potential for further development.

Domestic tourism plays a specially important role in the South African tourism industry. This market will continue to grow as previously neglected people become tourists and travelers themselves. International tourism is also a vital element of the South African tourism industry - overseas and Africa air arrival visitors spend an average of R14,000 (including airfare). The Reserve Bank conservatively estimates that African land arrival visitors spend on average R600 when they visit South Africa. Within the international tourism market, the business travel market, the conference, incentive and leisure segments are of critical importance to the South African tourism industry. Following the democratic elections of April 1994, extremely positive growth in visitor arrivals from both the regional and overseas markets was recorded. Overseas visitors to South Africa are expected to double by the year 2000.

While there is no doubt that growth will continue under the pressure of regional and overseas demand, there is no guarantee that growth will be sustainable, or that the tourism industry will be fully able to act as an engine of growth for the economy, or achieve the socio-economic objectives set by the new Government. Key actions, policies and strategies are necessary to ensure that South Africa realises its tourism potential as well as avoid the mistakes that other destinations have made.

PART 2: THE PROBLEMATIQUE

2.1 A missed opportunity

Tourism development in South Africa has largely been a missed opportunity. Had its history been different, South Africa would probably have been one of the most visited places in the world. The tourism industry in South Africa has been woefully protected - protected from foreign competition (limited international investment in tourism facilities), protected from demanding, long-stay tourists (limited flow of international visitors) and protected from itself (suppliers cater to a largely homogeneous and predictable clientele, i.e. the easily identifiable needs of the privileged class). As such, the potential of the tourism industry to spawn entrepreneurship, to create new services (e.g. local entertainment, handicrafts, etc.), to "drive" other sectors of the economy, to strengthen rural communities, to generate foreign exchange and to create employment, has not been realised.

Yet tourism, perhaps more than any other sector, has the potential to achieve the objectives of the Reconstruction and Development Programme (RDP) of the new government. Tourism creates opportunities for the small entrepreneur; promotes awareness and understanding among different cultures; breeds a unique informal sector; helps to save the environment; creates economic linkages with agriculture, light manufacturing and curios (art, craft, souvenirs); creates linkages with the services sector (health and beauty, entertainment, banking and insurance); and provides dignified employment opportunities. Tourism can also play a strategic role in dynamising other sectors of the economy - the agriculture sector that benefits from the tourism industry (increased demand for new agricultural products and services such as organic agriculture, farm tourism); the manufacturing sector (the supply of furniture and fittings, construction, linens, pots, pans, etc.) as well as crafts (wood-working, curios, fine art). Perhaps the weakest economic linkages with the tourism industry in South Africa exist in the services sector (entertainment, health and beauty services, banking, insurance).

Many international tourism destinations have successfully used the tourism industry to encourage other sectors of the economy and to generate new and innovative employment opportunities. In Jamaica, for example, Jamaicans teach tourists to speak Jamaican and dance reggae; in Barbados, one of the most profitable activities - hair-braiding - takes place in the informal sector; in a Budapest hotel a dental check-up is included in the price of the room; and local live entertainment is the norm at most hotels in the world - from Berlin and Boston to the Bahamas.

The tourism industry in South Africa has been, and continues to be, faced with a number of impediments to its further growth and development. Key constraints facing the industry as well as immediate problems are identified below.

2.2 Key constraints

A number of factors limit the effectiveness of the tourism industry to play a more meaningful role in the national economy. Some of the key constraints are identified below:

- tourism has been inadequately resourced and funded
- myopic private sector
- limited integration of local communities and previously neglected groups into tourism
- inadequate tourism education, training and awareness
- inadequate protection of the environment
- poor service
- lack of infrastructure, particularly in rural areas
- a ground transportation sector not geared to service tourists
- lack of inclusive, effective national, provincial and local structures for the development, management and promotion of the tourism sector

In addition to these constraints, an immediate problem facing the industry is the growing levels of crime and violence on visitors

These are explained below:

i. **Inadequately resourced and funded tourism industry**

One of the problems facing the tourism industry is that the Government has had a limited view of the potential of the industry and, as a result marginal resources have been devoted to developing and promoting the sector. Tourism is still narrowly viewed as tourists and hotels. In many quarters, the tourism industry is still seen as a thing of the past - a plaything for the previously privileged class. The true wealth-creating potential of the sector has not been fully grasped by policy-makers (refer to Section 3.3 - Why Tourism). Unless tourism is seen as strategically important to the economy of South Africa and the necessary plans, policies, actions and resources to support this initiative are put in place, tourism will continue to be a missed opportunity.

ii. **Myopic private sector**

Another major problem facing the South African tourism industry is a short sighted private sector. Hotels, and indeed many other tourism establishments, tend to have a rather limited view of the product they offer - only goods and services within their four walls. If a visitor is harassed on the road; over-charged by a taxi driver; the environment destroyed by insensitive development; or schools are dilapidated , it is not considered the hotel's concern. Experience indicate that hotels that have taken a much broader view of their product tended to be more successful:

  o *Curtin Bluff Hotel in Antigua* has virtually adopted its surrounding community. Locals from the village, for example, are provided with opportunities to become tennis pros and many are sent abroad for training.

- *Half Moon Hotel in Jamaica* has adopted half a mile of highway surrounding its hotel and is committed to maintaining and beautifying it. The hotel is also in the forefront of environmental conservation.
- *Hotels in St. Lucia in the Caribbean* have pioneered an 'adopt a farmer' programme. The advanced orders that hotels place provide farmers with the necessary collateral for them to obtain bank loans to invest in production.

In South Africa, signs of a more forward-looking private sector are emerging. Various ecotourism companies and conservation agencies are increasingly promoting meaningful community participation and shareholding in tourism ventures. These initiatives are, however, still the exception and hotels and other tourism establishments need to play a far more active role in influencing the quality of the total visitor experience. It is through taking a broader view of the product offered, and building partnerships with the government, local communities and other private sector interests, that the highest levels of customer satisfaction can be achieved.

iii. **Limited development scope due to past political policies**

The past apartheid policies have placed severe constraints on the development scope of the industry. While the attractiveness of South Africa as a tourism destination has always been acknowledged, this potential could not effectively be realised due to many tourists not wanting to travel to country in protest to such policies. The current growth of the industry could largely be ascribed to the political changes of the past few years and the resultant freedom of movement.

iv. **Limited involvement of local communities**

Another major problem facing the South African tourism industry is the poor involvement of local communities and previously neglected groups in the industry. While this has been largely due to the previous Government's policies, the need to reverse this situation is of urgent importance. The tourism industry, perhaps more than any sector, provides a number of unique opportunities for involving previously neglected groups, including:

Operators of tourism infrastructure:

- Small guest houses or bed and breakfast establishments
- Taverns, shebeens, bars and restaurants
- Transport - taxi services, tours, trips, airport and other transfers
- Attractions - township experiences, apartheid and struggle history
- Museums - traditional culture and history
- Entertainment - music, dance, theatre, story-telling, etc.
- Other - florists, art galleries, hair salons, beauty parlours, craft shops

Services to the industry

- o Tour operator services
- o Travel agencies
- o Tour guides
- o Marketing services
- o Booking services
- o Training services

Suppliers to the industry

- o Laundry services -ironing only, full laundry, sewing and repairs
- o Portering services
- o Production and selling of crafts
- o Interior decor - rugs, wall hangings, furniture, textiles, art
- o Construction - collection of materials, thatching, building trades
- o Maintenance services - vehicles, plant and equipment
- o Environmental services - gardening, bush clearing, composting
- o Specialty agriculture - herbs, organically grown produce
- o Specialty tourism products - traditional hunting, traditional medicines and herbs

Despite these obvious and available opportunities, however, many factors limit the meaningful involvement of local communities in the tourism industry. These include:

- ▪ lack of information and awareness;
- ▪ lack of know-how and training;
- ▪ lack of finance;
- ▪ lack of interest on the part of existing establishments to build partnerships with local communities and suppliers; and
- ▪ lack of incentives to reward private enterprise that build or develop local capacity and create job opportunities.

The concerns and anxieties of the previously neglected groups need to be understood and adequately addressed in building a successful tourism industry in South Africa. Some of these concerns are:

- o **"Tourism is a white man's thing and not for us**" - tourism is perceived as catering to the predominantly white upper and middle classes. There is a belief that "tourism is what whites do when they go to Kruger Park or the beach in Durban", and certainly not within the reach of the previously neglected.
- o **The majority of South Africans have never been meaningfully exposed to the tourism industry** and have not benefited from the country's vast resources.
- o **Suspicion and mistrust** - most protected areas were proclaimed without consultation with, or the approval of, affected rural communities. Communities bore the cost of reduced access to natural and cultural resources but did not perceive, or receive any direct benefits.

- **Complete lack of knowledge and understanding** of what tourism really is - there is a perception that tourism refers only to people traveling around and staying in hotels. The wider opportunities offered by tourism are not appreciated.
- **Lack of training** opportunities for previously neglected groups in society effectively limits meaningful participation in the tourism industry.
- **Inability to access finance** to take advantage of entrepreneurial opportunities provided by the tourism sector.
- **Lack of involvement** - the majority of South Africans have not been involved in the planning, decision-making, investment, development or promotion of the tourism industry. Communities have not been involved or consulted in respect of major investment decisions or developments proposed for areas in which they live.
- **Inequalities** - past inequalities and abuse of power have led to the exploitation of local cultures and community groups.
- **Language barriers** - the English language seems to be the established language of tourism communication, effectively excluding a majority of the population of South Africa where 11 official languages are in vogue.
- **Negative attitudes** - negative attitudes exist within the industry towards community tourism products which are sometimes viewed with skepticism and regarded as inferior. There is often a view that what is white and Western is best. The value of the previously neglected people, their culture and their products often tend to be depreciated.
- **Lack of market access** - local communities lack access to the lucrative tourism markets as visitors are kept within the hotels and resorts and venture out only to 'sanitised' places of interest. For the local shebeens or the local craft vendor, a visitor sighting is a rare occasion.
- **Barriers to entry** - these are caused by very large companies and corporate structures which control the market. Businesses in South Africa are either very large or very small - a middle segment is only slowly emerging. The cost of capital furthermore prevents many small operators from entering the market.

A great deal of work has to be done by both the government and tourism private sector to redress previous imbalances, to win back the support of the previously neglected groups and to demonstrate that tourism in the new South Africa can benefit all South Africans.

To succeed, any tourism development policy of South Africa must, as a priority, seek the meaningful involvement of the previously neglected communities, not only in the supply of their labour services, but also in entrepreneurial activities. As will be demonstrated in Section 3, responsible tourism is not a luxury for South Africa, but an absolute necessity if the country has to build a successful and sustainable tourism industry.

Inadequate training, education and awareness

Perhaps the greatest deficiency in the tourism industry in South Africa is the absence of adequate education, training and awareness opportunities. The previously neglected groups in society are highly disadvantaged and the job of leveling the playing field is a

massive one. One of the key vehicles for doing so is education and training - a basic necessity that the majority of the population has not had access to.

The tourism industry in South Africa directly and indirectly employs an estimated 480,000 persons, a figure which is expected to double by the year 2000. At the tertiary level, training in tourism and hospitality services is offered at a limited number of public and private institutions. Skills training at the lowest levels (e.g. barmen, cleaners, porters) is mainly done on an in-house basis.

With a total training capacity of some 10,000 and an industry expected to require 100,000 additional persons per year in the next five years, training capacity falls far short of the needs. This is not to mention the general need for community-wide tourism awareness programmes as well as the urgent need for a wide range of basic skills among persons who are the first line of contact with the customer. The data suggest that South Africa is not capable with present output to satisfy more than 10% of its training needs.

It is important to note also that training capacity, what little there is, is very unevenly spread among the provinces, with Gauteng, North-West and the Western Cape Province leading the field. Northern Cape in particular, and to a lesser degree the Northern Province, and Mpumalanga, have little to show in terms of facilities. The discrepancies become more marked as one moves to institutions of higher learning such as universities and technikons.

Inadequate environmental management

Environmentally, South Africa is an incredibly unique and rich country. *The World Wide Fund for Nature: South Africa* estimates that South Africa is the third most biodiverse country in the world, has one third of the plant species in the world and 8% of the world's plants. The country has a well-maintained network of protected areas and is globally renowned for its conservation practices. However, despite this excellent record in conservation, South Africa is also one of the environmental "hot spots" in the world with 2,000 plant species on the endangered list.

Some of the main environmental problems and issues have been identified by *Grossman and Associates* in their 1996 report:

- o **Unequal land distribution and landlessness** - which has forced the majority of the population to live on 14 % of the land, has resulted in serious overcrowding and a resultant major effect on the quality of the natural resource base
- o **Soil erosion** - is causing lakes, dams, rivers and, most importantly, coastal estuaries to silt up, thereby depriving these natural resources of the leisure and aesthetic potential to attract tourism
- o **Deforestation**. In 1994, it was estimated that 24 million people live in non-electrified homes and use mainly coal or wood for cooking and heating. Some 17

million people rely exclusively on fuelwood for cooking and heating, contributing to severe deforestation, especially in former homeland areas.

- o **Water shortages and pollution** - South Africa is a water-scarce country and shortages and pollution of groundwater, rivers and estuaries pose one of the major threats to the country's environment.
- o **Air pollution** - concentrated in areas like the Gauteng region and Mpumalanga Highveld region, where acid rain is a factor.

In addition, poor coastal zone management and, in certain instances, unplanned development, aggravate the environmental problems. South Africa also has no formal requirements for environmental and social impact assessments to be carried out. A major threat to the further development of the tourism industry and indeed the sustainability of the population of South Africa is the rapid degradation of the environment. Among the population at large, there is an alarming disregard for the environment; litter has become a national problem; there is little awareness of the benefits of conserving the environment among the majority of the population; and for many, environment conservation is rather a luxury - finding jobs and food to eat take priority. South Africa does not as yet have an integrated approach to environmental development and conservationists consider the country to have an extremely poor record in land-use planning. The poor protection of the environment in South Africa will continue to curtail the tourism sector's development.

Poor service

There is a general culture of poor service in the tourism industry and related sectors. There is little excitement in delivering service or to go the extra mile to satisfy the customer. The problem is that this seems to be an accepted norm by the bulk of domestic tourists. Even worse, because many establishments are performing well as a result of the unexpected new demand, many owners and managers believe that the product they offer is acceptable. According to the *Kessel Feinstein State of the Industry Report*, "The South African hotel industry has been characterised by a limited degree of competitiveness. The limited number of hotel groups and the majority of typically non-discerning South African customers have resulted in mediocre levels of service".

Lack of infrastructure, particularly in rural areas

It is often said that South Africa has a First World infrastructure. However, there is a lack of infrastructure in the rural areas, which severely limits the participation of rural communities in the tourism industry. In addition, the absence of adequate transportation services effectively prevent rural communities from participating in the industry, both as potential suppliers of products and services, and as tourists themselves.

Lack of appropriate institutional structures

The lack of commitment to the tourism industry in South Africa is partially evident from the institutional provisions made for the sector. At the national Government level, tourism

shares the portfolio with Environment under a Ministry of Environmental Affairs and Tourism. While, at first sight, these two may seem to be ideal partners, in reality, environment and tourism exist under one roof, but do not work closely together. The environmental division of the Department over-powers the Tourism division - there are some 1,000 staff members in the environmental section while the tourism division, until July, 1995, has largely been a one-man show. Inadequately staffed and resourced, the tourism division has not been able to provide anything beyond skeletal liaison and administrative functions. As such, the South African Tourism Board (SATOUR) has attempted to fill the gaps, in many instances carrying out the functions of both national government and statutory body - grading and classification of hotels, licenses, research and development, training, marketing, promotion and product development.

SATOUR is the statutory body mandated with the marketing and promotion of tourism in South Africa. SATOUR also has representative offices in the international marketplace. In the provinces, SATOUR offices have largely been disbanded and are being replaced by Provincial Tourism Organisations.

SATOUR performed the function of marketing of South Africa in a period where travel restrictions were in place and in an environment not wholly conducive to tourism development. SATOUR has come to be associated with the old South Africa and the old privileged tourism and is still undergoing restructuring to accommodate a new reality - greater representation of the previously neglected groups, greater authority and autonomy of the provinces and the general restructuring of the industry.

At the provincial level, tourism organisations are still in disarray, with some provinces way ahead in terms of their tourism structures, marketing, promotion, etc. Provincial autonomy has unfortunately created a situation in which provinces are going abroad to market themselves individually. This situation is creating confused destination images, not to mention the inefficient use of resources and the missed opportunity to reinforce South Africa's name in the international marketplace. At the same time, the resources and opportunities to penetrate new and emerging markets and market niches are wasted or missed. Consumers, on the other hand, are bombarded with a number of new destinations with no clarity as to how they will satisfy their specific needs.

At the private sector level, there are many bodies representing specific interests - from car rental and tour operators to guest houses and hotels. February 1, 1996 marked the formation of the Tourism Business Council of South Africa - a body which will hopefully become a truly representative private sector body in tourism, where the industry will be able to speak with one voice.

It is critically important and necessary to develop inclusive, effective national, provincial and local structures for the development, management and promotion of the tourism sector in South Africa. The exact nature and organisation of these structures must be influenced by the new mandate, vision and objectives set for the sector.

Tourism security

In addition to the above-mentioned problems, a rather more immediate problem needs to be addressed - that of tourism security.

Kessel Feinstein estimates that "the major constraint to overseas tourism growth is the actual and perceived levels of ongoing violence and crime". Well-publicised incidents involving tourists as well as high levels of crime affecting the local population who invariably play host to significant numbers of foreign visitors, significantly constrain overseas tourism growth.

To address this threat, a Strategic Tourism Security Workshop was convened by the Minister on November 6, 1995. The workshop produced a number of strategies and short-term projects. The long-term solutions - those of involving the local communities, creating employment, training and awareness programmes - represent a considerable challenge. Tourism can contribute significantly to the solution of these problems. However, a new tourism needs to be developed.

PART III: TOWARDS A NEW TOURISM

3.1 Tourism and the RDP

The Reconstruction and Development Programme (RDP) is the strategy of the Government of South Africa for the fundamental transformation of the country. The RDP is based on the notion that reconstruction and development are parts of an integrated process. The RDP integrates growth, development, reconstruction, redistribution and reconciliation into a unified programme. It is a pragmatic and proactive programme that has already won the support of funding agencies worldwide. Six basic principles underpin the RDP:

Integration and sustainability - integrating all facets of the country: national, provincial and local, business and civic organisations in a coherent strategy, and developing economically and environmentally sustainable programmes

- **People-driven** - active involvement of all citizens irrespective of age, sex, financial status, urban or rural in the shaping of their own future
- **Peace and security** - a national drive for peace and the combat of various forms of violence, particularly violence on women
- **Nation-building** - on the basis of unity in diversity and consolidation of national sovereignty
- **Meeting basic needs and building the infrastructure** - meeting basic needs of the people of South Africa and opening up previously suppressed economic and human potential in urban and rural areas.
- **Democratisation** - participation by all in decision-making

- **Assessment and accountability** - creating standards of measurement accepted by society by which progress towards phased achievements can be judged.

The specific programmes of the RDP include:

- **Meeting of basic needs** - from job creation, land and agrarian reform to housing, water and sanitation, energy supplies, transport, nutrition, health care, the environment, social welfare and security.
- **Developing human resources** - integrating the energies of all education and training institutions, abolish discrimination and focus on life-long learning, arts and culture, sport, youth and particularly training of young women
- **Building the economy** - reversing distortions, removing barriers, securing worker rights, regional cooperation.
- **Democratising state and society** - building democratic institutions and practices

The RDP is a bold and innovative programme of the Government of South Africa. Although the delivery of some programmes was slower than the population would like, considerable progress is being made in meeting basic needs and the democratisation of state and society.

The provision of basic needs is, by nature, consumptive - a user rather than a creator of national resources. **There is an urgent need to create sustainability of the RDP programme, i.e. create legs for it to walk on**. The population needs to be provided with meaningful employment and entrepreneurial opportunities so as to be able to afford housing, water and sanitation, electricity, transport and health care. **The tourism industry, more than any other industry, can provide sturdy, effective and sustainable legs for the RDP to walk on**.

3.2 Why tourism?

Tourism can be an engine of growth, capable of dynamising and rejuvenating other sectors of the economy. There are eighteen good reasons why. Consider that:

i. **Tourism represents a significant opportunity for South Africa**

Employing 212 million people world-wide, generating $3.4 trillion in world gross output and contributing $655 billion of Government tax revenues, travel and tourism is the world's largest industry. In Britain, Germany, Japan, and the USA, more adults have traveled than visited a library, attended a sporting event or have gone to see a play or concert. The tourism industry is expected to grow by 50% by 2005 by which time the industry will be worth US$7 trillion to the world economy.

ii. **Tourism is the world's largest generator of jobs**

The *World Travel and Tourism Council* estimates that travel and tourism is now the world's largest generator of jobs. In 1995, the industry provided direct and indirect employment for 212 million people; accounted for 10.7% of the global work force and

provided one in every nine jobs. Between 1995 and the year 2000 travel and tourism will add one new job every 2.5 seconds and create 125 million new direct and indirect jobs. Tourism already creates 480,000 jobs in South Africa. The potential for South Africa to create 2 million jobs by the year 2000 is very real.

iii.   **Tourism can provide immediate employment**

Properly organised and focused, the tourism sector can create many jobs within a short period. If one quarter of the 8 500 tourist accommodation establishments (not to mention restaurants and fast food outlets) in South Africa began to offer live entertainment to guests, at an average of three entertainers per group, thousands of entertainers can be employed within days; and if large resorts opened their doors one day per week to encourage craft providers to market their products to the visitors (on condition that everything sold is actually made by the entrepreneur, with a working demonstration of the skills) many employment and business opportunities will be created for surrounding local communities. The provision of weekly market days at the resort (at no rental charges) is already done by the Sandals Resorts group in the Caribbean. Visitors view the market as a prime attraction that they look forward to.

iv.   **Tourism is labour-intensive**

The tourism industry has the lowest ratio of investment to job creation. Thhs means that more jobs can be created per unit of capital invested and many tourism activities are within the reach of the small operator.

v.   **Tourism employs a multiplicity of skills**

From accountants and hairdressers to tour guides and trackers, the tourism industry draws upon a multiplicity of skills. Moreover, the potential for on-the-job training is enormous.

vi.   **The tourism industry creates entrepreneurial opportunities**

The tourism industry accommodates a thriving and dynamic informal sector - from craft and fruit vendors to beach vendors, chair rentals, and others. Apart from the opportunities provided in the informal sector, there are many business opportunities to involve previously neglected groups in the tourism business: entertainment, laundry and transportation services, craft rental; arts, craft and curios sales; tour guides and walking tours of places of interest; teaching of African languages and customs to interested visitors; restaurants emphasising local cuisine; guest houses; beach manicures and pedicures; and much more.

vii.   **Tourism brings development to rural areas**

Many of the prime tourism attractions are not located in the city centres but in the rural areas. Tourism allows rural peoples to share in the benefits of tourism development,

promoting more balanced and sustainable forms of development. Tourism provides an alternative to urbanisation, permitting people to continue a rural family existence, enfranchising both women and the youth.

viii. **Well-managed tourism is kind to the environment**

Unlike the mining and other smoke stack industries, well-managed tourism can help to save the environment. Many forms of tourism development rely on maintaining and even repairing the landscape and its natural features (lakes, rivers, estuaries and wildlife areas). Wildlife tourism - especially in arid regions of the country - is dependent on the restoration of natural vegetation and soil cover. Many state and private sector projects have spent large amounts on rehabilitating land damaged by commercial farming and other forms of land-use. Tourism which is responsibly practiced furthermore allows for the protection of biodiversity on land used for its purpose.

ix. **Tourism builds cross-cultural relations and is a vital force for peace**

Through its inherent message of goodwill, hospitality, trust, service without servility, tolerance, interaction and communication, tourism is a most effective mechanism for fostering national and international cultural exchange and understanding among people. It is, therefore, an effective nation-builder and a strong incentive and reason for peace.

x. **Tourism is a final good**

Tourism is not a primary export item (like coal, copper and iron ore) that adds little value. Tourism is a **final** good. This means that all the final touches (value) have to be added in South Africa - be it a taxi ride from the airport, a basket of fruit or flowers in the hotel room, wildlife viewing, binocular rental, helicopter tour, dive instruction or a meal in a restaurant. This means that **the value added in final stages of production is created in South Africa**.

xi. **Tourism is a foreign exchange generator** *par excellence*

International tourism is the only export item which is exported without leaving the country. This means that every taxi taken, every banana, lychee, mango, orange eaten, every chair sat on or bed slept in, brings in valuable foreign exchange. A recent OAS study estimated that the tourism industry accounted for over 45% of Jamaica's gross foreign exchange inflows for 1992.

xii. **Tourism brings a ready market**

South Africa welcomes every year well over 4 million regional and overseas visitors. These visitors bring a ready market right to the doorstep of the country.

xiii. **Potential to influence visitor tastes and create export markets**

Through tourism, South Africa becomes the supermarket or boutique to which visitors are drawn. Apart from the normal consumption of sun, sand and sea, wildlife, wine and water sports, tourism allows its clients to inspect other goods and services for sale in South Africa. Tourists to South Africa have the opportunity to sample the local fare (e.g. wine, beer, food, craft, entertainment, etc.). Moreover, they have the leisure, time, usually the money as well as the convenience (plastic cards) to pay for local goods and services. The potential for South Africa to influence visitor tastes and create permanent export markets is very real.

xiv. **Tourism demand is continuous**

The consumption of travel takes place over one's lifetime. A holiday taken today does not reduce the demand for the holiday next year, next month or next weekend. This means that the potential market for tourism will continue to grow.

xv. **Tourism has a multiplier effect**

The impact of tourism is greater than the initial expenditure by visitors. In the Caribbean, for example, it is estimated that the sum of direct and indirect local value added generated per dollar of tourist expenditure was around 1.6 times the value of the initial input of visitor spending.

xvi. **Enormous potential for linkages**

The tourism industry provides enormous potential to create linkages and dynamise other sectors of the economy - agriculture, manufacturing and services. South Africa, more than any other country in the rest of Africa or in the developing world, has the potential to supply almost every need of the tourism industry - from meat and poultry, beverages and wines, to vehicles, machinery, furniture, cut flowers, jewelry, diamonds and more. Tourism will generate demand and production in other sectors of the South African economy.

xvii. **South Africa is already a global leader in ecotourism**

Various South African companies and conservation agencies are already involved in ecotourism ventures, a factor which could act as a catalyst for further development in this field.

xviii. **Limited exploitation of the tourism potential**

While the potential for the development of tourism in South Africa is great, the tourism industry represents a vastly under-utilised opportunity

Conclusion:

The tourism sector could provide the basis for and sustain the RDP programme of the South African government. To achieve this mandate, however, tourism must be developed as a strategic industry. A 'wait and see what happens' approach pervades the industry. However, unless tourism is viewed and developed as a strategically important industry - the greatest engine of growth for the South African economy - the true wealth-creating potential of the tourism sector will never be realised.

3.3 Any kind of tourism?

To achieve the true potential of the tourism industry it must be clear that **any old tourism will not work**. A new tourism is required that would boost other sectors of the economy and create entrepreneurial opportunities for the previously neglected groups; that would be kind to the environment; that will bring peace, prosperity and enjoyment for all South Africans.

3.4 Responsible tourism

Based on an assessment of the problems, constraints and opportunities facing the South African tourism industry, the imperatives of global change as well as the ideas and concerns raised in the country-wide workshops in South Africa, the concept of "Responsible Tourism" emerged as the most appropriate concept for the development of tourism in South Africa.

This White Paper proposes **Responsible Tourism** as the key guiding principle for tourism development. Responsible tourism implies a proactive approach by tourism industry partners to develop, market and manage the tourism industry in a responsible manner, so as to create a competitive advantage. Responsible tourism implies tourism industry responsibility to the **environment** through the promotion of balanced and sustainable tourism and focus on the development of environmentally based tourism activities (e.g. game-viewing and diving). Responsible tourism means responsibility of government and business to involve the local communities that are in close proximity to the tourism plant and attractions through the development of meaningful economic linkages (e.g. the supply of agricultural produce to the lodges, out-sourcing of laundry, etc.). It implies the responsibility **to respect, invest in and develop local cultures** and protect them from over-commercialisation and over-exploitation. It also implies the responsibility of local communities to become actively involved in the tourism industry, to practice sustainable development and to ensure the safety and security of the visitors. Responsibility to visitors through ensuring their safety, security and health is another consequence of responsible tourism. Responsible tourism also implies the responsibility of both employers and employees in the tourism industry both to each other as well as to the customer. Responsible trade union practices and responsible employment practices will be the hallmarks of the new tourism in South Africa. Responsible tourism also implies responsible government as well as responsibility on the part of the tourists themselves to observe the norms and practices of South Africa, particularly with respect to the environment and culture of the country.

Key elements of responsible tourism are:

- Avoid waste and over-consumption

- Use local resources sustainably
- Maintain and encourage natural, economic, social and cultural diversity
- Be sensitive to the host culture
- Involve the local community in planning and decision-making
- Assess environmental, social and economic impacts as a prerequisite to developing tourism
- Ensure communities are involved in and benefit from tourism
- Market tourism that is responsible, respecting local, natural and cultural environments
- Monitor impacts of tourism and ensure open disclosure of information

Responsible tourism has emerged as most appropriate because

i. it recognises the responsibility of the government and private sector to involve the previously neglected in the tourism industry
ii. responsible tourism is 'on trend' with the demands of the international marketplace - today, enlightened travelers want to know that their activities do not destroy the environment, but rather, help to conserve the environment and sustain local communities
iii. responsible tourism is a new concept - a fresh approach that South Africa can take to the marketplace
iv. responsible tourism offers South Africa the opportunity to be a leader in the 'new tourism'; it has a chance to define global best practice in responsible tourism and set the standard for the rest of the world to follow, rather than follow the initiatives that others have developed
v. responsible tourism is all-embracing, involving proactive participation and involvement by all stakeholders - private sector, government, local communities, previously neglected, consumers, NGOs, the media, employees and others
vi. responsible tourism is not a luxury for South Africa. It is an absolute necessity if South Africa has to emerge as a successful international competitor

The key challenge is to develop the commitment to responsible tourism on the part of all stakeholders and most importantly, implement it. The government is committed to the principle of responsible tourism and will undertake the following actions to facilitate its implementation:

i. work closely with international funding agencies, the local and international private sectors, NGOs and other relevant partners to define responsible tourism and establish a standard for it
ii. identify an agency, possibly an NGO, that will take on the responsibility of certifying responsible tourism providers and monitoring their performance
iii. actively market and promote South Africa as the premier responsible tourism destination
iv. provide incentives for responsible tourism providers, through government procurement policies (for example the Government should purchase services from responsible providers only), encourage international organisations and agencies to follow suit. The government should consider allowing preferential access to national marketing funds for responsible tourism providers.

   v.   encourage the development of partnerships between the tourism private sector and local communities

  vi.   sensitise the tourism private sector to the importance of involving communities in the development of responsible tourism

 vii.   use the local and international media to recognise and promote establishments that take actions to become socially and environmentally responsible

viii.   support the employment of a cadre of persons to act as 'doormen' between the private sector and local communities to create business opportunities for communities

  ix.   work closely with to assist local communities to identify and develop their tourism potential

   x.   encourage successful responsible tourism suppliers to champion the cause of the communities and the spread of responsible tourism

  xi.   encourage joint ventures in which communities have significant ownership of and a substantial role in the management of tourism plant. Land claims and communal ownership of land offer forms of equity in these kinds of schemes

 xii.   encourage visitors to try out local bars and restaurants and participate in tours to local areas, bringing business to local communities

xiii.   encourage the provision of opportunities at hotels and other establishments for advertising local attractions and other products and services offered by local communities

xiv.   encourage tour operators to include shebeens, local museums, arts and craft shops in their tour itineraries

 xv.   encourage tour guides and tour operators to be more innovative with respect to the itineraries offered

3.5 Effects of irresponsible tourism

If a responsible approach to tourism is not adopted and the industry is not adequately planned a number of negative impacts can occur. These include environmental degradation; skewing of job creation to prostitution and vice industries; seasonality and unemployment during the off-season; the use of seasonal and contract labour at the expense of permanent employment; leakage of foreign exchange earnings; increased urban/rural polarisation; concentration of wealth in the hands of owners of tourism plant at the expense of population as a whole; and exploitation of local cultures and community groups.

PART IV: VISION, OBJECTIVES AND PRINCIPLES

4.1 Vision

Our vision is to develop the tourism sector as a national priority in a sustainable and acceptable manner, so that it will contribute significantly to the improvement of the quality of life of every South African. As a lead sector within the national economic strategy, a globally competitive tourism industry will be a major force in the reconstruction and development efforts of the government.

4.2 Guiding principles

The following principles will guide the development of responsible tourism in South Africa:

  i. tourism will be private sector driven
  ii. government will provide the enabling framework for the industry to flourish
  iii. effective community involvement will form the basis of tourism growth
  iv. tourism development will be underpinned by sustainable environmental practices
  v. tourism development is dependent on and the establishment of cooperation and close partnerships among key stakeholders
  vi. tourism will be used as a development tool for the empowerment of previously neglected communities and should particularly focus on the empowerment of women in such communities
  vii. tourism development will take place in the context of close cooperation with other states within Southern Africa
  viii. tourism development will support the economic, social and environmental goals and policies of the government

4.3 Critical success factors

For South Africa to achieve its vision for tourism, a number of key conditions must be met, as identified below:

  i. sustainable environmental management practices
  ii. involvement of local communities and previously neglected groups
  iii. a safe and stable tourism environment
  iv. globally competitive practices, by offering quality services and value for money
  v. innovative and responsive to customer needs
  vi. focus on product enhancement and emphasise diversity
  vii. effective tourism training, education and awareness
  viii. creative and aggressive marketing and promotion
  ix. strong economic linkages with other sectors of the economy
  x. appropriate institutional structures
  xi. appropriate supportive infrastructure

4.4 Key objectives

In accordance with the tourism vision, a united, sustainable and competitive tourism industry in South Africa will lead global 'best practice' in socially, environmentally and culturally responsible tourism. This vision is supported by the following objectives:

Economic objectives

  1. To generate economic growth and foreign exchange, by aggressively developing and promoting tourism

2. To establish tourism as a national priority
3. To create sustainable employment opportunities and contribute to the well-being of all the people of South Africa
4. To optimise opportunities for SMME's, specifically emerging entrepreneurs
5. To use tourism to aid the development of rural communities
6. To promote domestic tourism amongst all South Africans
7. To encourage tourism growth and cooperation in Southern Africa
8. To facilitate balanced tourism development in South Africa
9. To create a conducive tourism investment climate
10. To encourage linkages between tourism and other industries in order to curb leakages and stimulate the multiplier effect
11. To lengthen the tourism season in order to minimise the negative effects of seasonality on the industry

Social objectives

12. To develop tourism with dignity - encouraging mutual respect for all cultures and eliminate all forms of discrimination on the basis of language, religion, culture, race, sex, age, wealth, ability, or other.
13. To provide appropriate tourism education, training, awareness and capacity building programmes, especially aimed at previously neglected groups
14. To encourage participation by all South Africans in tourism planning and policy formulation
15. To promote pride in the cultural resources of the country
16. To use tourism as a catalyst for human development, focusing on gender equality, career development and the implementation of national labour standards
17. To promote through tourism nation-building and peace amongst the people of South Africa as well as internationally, and promote greater respect for human life
18. To encourage the active participation of all South Africans in tourism development, particularly at local level
19. To empower community structures through, for example, involvement in the marketing of cultural experiences and practices to tourists
20. To ensure that all South Africans have equitable access to travel opportunities and tourism attractions
21. To encourage community participation in the planning, development, implementation, management and implementation of tourism projects
22. To monitor and minimise potential adverse social impacts of tourism

Environmental objectives

23. To make the tourism industry in South Africa a leader in responsible environmental practices
24. To require integrated environmental management principles for all tourism projects and all major economic development projects
25. To encourage the conservation and sustainable usage of tourism resources

26. To contribute to the development of a coordinated country-wide environmental strategy

4.5 Specific targets

1. To increase the contribution of tourism to GDP to 8% by 2000 and 10 % by 2005
2. To sustain a 15% increase in visitor arrivals over the next ten years
3. To create 1 million additional jobs in tourism by 2005
4. To increase foreign exchange earnings of tourism, from approximately R10 billion in 1996 to R40 billion per annum in 2005
5. To welcome 2 million overseas visitors and 4 million visitors from the rest of Africa by 2000
6. To develop a tourism action plan to implement the strategies, objectives and targets of the tourism policy during 1996
7. To identify and execute at least 5 national priority tourism projects by 1998, endorsed by President Mandela.
8. To establish tourism as a subject in the school curriculum by 1998.

PART V: IGNITING THE ENGINE OF TOURISM GROWTH

To ignite the tourism engine of growth in South Africa a number of key policies must be developed and actions taken in the following areas:

i. Safety and security
ii. Education and training
iii. Financing tourism and access to finance
iv. Investment incentives
v. Foreign investment
vi. Environmental management
vii. Product development
viii. Cultural resource management
ix. Transportation - air and ground
x. Infrastructure
xi. Marketing and promotion
xii. Product quality and standards
xiii. Regional cooperation
xiv. Youth development

The guiding principles and policy guidelines for each of the above are identified below.

5.1 Safety and security

The government of South Africa is committed to ensuring the safety and security of all tourists. The following policy guidelines shall apply:

i. undertake both short and long term actions and strategies to reduce crime and violence on tourists in collaboration with relevant organisations such as the South African Police Service
ii. provide adequate information to visitors that will help to improve their safety and security
iii. ensure that adequate resources are devoted to providing for the safety of tourists
iv. institute appropriate legal procedures that would facilitate speedy and effective prosecution for cases where tourists are involved
v. coordinate cooperation among appropriate stakeholders to work together to ensure the safety and security of all tourists
vi. carry out appropriate research concerning tourism security trends and monitor the effectiveness of safety and security measures

5.2 Education and training

While the tourism industry has tremendous potential to create jobs, the Government recognises that appropriate skills and experience are necessary to facilitate employment growth as well as international competitiveness. With the projected staffing needs of the tourism industry and the current lack of physical and financial capacity to deliver education and training, the industry will increasingly be faced by a critical shortage of skills. Tourism education and training is one of the fundamental pillars of the development of a new responsible tourism in South Africa. The main principles governing the approach to education and training are as follows:

- promote the involvement of the private sector and private sector institutions in the provision of education and training
- encourage the tourism private sector to increase its commitment to training
- encourage capacity building among the previously neglected groups and address the specific needs of small, micro and medium-sized businesses (SMMEs) and emerging entrepreneurs
- make training more accessible to the previously neglected groups of society
- promote tourism awareness at all levels of society
- develop and invest in an education system that will lead to self-sufficiency and reduce reliance on imported skills
- encourage the local media and NGOs to become partners in the tourism education and awareness process in South Africa
- ensure that training is accessible to the previously neglected groups in society in terms of the appropriateness, affordability, location, duration, costs, packaging (not with unnecessary additions as to render them too costly) and language of instruction
- execute of training as a joint responsibility of the national and provincial governments.

The government is committed to the promotion of human resource development through the following policy guidelines:

i. support the provision of introductory/bridging courses to facilitate entry into the industry by previously neglected groups and others

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ii.   improve access to training opportunities through a system of scholarships, student revolving loans, incentive schemes (e.g. for training institutions to enrol the previously neglected)

iii.   support the improvement of design, marketing, production and packaging skills of craft producers

iv.   develop appropriate skills programmes at the introductory level as well as more specialist shorter courses for accreditation (e.g. tour guide training for a specific activity such as whale-watching or cultural area such as the Malay Quarter)

v.   create a dedicated funding mechanism for training, taking into consideration the experience and practices of countries such as Australia and Kenya as well as the specific needs and requirements of the South African tourism industry

vi.   review and evaluate the existing tourism education and training system with a view to strengthening institutional capability and efficiency in delivering the quality and quantity of appropriate education and training required

vii.   ensure the establishment of a tourism education and training data base to facilitate planning, development and co-ordination of training activities as well as carry out needs assessment for the industry

viii.   assess the current training curricula to ensure that standards comply with industry requirements

ix.   establish an effective coordination forum for tourism training and education, where all institutions involved in the field are represented

x.   effectively coordinate the efforts of government departments involved in tourism training and education, e.g. Departments of Labour, Education and Environmental Affairs and Tourism.

xi.   develop a series of linked and accredited courses in accordance with the National Qualifications Framework

xii.   support on-going efforts to ensure that school programmes and curricula are specifically targeted to include sections on tourism

xiii.   improve skills training at all levels including communication skills and the range of languages for tour guides and information officers

xiv.   institute a system of practical training through summer jobs, internships and practical attachments within the tourism industry. Develop placement schemes for trainees.

xv.   through consistent and continuous investments in tourism education and training, create a major new avenue of export earnings through the export of education and training services

5.3 Financing tourism

a. **Funding tourism development**

The availability of finance to develop and promote the tourism industry is critically important for the industry's further growth and development. A number of policy guidelines should guide the increased financial commitment to the development of tourism in South Africa. While the exact nature and extent of these should be properly assessed and evaluated, the following measures should be considered:

i.   conduct an urgent review of the government's financial contribution to tourism as well as the process of determining such contribution

ii.   consider a large initial capital injection by the government to 'kick start' a major tourism development thrust over the next three years. Such contribution should be in accordance with the programmes and projects identified in the implementation strategy to follow the White Paper

iii.   investigate the broadening the tourism funding base in a practical and uncomplicated fashion, by considering a single departure tax

iv.   coordinate the collection of tourism levies nationally and revert a percentage back to the provinces

v.   promote partnerships for the provision of funding between and among government, local and international private sectors and donor agencies

vi.   facilitating access to RDP and donor funds for the tourism industry - particularly for the purpose of pump-priming small business, community tourism projects as well as demonstration projects

vii.   promote active forms of community partnership, especially via joint ventures in which communally owned land forms the basis of equity for community partnerships with the private sector and state conservation agencies

viii.   review the current levy system with a view to de-linking the levy from the grading system.

b.   **Access to finance**

A major problem limiting tourism development is the unavailability of finance on favourable terms over a long period of time to invest in tourism development. While the Industrial Development Corporation has been operating two tourism financing schemes since 1992, namely the Ecotourism Scheme (aimed at large game lodge developments) and the General Tourism Scheme (primarily aimed at the refurbishment and upgrading of accommodation facilities), the conditions have been largely market related, aimed at the larger operator and requiring substantial collateral before loans are approved. The lack of access to funding is even more acute for the previously neglected groups. Specific factors limiting their access to finance include: the requirement of substantial security and collateral; the lack of assets in the form of land or home ownership that would act as security for loans; administrative red tape; request for submissions such as business and marketing plans and little 'technical assistance' or guidance in the preparation of such; lack of localised institutions that provide funding. The government could consider the following policies and actions aimed at improving the access to finance by neglected groups as well as making investment funds more widely available to the tourism sector:

i.   establish a dedicated tourism development fund to provide funds for tourism enterprises and activities not catered for by existing state financing agencies. Such fund should be managed in a transparent fashion and should be subject to regular auditing and scrutiny

ii. ensure that state funding is accessible to the wider business community, emerging entrepreneurs, micro enterprises, sole traders and the informal sector

iii. consider creating a subsidised financing facility to accommodate the entry of the previously neglected into the tourism industry

iv. ensure that technical assistance is provided to potential entrepreneurs, utilising as far as possible existing institutions, such as the Ntsika Enterprise Promotion Agency (NEPA)

v. encourage existing private enterprises to assist in guaranteeing loans of small entrepreneurs through, for example, the advance purchase of their services

vi. encourage the reform of land holding and property rights to allow previously neglected groups to obtain collateral to facilitate loan acquisition.

Institutionally, three options for increasing the access to finance could be considered:

Option 1

Disburse tourism funds through dedicated tourism windows at existing institutions that could champion lending as well as provide specific tourism technical support to potential entrepreneurs. Such existing institutions include: the Industrial Development Corporation, the Development Bank of Southern Africa, Khula, the Independent Development Trust, the Small Business Development Corporation, the Kagiso Trust, the provincial Development Corporations, commercial banks, community-based organisations and others.

Option 2

Explore the feasibility of establishing a dedicated institution for financing tourism projects and facilitating the involvement of the previously neglected.

Option 3

A combination of 1 & 2

Advantages and disadvantages of the three options

The advantage of option 1 is that the institutions already exist, many of which already have distribution channels at the levels of the provinces and local communities. With this option, much more of the funding could be disbursed rather than diverted to the creation of another institution with accompanying high administrative costs. On the other hand, many of these institutions have had a very poor record in funding the tourism industry, particularly the entry of the previously neglected into the tourism industry. Other government departments consulted (Trade and Industry, Finance) have indicated a preference for this option.

The disadvantage of option 2 is that it involves the creation of a new institution which in itself could be costly and consume a lot of the funds that could be used as investment capital. On the other hand, there may be some advantages to the establishment of an institution with the specific

responsibility of addressing the financial needs of those previously neglected groups wishing to become involved in the tourism industry. This option will be more costly and may need to be initially subsidised.

In the final analysis, a combination of both might be necessary. However, if a subsidy is involved, it may well be the case that an existing institution may want to consider the provision of this dedicated facility. If the creation of a new institution can be avoided, but the objectives of improving access to finance by the previously neglected can be achieved, this will be optimal. What may be needed is not a new institution, but a subsidised financial mechanism. The possibility of empowering the National Tourism Organisation and/or provincial tourism organisations to supply funds to deserving projects should be considered: provided that in exercising this function, the projects are not only screened on merit, but the entrepreneurs are subjected to specialised advice and training (if this is deemed necessary) to ensure a higher success rate of such new ventures.

5.4 Investment incentives and casino licenses

The history and practice of hotel incentives for the tourism industry in South Africa has been a mixed one. The hotel sector has been the main target of incentives. Tax concessions were made available almost exclusively to five, four and three-star hotels which included the write-off of building costs over 9, 12 and 14 years respectively. In 1988, the accelerated tax write-offs were removed and replaced by a 20 year write-off of building costs, irrespective of star category. The 1993 budget provided for a five-year refurbishment allowance

The current levels of incentives for tourist accommodation development are "so little as to be meaningless in encouraging any development" (*Kessel Feinstein*). Whether, and the extent to which, incentives are necessary for the hotel sector remains a hotly debated issue. Some of the major hotel groups oppose incentives; the *World Bank* came out against S.37E-type allowances (trading of tax losses for cash), government policy-makers believe that other cases are more deserving and past incentives have created an over-supply of five-star properties. It is therefore important that the need for and nature of incentives be thoroughly investigated before decisions in this regard are made. Proposed tourism incentive schemes should be in accordance with overall

government policy in this regard. The current thinking encourages a movement away from tax related incentive schemes, towards "on budget" subsidies and grants. It is important that a broader view of the tourism should industry be taken. Incentives should not be limited to hotel and the tourist accommodation sector and should be particularly aimed at previously neglected entrepreneurs. As a basic principle, they should not be made available to projects that would happen anyway and their allocation should be directed by identified market failures in the tourism industry. While the exact nature and types of appropriate incentives for the tourism industry are still being considered, it is proposed that the following aspects should be investigated:

i. assistance in order to stimulate the provision of accommodation capacity during the next two to three years, should there exist a shortage of capacity due to the fact that a number of additional facilities are being developed, but will only become operational after this period. Such assistance could be specifically directed towards the refurbishment of and additions to existing facilities (guest houses, hotels, etc.), where the basic infrastructure and management capacity exists.
ii. incentives be considered to assist new tourism ventures during the first five years of operation, while establishing themselves in the marketplace.
iii. assistance be provided for the development of SMME's, particularly those which stimulate local community involvement and capitalise on the attractions and products which are indigenous to their areas.
iv. assistance be provided to effectively organised communities towards the development of community based tourism projects.

The following criteria could be used to evaluate the allocation of incentives to proposed ventures:

- the failure of the market mechanism to ensure the feasibility of ventures which are potentially viable, but of which the immediate feasibility is impeded by external environmental factors
- nature and extent of investment in rural areas
- nature and extent of investment in education and training
- application of appropriate environmental management procedures in order to become more green (environmentally friendly).
- nature and extent of investment in community projects and incurring related socially-responsible tourism expenses
- provision of facilities for the disabled

The allocation of casino licenses according to well considered, tourism orientated principles could be regarded as an indirect incentive for entrepreneurs to create new tourism infrastructure.

If managed correctly, casinos can significantly contribute to meeting demands with regard to tourism capacity. Although gambling as such may not be of primary interest to tourists, the availability of casinos can in many ways facilitate the creation of other tourist related infrastructure. However, the potential of the gambling industry in relation to tourism will only be realised if it is introduced within a very specific framework of sound principles. Specific tourism related principles could include that:

i.   the granting of casino licenses should be focused on what additional advantages relating to tourism infrastructure (hotel, conference facilities, sport and other recreation facilities) could be created through the proposed development
ii. the focus should be on a credible, well run, professional industry and should thus call for effective steps against illegal gambling in any form
iii. the emphasis should be on new developments and increasing tourism infrastructure. The issuing of licenses should thus not serve as a life boat for existing dilapidated and run-down facilities
iv. casino licenses should be allocated on a properly planned, broad geographical basis and not be concentrated in only a specific area. This is in support of the draft legislation on gambling which proposes a provincial distribution
v.   casinos should be placed in areas where the additional tourism infrastructure will compliment other potential tourism opportunities.

5.5 Foreign investment

The government of South Africa recognises the importance of attracting foreign investment in order to achieve the growth and development objectives of the tourism sector. Foreign investment will increase competition and improve standards as well as create employment and facilitate economic growth. The government should establish a climate of political stability, economic growth and profitability, and provide transparent, stable and consistent policies to attract foreign investment. The government should encourage foreign investments that meet the following criteria:

i.   investors and companies that will develop, promote and implement responsible tourism
ii. investors that invest in rural communities and less developed geographic areas
iii. investors that develop products that help to diversify the tourism product e.g. cruise tourism, ecotourism, heritage tourism, Afro-tourism, etc.
iv. investments that will result in the transfer of skills and technology to locals
v.   joint ventures with local partners and local communities
vi. investors in tourism plant who have a proven track record in the industry

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vii.   consider the creation of a 'one stop shop' for the processing of foreign investment

Foreign investment will not be encouraged in small, micro-enterprises or the ancillary services sector which are clearly within the reach of the local entrepreneurs and businesses. Concessions offered to investors, such as franchise arrangements, package tour arrangements and other forms of transfer provision should ensure that substantial leakages do not occur and acceptable social standards apply.

5.6 Environmental management

A well-managed tourism industry has the potential to ameliorate, rather than contribute to, South Africa's environmental problems. To achieve this, however, a number of actions are necessary. Specific principles and policy guidelines for environmental management as it relates to the tourism industry are as follows:

   i.   sustainable and responsible tourism development should be promoted and encouraged, inter alia by means of incentives to private enterprises and communities
   ii.   make mandatory the conduct of Integrated Environmental Management procedures for all new tourism projects
  iii.   encourage ongoing social and environmental audits of tourism projects conducted in an inexpensive, rapid and participatory way
  iv.   encourage tourism development in areas where tourism offers a competitive form of land-use and ensure that tourism is integrated into land-use plans for such areas
   v.   explore creative means of ensuring that neighbouring communities participate in and benefit from economic activities generated in and around conservation areas
  vi.   encourage the creation of successful pilot tourism programmes which demonstrate, in tangible ways, the benefits that ecologically sensitive tourism schemes can have over other, more damaging forms of land use
 vii.   promote sustainable and responsible consumption of water and energy in tourism plants, using readily available technology and encouraging sustainable waste disposal, green packaging and recycling
viii.   support mandatory environmental management practices in ecologically sensitive areas such as the coastal zone, wetlands, etc.
  ix.   ensure tourism plant does not deprive communities of access to coastal resources needed for their livelihoods

5.7 Cultural resource management

Apart from its biodiversity South Africa also has a unique cultural diversity. There exists little knowledge about the cultural resources within the environment and consequently the unconscious destruction of these natural assets poses a major threat.

The cultural environment includes much more than museums and unique archaeological sites. It also includes mission settlements, sites of slave occupation, urban space used for ritual purposes, rock art sites, rock formations and natural landscapes which have national and international cultural significance. The Government is committed to effectively managing and conserving the cultural resources of South Africa. The following guidelines should apply:

  i.   ensure tourism takes note of cultural heritage resources within specific communities and environments.
  ii.   cultural resources should be managed to the negotiated benefit of all interested parties within the communities.
  iii. access to management of cultural resources should be as broad as possible within specific communities and should promote co-operation between all affected parties.
  iv.   landuse planning and development projects for tourism should include effective protection and sustainable utilisation of cultural resources.

5.8 Product development

There are 8 495 tourist accommodation establishments in South Africa with 166 165 rooms/units and 609 825 beds. Of these, camping and caravan sites are in the majority, accounting for 28% of the total, followed by hotels (25%) holiday flats (11%), resorts (11%), guest houses and farms (9%) and game lodges (6%). National and provincial parks account for a mere 2% of visitor accommodation (4% including camping sites). Bed and breakfast establishments, hunting lodges, serviced executive apartments and youth hostels also constitute South Africa's tourism accommodation mix. While these figures seem impressive, it must be cautioned that they are less indicative of the quality and international marketability of establishments available. In further developing the tourism product of South Africa, the following guidelines should apply:

  i.   emphasise the diversity of the product of South Africa and not over-market and over-develop the known attractions
  ii.   where appropriate, deregulate the industry to encourage wider access by the previously neglected groups

iii. emphasise the development of products that offer good potential for development, for example cruise tourism, Afro-tourism, sports tourism, cultural forms of tourism, ecotourism, conference and incentive travel, wildlife safaris, hunting and others
iv. foster the development of community-based tourism products
v. foster innovation and creativity in the products being developed
vi. developments should be promoted that are appropriate to the structures and strategies of provincial governments and local communities. Every attempt should be made to ensure that local peoples and cultures are not over-commercialised or over-exploited.
vii. encourage the sensitive and sustainable development of underdeveloped, environmentally sensitive areas
viii. highlight previously neglected areas of tourism development as a result of political influences, for example, struggle-related monuments and attractions
ix. encourage both new and existing suppliers of tourism products to provide facilities (accommodation, attractions and other services) for the disabled
x. encourage the granting of casino licenses to responsible tourism developments that offer excellent potential for development and job creation. Negative social and cultural impacts should be considered as well as the overall image and positioning of the destination
xi. encourage the development of sports tourism and encourage the provision of facilities, training, marketing and promotion to give emphasis to the development of this segment of the industry
xii. pay specific attention to the emerging domestic tourism market and facilitate the provision of appropriate recreation centres and facilities to cater to this market
xiii. consider the role of the private sector in the provision of tourism facilities and services at national parks and protected areas

5.9 Transportation

a. **Air transportation**

The successful development of any tourism destination is dependent on reliable and, in many cases, affordable air transportation. South Africa is fortunate to have its own national carrier - South Africa Airways (SAA). SAA is the giant among African airlines and the only airline in Africa to be among the world's top 50 airlines in terms of annual revenues. In the financial year ending March 31, 1995, SAA carried 4.48 million passengers, produced 11.1 million revenue passenger kilometres and R220 million operating profit. More than 50 international airlines serve South Africa. The domestic air transportation environment in South Africa is fully de-regulated.

The objective of the tourism sector - to bring as many tourists as possible - is at times not consistent with those of the airlines whose objectives are to maximise profit and manage

yield. In the interest of the further growth and development of the tourism industry, the following policy measures are proposed:

   i.   to progressively liberalise the airline industry in South Africa and aim for complete liberalisation by 2000
   ii.   to continue to build strategic alliances with other global players (SAA has already formed a strategic alliance with Lufthansa)
  iii.   to encourage more open competition
  iv.   to use the presence of a strong national carrier to promote the growth and development of the South African tourism industry
   v.   to supply air transportation in accordance with tourist demand and to provide services that are competitive and tailor made to the needs of clients

b. **Ground transportation**

There are 33 car hire companies with a total fleet of some 25,000 vehicles; there are 15 major coach charter firms and about ten smaller ones with a fleet size of about 500; there are 135 inbound tour operators and group handlers who service about 222,000 visitors per year. In further developing the ground transportation sector in South Africa, the following guidelines should apply:

   i.   consider training taxis and other disadvantaged transport operators in order to enhance their services and allow them to play an important role in the tourism industry
   ii.   encourage entrepreneurship in the provision of transportation services
  iii.   improve standards and quality control among all forms of transportation
  iv.   improve the linkages and coordination among different forms of transportation
   v.   encourage more open competition
  vi.   encourage strategic alliances with other stakeholders in the industry
 vii.   expand the range and accessibility of different transportation options to visitors
viii.   consider the safety and standards of ground transportation services to satisfy the needs of tourists (domestic and international)
  ix.   work closely with the Ministry of Trade and Industry to review the current import restrictions applicable to the coach industry and other types of vehicles
   x.   work closely with the Department of Transport to improve ground transportation services for both the domestic and international tourism industry and eliminate bottlenecks that may arise
  xi.   consider the formation of a Tourism Transportation working group to address and coordinate all issues of mutual interest (applicable both to air and ground transportation)

5.10   Infrastructure

The infrastructure for tourism is critically important and wide-ranging. It includes telecommunications, rail and road networks, signage, information centres, convention and conference facilities, etc. The following policy guidelines apply to the provision of infrastructure:

  i.   continuously maintain and upgrade existing infrastructure in order to improve accessibility and mobility
  ii.   consider improving the accessibility and infrastructure of rural areas to allow these areas to unleash their tourism potential
  iii. creatively and aggressively utilise modern computer and communications technologies to effectively market, promote and distribute travel and tourism products, services and information domestically and internationally
  iv.   facilitate the funding of major tourism infrastructure projects that would have considerable impacts on the development of the South African tourism industry
  v.   consider the regional Southern African tourism potential in the development of major tourism-related infrastructure projects
  vi.   work closely with the Department of Transport in improving transportation services for both the domestic and international tourism industry and eliminating bottlenecks that may arise
  vii. consider the review of current road signage policy to ensure maximum customer satisfaction
  viii. consider the expansion of tourism infrastructure as part of a long-term strategy rather than on an ad hoc basis
  ix.   work closely with the Departments of Transport, Public Works and Land Affairs in coordinating the provision of tourism infrastructure.
  x.   give attention to negative environmental impacts which are associated with the provision of bulk infrastructure for tourism (especially in remote and ecologically sensitive areas)

5.11   Marketing and promotion

An important success factor in the development of the new tourism in South Africa is effective and creative marketing and promotion of the country. At present, with tourism being a provincial responsibility, there is a grave danger of diluting the marketing and promotional efforts at the international level with the consequent wastage of valuable resources. To be performed effectively, the marketing and promotion of South Africa as an international destination requires a coordinated and structured approach that applies across the nine provinces.

International marketing should mainly be the responsibility of the national tourism organisation. However, marketing and promotion plans for South Africa as a whole should be developed jointly with the provinces and the private sector. Domestic marketing should be a provincial responsibility. The following policies and initiatives should apply:

i. aggressively market and promote tourism to all South Africans, encouraging citizens to take holidays in their own country
ii. market and promote attractions and experiences to visitors who are already in South Africa and encourage visitors to increase their expenditure locally
iii. adopt a consumer sensitive pricing strategy, thereby ensuring that value for money becomes a major drawcard and that favourable exchange rates are applied to the advantage of the overseas consumer
iv. in addition to focusing on the domestic market, continued emphasis should be placed on other key generating markets such as international business travelers, the conference and incentive travel market
v. public relations efforts should be targeted at the domestic market, promoting travel opportunities. A national domestic public relations programme should be considered by the provinces with appropriate participation at the national level
vi. marketing and promotion should focus not only on the well-established sites, but should also emphasise new and emerging products and attractions
vii. cooperative advertising and promotion opportunities should be pursued
viii. more resources should be devoted to the marketing and promotion of tourism, particularly overseas tourism where per capita expenditure is greatest
ix. relentlessly develop new markets and exploit new market niches (honeymoon, hiking, mountain-biking, back packers, and others).
x. establish mechanisms to monitor the effectiveness of promotion expenditures
xi. consider changing the visual way in which South Africa is being projected, marketed and promoted
xii. ensure the coordination of tourist information provision among provinces. National information should be provided at the provincial level
xiii. encourage initiatives by provincial tourism organisations to make national information more widely available through the development of a generic brochure, familiarisation trips among provinces as well as reservation capabilities
xiv. facilitate the provision of facilities (including transportation) that would encourage domestic travel by the previously neglected
xv. encourage travel by school children
xvi. As part of the marketing and promotion efforts, emphasis should be placed on developing and improving the product on a national level. It is suggested that a percentage of the annual marketing budget be spent on a major project/projects that will have a significant impact on the quality of the visitor experience. Such could include programmes aimed at reducing crime and violence, improving attitudes to visitors, nation-wide programmes to encourage tourism industry employees or school children to be a tourist in their own country, and others.

5.12   Product quality and standards

The government is committed to ensuring and maintaining high standards of service and facilities. The following policy guidelines should apply:

i.   promote the development and promotion of quality tourism standards in a consultative manner
ii.   apply standards to all tourism activities and do not limit it to the accommodation sector
iii.   review and reform the existing structure and system of standards and grading to make it more effective and equitable in application
iv.   introduce flexibility, consumer relevance and the interests of labour to grading and standards procedures
v.   ensure that standards and their related costs do not act as barriers to entry of the previously neglected
vi.   encourage all establishments, particularly smaller establishments and previously neglected entrepreneurs, to upgrade their standards of service

5.13   Regional cooperation

South Africa is committed to working with other countries in Southern Africa in developing its tourism industry. South Africa will collaborate with regional tourism organisations such as SADC and RETOSA in the development of tourism in Southern Africa. Appropriate bi-lateral relations will also be established with neighbour countries. A number of areas of cooperation should be actively encouraged:

i.   environmental conservation and the development of related products such as trans-border protected areas
ii.   international marketing, e.g. joint international marketing campaigns with SADC countries
iii.   education and training
iv.   cruise tourism
v.   handicraft and curios production
vi.   the easing of visa and travel restrictions for *bona fide* visitors
vii.   cooperation with other countries in Africa (outside of Southern Africa) shall be encouraged.
viii.   regional tourism health information and disease control programmes

South Africa should work towards the careful implementation of trans-border protected areas and other regional projects in such a way as to generate equitable benefits among different countries.

5.14   Youth development

The White Paper on Reconstruction and Development identifies young people as "our country's most important resource". Young people have a critical role to play in the growth and development of the tourism industry. The government should consider establishing special programmes aimed at addressing the needs of the youth, in particular to address backlogs in training, job creation and recreation. Such programmes include:

i.   the encouragement and development of a youth travel market where young people should be encouraged to travel. Special prices for youth travel and accommodation should be encouraged as well as the development of youth hostels, exchange programmes between and among provinces, summer camps, etc.
ii. the creation of summer jobs in the tourism industry to expose youths at an early age to the travel and tourism industry. This could include for example internships at hotels and restaurants, tour guides, trackers, and hospitality ambassadors at airports, points of interest and tourist attractions
iii. commitment on the part of the tourism industry to provide career guidance
iv. expansion of range and scope of education and training opportunities
v.   support and promote capacity building programmes for youth involvement in the tourism industry, particularly in areas such as sport

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PART VI: ROLE OF THE KEY PLAYERS

The national government will play five key roles in the development and promotion of the tourism industry:

- Facilitation and implementation
- Coordination
- Planning and policy-making
- Regulation and monitoring
- Development promotion

At the provincial level, the provincial government takes on similar functions as at the national level with three main exceptions. First, the focus is much more on the implementation and application of national principles, objectives and policy guidelines as appropriate to local conditions. Second, as much of the tourism product is itself located at the provincial level,

provinces take on a much more important role in facilitating and developing the tourism product. Third, provinces have a major role to play in marketing and promoting their destinations in competition with other provinces locally.

The local government is even closer to the product than the national or provincial governments. The functions of the local government mirror those of the provincial government, but with added emphasis on the planning, development, maintenance of many specific aspects of the tourism product. The exact role of the local government in the tourism development thrust will be determined by local conditions existing at the provincial levels and most importantly, the availability of the necessary financial means and skills base to carry out the respective functions.

The functions of the national, provincial and local governments as well as key stakeholders in the South African tourism industry are briefly described below.

6.1 Role of national government

Facilitation and implementation

  i.   establish a safe and stable political and economic environment for tourism to flourish
 ii.   ensure the safety and security of residents and visitors
iii.   facilitate and provide appropriate incentives for private sector investment in tourism
 iv.   establish and facilitate enabling and appropriate legal and fiscal frameworks for the industry
  v.   facilitate the development of a tourism culture in South Africa and the supply of skilled manpower for the industry
 vi.   facilitate an active labour market policy and an appropriate labour relations environment for the industry
vii.   allocate appropriate financial resources for tourism development
viii.   promote tourism as a national priority
 ix.   facilitate and conduct the effective marketing and promotion of the country
  x.   encourage and facilitate foreign investment

Coordination

  i.   coordinate and liaise with international, regional and provincial governments with regard to all aspects of tourism development
 ii.   coordinate the tourism-related efforts of all government departments and related government institutions

iii. coordinate and liaise with NGOs, labour and community organisations, training institutions, universities and other bodies related to the development of the tourism sector

Planning and policy-making

i. formulate, monitor and update a national tourism policy and strategy, in collaboration with relevant stake-holders
ii. develop integrated national tourism plans in collaboration with relevant stakeholders

Regulation and monitoring

i. ensure the application of integrated environmental management principles in land-use development proposals to facilitate sustainable utilisation of natural and cultural resources
ii. facilitate the sustainable and responsible development of the tourism industry, by formulating appropriate development guidelines and regulatory measures
iii. establish and maintain standards of facilities and services

Development promotion

i. promote the equitable development of all destinations with tourism potential, whether high, medium or marginal potential
ii. promote the involvement of communities at appropriate levels of tourism activity
iii. promote the spread of responsible tourism
iv. promote the development of major tourism projects that will have national and country-wide impacts (e.g. trans-border protected areas).

6.2 Role of provincial government

The provincial government has a critically important role to play in the development and promotion of the tourism industry of South Africa. The provincial tourism organisations are key players in the tourism industry. Schedule 6 of the Constitution makes specific provision for tourism to be a provincial responsibility.

The provincial government has responsibility for all of the functions indicated at the national government level (facilitation, co-ordination, regulation, monitoring and development promotion) with a few exceptions, additions and modifications. Provincial tourism organisations will formulate tourism policies which are applicable to their areas, in accordance with the national

policy. They will also be partners in the implementation of relevant national policies, strategies, and objectives.

The provincial government, through provincial tourism organisations, have responsibility for marketing and promoting their destinations. As is the practice in many other countries, provincial government should have responsibility to market the province to the domestic market in competition with other provinces.

Concerning international marketing, the national and provincial tourism organisations should agree on a strong, effective marketing strategy; to be coordinated at the national level and executed with the participation and support of the provincial organisations. This may not imply the promotion of separate brand identities by provinces, but possibly a number of strong product lines (e.g. ecotourism, culture tourism, sports tourism) which are applicable across provincial boundaries.

This approach is recommended providing that it does not exclude provincial initiatives in markets that they wish to develop independently and where national presence is non-existent.

The following principles underpin the above approach:

   i.   develop a common strategy for the international marketing and promotion of South Africa
        as a joint effort among the private sector, the national organisation and provincial
        authorities, taking cognisance of international trends and the competitive environment
  ii.   fund international marketing efforts from private sector, national and provincial resources
 iii.   strong coordination of the international marketing effort by the national body,
        underpinned by effective participation by the provinces

Individual private sector members can obtain considerable synergies from combining efforts in the international market. It is important, however, that this is done within the framework of the structure and strategies of the national effort.

The provincial governments should also play a more prominent role in tourism development activities, than the national government. Such include: the involvement of local communities, environmental management, safety and security of visitors, tourism plant development,

infrastructure provision, etc. Budgets and resources allocated to provinces will need to reflect this reality.

6.3 Role of local government

At the local government level, specific provincial functions of policy implementation, environmental planning and land-use, product development, marketing and promotion are further supported. Specific functions of the local government include:

i. responsible land-use planning, urban and rural development
ii. control over land-use and land allocation
iii. provision and maintenance of tourist services, sites and attractions, e.g. camping and caravan sites, recreational facilities (parks, historical buildings, sports facilities, theatres, museums, etc.) and public services
iv. provision of road signs in accordance with nationally established guidelines
v. market and promote specific local attractions and disseminate information in this regard
vi. control public health and safety
vii. facilitate the participation of local communities in the tourism industry
viii. own and maintain certain plant, e.g. ports and airports
ix. provide adequate parking, also for coaches
x. facilitate the establishment of appropriate public transportation services, e.g. taxi services
xi. license establishments in accordance with national framework
xii. promote and financially support the establishment of local publicity associations /community tourism and marketing organisations to facilitate, market, coordinate and administer tourism initiatives

Local government should not provide services that can be provided by the private sector.

As noted, the exact role of the local authorities in each province will be determined by local conditions as well as skills and financial resources.

6.4 Role of the private sector

The private sector has and will continue to play a critically important role in the further development and promotion of tourism. The private sector bears the major risks of tourism investment as well as a large part of the responsibility for satisfying the visitor. The delivery of quality tourism services and providing the customer with value for money are largely private sector responsibilities. Furthermore, the private sector is in a position to promote the involvement

of local communities in tourism ventures by, inter alia, establishing partnership tourism ventures with communities. The government is committed to providing a climate conducive to the further growth, development and profitability of the tourism private sector. Specific private sector functions include:

i. investment in the tourism industry
ii. operate and manage the tourism plant efficiently and profitably
iii. advertise and promote individual tourism services as well as the country - locally, regionally and internationally
iv. continuously upgrade the skills of the workforce by continuously providing training and retraining
v. continuously refurbish plant and equipment
vi. satisfy customer needs by providing quality products and services
vii. develop and promote socially and environmentally responsible tourism
viii. ensure the safety, security and health of visitors in collaboration with the government and other private sector members
ix. collaborate with the government in planning, promoting and marketing tourism
x. involve local communities and previously neglected groups in the tourism industry through establishing partnership ventures with communities, out-sourcing, purchase of goods and services from communities (e.g. poultry, herbs, vegetables and other agricultural supplies, entertainment, laundry services, etc.)
xi. enable communities to benefit from tourism development, for example communities benefiting directly from new reticulation systems and village electrification programmes developed through tourism investment in rural areas
xii. operate according to appropriate standards
xiii. efficiently organise itself to speak with one voice
xiv. represent the interests of private business on the boards of the major national and provincial tourism bodies.

6.5 Role of labour

Labour has a critically important role to play in improving the quality, productivity and competitiveness of the tourism industry. While it is often believed that the key to quality is the physical features of the tourism product, it is actually the quality of the experience delivered by the labour force that determine the true quality of the tourism experience. At the same time, labour is often taken for granted. Rooms and equipment, walls and furniture are regularly upgraded but the skills of employees are rarely refurbished. In particular many front-line employees - the first and often the most frequent point of contact for visitors - are often not

adequately trained or prepared for the job at hand. In the tourism industry as indeed other industries, labour is far more than just a production cost - labour holds the key to quality.

Labour should play a number of vital roles in the tourism industry including:

i. provide services in a responsible manner
ii. continuously upgrade skills and take advantage of all available training opportunities provided by the industry
iii. deliver quality services to the tourism industry
iv. negotiate for reasonable wage, working hours, working conditions (including transportation) job security and remuneration based on qualifications, experience and merits, and in general ensure working conditions that are amenable to best productivity
v. ensure equitable pay and working conditions as well as special conditions for female employees
vi. support the growth of the industry and the creation of more job opportunities in the process
vii. in partnership with the business sector, be flexible and responsive to the changing needs of the customer
viii. participate fully in the tourism industry, not only in the supply of labour but also as tourists and shareholders in their own country

6.6 Role of communities

Communities are also expected to play a vital role in the development of tourism. Many communities and previously neglected groups, particularly those in rural areas, that have not actively participated in the tourism industry posses significant tourism resources. The role of communities in the new tourism thrust include:

i. organise themselves at all levels (national, provincial and local) to play a more effective role in the tourism industry and interact with government and role players at all levels
ii. identify potential tourism resources and attractions within their communities
iii. exploit opportunities for tourism training and awareness, finance and incentives for tourism development
iv. seek partnership opportunities with the established tourism private sector
v. participate in all aspects of tourism, including being tourists
vi. support and promote responsible tourism and sustainable development
vii. oppose developments that are harmful to the local environment and culture of the community
viii. participate in decision-making with respect to major tourism developments planned or proposed for the area

ix.   work toward enhancing the positive benefits of tourism and minimise the negative impacts

x.   organise themselves to maximise the sharing of information and experiences, possibly facilitated through financial assistance by local governments

xi.   have a representative voice in all tourism structures at national, provincial and local levels

xii.   encourage the press, particularly the radio and the print media to proactively provide tourism information and awareness to communities

xiii.   work closely with NGOs to educate communities concerning tourism and engender tourism awareness

xiv.   make information on community tourism resources and attitudes transparent and accessible to all levels of national, provincial and local governments

xv.   sensitise the private sector, tourism parastatals, environmental agencies and NGOs to the importance of communities involvement in tourism development

xvi.   actively participate in and promote responsible tourism

6.7 Role of women

Women, especially in rural communities, have a particularly important role to play in the development of responsible tourism. The employment of women can be a fundamental determinant of the development impacts of the tourism industry. In a survey conducted among women farm workers in the Lowveld, it was demonstrated that a strong correlation exists between salaries and household welfare among employed women. The potential employment impact of the tourism industry on both men and women in rural areas will considerably improve family life. The urban drift among men who migrate to cities and mines in search of employment has had a deleterious impact on rural women who continue to suffer not only from hard labour in the rural fields, poor access to infrastructure and basic necessities such as water, but also from the impact of AIDS. The special roles that women can play in the new tourism drive of South Africa are identified below:

i.   as teachers, mothers and mentors, generate awareness of the potential of tourism to stimulate community growth and development

ii.   actively assist in shaping a responsible tourism industry in South Africa as policy-makers, entrepreneurs, entertainers, travel agents, tour guides, restaurateurs, workers, managers, guests house operators and other leading roles in the tourism business environment.

iii.   organise themselves and lead the implementation of community projects that will have positive environmental, social and economic impacts

iv.   ensure equality in the conditions of employment of women. Too often, women are seen as a "cheap" alternative to employing men, with no security of tenure, maternity leave or investment in career development

v.   promote and where possible ensure respect for and dignity of women in the development, marketing and promotion of tourism

vi.   lobby the support of developers and local authorities for the provision of services and infrastructure to enhance the position of women in communities

vii.   secure the provision of craft training and other opportunities to expand the skills base of rural women.

viii.   give special attention to the needs of women tourists, with a particular emphasis on safety and security.

6.8 Role of NGOs

NGOs, particularly environmental and community-based ones, are expected to play a vital role in the development and spread of responsible tourism practices. They are expected to play the following roles:

i.   contribute to the development of policies and plans for the tourism industry

ii.   assist the government in developing a standard for responsible tourism

iii.   assist the government, private sector and communities in implementing, monitoring and evaluating responsible tourism

iv.   attract funding from donor agencies to develop specific community-based tourism projects

v.   assist communities and community groups in organising themselves, preparing themselves for tourism and implementing tourism projects

vi.   assist the government in conducting tourism and environmental awareness programmes among communities and the tourism industry at large

vii.   liaise between the private sector and communities to generate more community involvement in the tourism sector and stronger private sector commitment

viii.   deliver education, training and bridging courses to local communities

6.9 Role of the media

Areas of participation and involvement by the local media in developing tourism include:

i.   tourism awareness programmes to the population at large

ii.   press coverage and special campaigns to promote responsible tourism initiatives

iii.   promotion of domestic tourism through familiarisation trips and press reports on different destinations

iv.   cooperate with Provincial Tourism Organisations in marketing their provinces to the domestic market

v.   provide an important link to the national public relations efforts in overseas markets

6.10 Role of conservation agencies

National and provincial conservation agencies play an important role in developing and managing state conservation land for tourism purposes. In this regard, their roles are as follows:

i. ensure the protection of biological diversity in South Africa, within the network of protected areas and other areas which contribute to nature conservation and tourism
ii. proactively integrate areas under their control into the tourism resource base by providing controlled access to and use of protected areas to the public and commercial tourism operators
iii. where appropriate, provide tourist facilities and experiences in areas under their control, in a responsible manner
iv. promote the diversity of tourism experiences offered within and adjacent to protected areas
v. offer a range of tourism experiences which remain accessible to the average South African
vi. facilitate and support the establishment of biosphere reserves, conservancies and community owned reserves
vii. where appropriate, facilitate and support the establishment of partnership tourism ventures between communities, private business and conservation agencies inside or adjacent to protected areas
viii. promote and provide opportunities for local entrepreneurs to integrate their operations with tourism activities inside protected areas
ix. assist tourism authorities in the conduct of environmental tourism awareness programmes
x. contribute to the development of policies and plans for the tourism industry

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PART VII: ORGANISATIONAL STRUCTURE

Institutionally, the responsibilities associated with carrying out tourism mandate lie with:

i. Government (national, provincial and local departments)
ii. Statutory body (national, provincial and local tourism organisations)

The government's responsibility is largely one of policy-making, planning and facilitation but it can also implement strategies and carry out specific tourism development programmes. The existing national tourism organisation (Satour) is mainly responsible for the marketing and promotion of the tourist industry internationally. However, such statutory bodies often carry out a more proactive and developmental role in the tourism sector, undertaking research, product development, training and other functions in addition to marketing and promotion.

Research and quality control (maintaining standards), these functions are carried out either by the government or the statutory body depending upon the strength and capability of the respective organisations. These activities are sometimes also carried out by a private sector body or organisation, appointed by government or the statutory organisation.

In what follows, organisational structures at the national and provincial levels are examined.

7.1 Ministry of Environmental Affairs and Tourism

The Minister of Environmental Affairs and Tourism is ultimately responsible for the government's management of tourism. The tourism responsibilities of the Ministry are as follows:

   i.   to raise the profile of the tourism industry and put it in a position to compete with other sectors for funding and other national resources
  ii.   to unleash the sector's potential as a leader in wealth-creation and employment generation.
 iii.   to link the management of tourism with the critical environmental products that it uses, viz. national parks, protected areas and cultural resources by formulating a cohesive development strategy and introducing specific environmental functions of monitoring, regulation and impact assessment where appropriate.
 iv.   to carry out a critical coordinating role among ministries whose mandates and activities directly impact on tourism - namely Ministries of Finance, Public Works, Transport, Trade and Industry, Arts, Culture, Science and Technology, Labour, Education, Home Affairs and Foreign Affairs.
  v.   to facilitate creative and strategic interaction between the tourism policy and policies guiding the management of land, water, energy and other natural resources

In addressing these needs, a number of options could be pursued to reform the government's structuring of tourism. These include:

- establishment of a separate Ministry of Tourism
- the delegation of the tourism portfolio to the Deputy Minister of Environmental Affairs and Tourism
- restructuring the Department of Environmental Affairs and Tourism to create a better balance between the environmental and tourism components, i.e. stripping the Department of its line functions (e.g. the Weather Bureau and Sea Fisheries) for it to play more of a coordinating role with respect to the environment
- placing a strong tourism component with another ministry, for example, Trade and Industry
- create a new ministry with tourism as the lead sector (e.g. Ministry of Tourism and Services; Ministry of Tourism, Arts, Culture and Sports).

A separate ministry of Tourism is possibly the best option, but also the most difficult to achieve in the immediate term, due to a limited number of cabinet positions available. This should be pursued as a long term-option. Linking tourism with another Ministry, e.g. Trade and Industry, has the advantage that stronger links can be established with economic policy and growth strategies. A disadvantage is that tourism could get swamped by the many other activities of such a Ministry. Restructuring the Ministry of Environmental Affairs and Tourism to better accommodate tourism is difficult to justify, as the environment is important in its own right and tourism is a consumer of environmental resources.

The option of strengthening the tourism capacity within the Department of Environmental Affairs and Tourism seems the most practical solution

7.1.1 Department of Environmental Affairs and Tourism

As stated in part II Section 2.2, the Chief Directorate: Tourism within Department of Environmental Affairs and Tourism is severely constrained - the section has been under-staffed and barely able to carry out more than liaison and administrative functions. . While progress in this regard has already been made, further attention is urgently required. In the immediate term, it is necessary to strengthen the Chief Directorate: Tourism to improve its effectiveness and give it the necessary influence at a higher level (e.g. in the form of a dedicated deputy director general). This will give the section the appropriate status and decision-making capability to facilitate the development of the tourism industry.

Specific functions of the Chief Directorate: Tourism within the Department of Environmental Affairs and Tourism are as follows:

Planning and policy-making

- tourism policy formulation and revision, in conjunction with the national tourism organisation and other major parties
- long-term planning for tourism (including master planning)
- maintain an overview of the implementation of policies and actions approved by Cabinet and the Minister
- coordination and monitoring of the tourism policy and implementation plan

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Development promotion

- take on a dynamic leadership role in lobbying the cause of tourism
- work closely with the national and provincial tourism organisations in supporting and facilitating tourism development
- take the lead in initiating discussions and negotiations with other Ministries and Departments to remove bottlenecks and impediments to tourism development at the national level
- bring about the necessary changes in legislation to promote and facilitate tourism development

Coordination and liaison

- coordination with provincial tourism departments in order to ensure effective cooperation
- coordination, communication and direct liaison with other tourism interests and stakeholders at a national level
- coordination with Environmental Affairs, Foreign Affairs, Trade and Industry, Transport, Home Affairs, Education, Labour, Land Affairs and other related ministries and departments
- international liaison and coordination of international agreements
- representing South Africa in international and regional organisations
- coordination of donor funding

Facilitation

- facilitation of a dedicated tourism fund and funding mechanism
- formulation, approval and management of tourism incentive schemes
- creating an enabling fiscal and legal framework for tourism
- encouragement and promotion of foreign investment
- facilitation of training policies and programmes
- promotion and facilitation of responsible tourism and effective environmental management
- facilitation of tourism safety and security

The possibility of the Chief Directorate: Tourism sharing premises with the national tourism organisation should be investigated, in order to establish a one-stop-shopping area for the tourism industry. Such premises could also accommodate tourism financing and training structures.

7.2 National Tourism Organisation

Given the objectives and strategies set for the tourism sector and the key success factors of the South African tourism industry, the role of the national tourism agency (presently Satour) requires careful review. One of the key questions for South Africa is whether the national tourism organisation should carry out principally tourist marketing and promotion functions or whether it should take on a broader developmental role in the industry.

A case can be made for establishing a strong statutory body whose functions go beyond mere tourism promotion and marketing, and encompass product development and other functions. Such a statutory body - a South African tourism organisation - can play strong leadership, facilitating and coordinating roles in the tourism development thrust of South Africa.

It is envisaged that this national body will spearhead the tourism marketing and development initiative. It will have responsibility for almost every aspect of tourism development in the country - product development, marketing, the setting of standards, research, etc. The national organisation will play a strong coordinating role with the nine provinces and will provide, for example, functional and technical support to less developed provinces. The presence of the nine provinces on the board will ensure that the organisation incorporates provincial aspirations in a coordinated national strategy.

It is therefore imperative that Satour be replaced by a South African Tourism Organisation. Such organisation will incorporate appropriate infrastructure and skills available within Satour. The exact structure and staff composition of the organisation will be determined through a detailed investigation of functional, staff and financial requirements. A possible name for it was discussed at various forums and it appears that the most appropriate name could be Tourism South Africa (TOSA, TOURSA, TSA or Tourism SA). The proposed roles and responsibilities of Tourism South Africa are as follows:

Main line functions

- International marketing and promotion
- Research, market intelligence and information management
- Industry standards

Development facilitating and coordination

- Product development
- Human resource development

The primary functions of Tourism South Africa are international marketing, tourism information management and the setting of standards.

With respect to the implementation of industry standards, it is either possible that the provinces implement centrally developed standards or that an independent organisation or private sector body is tasked to carry out this functions. While it is necessary to develop something of a 'one stop shop' for tourism where all of the activities are coordinated by a centralised body, if appropriate standards can be maintained by an independent body such as the automobile association. It will then be necessary for the national organisation to maintain close coordinating and monitoring functions with respect to the performance of the body responsible for standards.

While it is also important for provinces to undertake some degree of information management and research, it must be emphasised that the South Africa tourism industry will gain considerable economies from a national body carrying out these functions and disseminating the information to the provinces.

With respect to product development and human resource development, it is not proposed that the national body directly undertakes training or product development. It is envisaged that the national statutory training organisation will be mainly responsible for training and the provinces will take on the main responsibility for product development. In both of these areas, the national body is expected to play coordinating and facilitation functions. With regard to product development, for example, it is expected that the national authority will have a very small professional staff that will coordinate the promotion, development and packaging of responsible tourism products which are in accordance with the marketing and promotions strategy. This drive towards responsible tourism development could include:

- agreement on and implementation of responsible tourism standards in conjunction with the provinces;

- provide technical assistance in product development and packaging to the disadvantaged provinces;
- identify new product opportunities based on new consumer research;
- coordinate nation-wide community involvement programmes and projects such as an 'adopt a school' programme among tourism establishments;
- establish and coordinate a programme to allow South Africans and particularly front-line employees to become 'tourists at home';
- coordinate visitor information projects in conjunction with communities; etc.

One of the advantages of national coordination of these types of projects is consistent story lines for the country can be created, which can be used to market and promote South Africa internationally. It is important that the statutory agency should independently manage its budget, operate independent of civil service regulations on terms and conditions of employment, take a lead role in the promoting and developing the tourism thrust and implement projects of national significance. Government structures do not have the flexibility, the wherewithal or the financial clout to effectively implement.

7.2.1 Responsibilities of the National Tourism Organisation

The organisation will have overall responsibility for policy support marketing, research, development, standards and promotion.

Policy support

- assist the Ministry and Department in formulating a national policy and strategy to achieve a national tourism vision which spreads tourism benefits to stakeholders
- advise national government on all national matters concerning tourism, which could affect the achievement of the tourism vision
- assist the Ministry and Department in coordinating and implementing a national tourism strategy by formulating clear and measurable objectives
- serve as a strategic think-tank for stakeholders

Marketing

- establish South Africa as a prime global tourist destination
- market South Africa internationally and generically
- manage an international network of tourism marketing and promotion offices
- develop and implement an international marketing strategy in cooperation with national and provincial tourism councils/organisations

- assist the provinces in their domestic marketing efforts, in accordance with national priorities and strategies
- assist the provincial and local tourism marketing agencies to achieve their objectives within the national tourist strategy
- promote a quality experience for all international tourists
- initiate the packaging of products
- identify new and emerging products and markets

Research and market intelligence

- carry out necessary research to support the development and growth of the South African tourism industry
- execute research that will support tourism activities which are to the advantage of the national economic base, including forecasting and targeting
- facilitate the growth of the domestic market through community education programmes relating to tourism and information concerning the development of SMME tourism businesses
- satisfy information needs of the Minister, the Department, other government bodies, NGOs, the corporate and business sector as well as the media and the public
- cooperate with provincial tourism organisations on research matters
- advise central government on strategic research priorities concerning tourism
- ensure the effective distribution of relevant information to all stakeholders and to the provinces in particular

Standards

- ensure the setting and maintenance of appropriate standards to facilitate positioning of the South African tourism industry in the international tourism arena

Development promotion

- promote the tourism vision in coordination and cooperation with all stakeholders
- advise all stakeholders on product development opportunities which are in accordance with market needs
- promote the conservation and development of the country's unique natural and socio-cultural environments
- encourage the provision and improvement of tourist amenities and facilities throughout South Africa
- support the Ministry and the Department in the creation of a tourism culture within South Africa
- coordinate the packaging of products by provinces, which are in accordance with the international marketing thrust and themes

7.2.2 Representation and reporting relationships

Tourism South Africa will lead and facilitate the tourism development thrust in South Africa and, together with the Ministry and Department, will champion the cause of tourism at the national level. The representation, structure, organisation, management, leadership and staffing of this organisation will determine the success of the tourism initiative.

The organisation will be governed by a Board of Directors that will equitably reflect stakeholder interests, i.e. those of the tourism business sector, labour force and community interests. It is of major importance that Board members are knowledgeable in the field of tourism and that they represent a broad spectrum of industry requirements, including accommodation, natural, cultural and community attractions, conference and incentive services, transportation (air and ground), intermediary services (tour operating, tour guiding and booking systems) and ancillary services. The Board will be appointed by the Minister, based on nominations received from the public as well as from organisations representing the various stakeholder groups. The nine provincial representatives should be nominated by the MEC's responsible for tourism. The Board will be accountable to the Minister.

Nine provincial tourism representatives will also be represented on the Board, i.e. one person from each province will be represented at national level. As such, Tourism South Africa will not simply be a body imposing national plans and strategies on the provinces. Rather, the national goals, objectives and priorities identified will be a summation of the needs and desires of the provinces. The provinces in turn should be driven by local and regional tourism interests as well as community-based tourism organisations (CBOs). In other words, provincial tourism organisations should be fully representative of regional tourism organisations and regional tourism organisations in turn will be fully representative of local and community-based tourism organisations as well as publicity associations.

The Board could consist of between 15 and 20 members. The following selection principles should guide the appointment of members:

- Board members should be competent persons who are knowledgeable in the field of tourism.
- they should be able to take binding decisions on macro tourism issues.
- they should not be government officials or political office bearers serving in local, provincial or national government.
- provincial representatives should preferably be the chairpersons of the relevant provincial tourism agencies, or if this is not appropriate any other appropriate provincial leadership figure who fulfills the stated criteria.
- costs of maintaining the board should be considered
- an official of the Department of Tourism should be accommodated as an *ex officio* member

7.2.3 Committees of the Board

In addition, a number of specialist committees will report to the board of directors. Specific committees could include:

Finance

Marketing

Product development

Environment

Education and training

Community involvement

Information management and research

Ad hoc committees as needed e.g. crime, ground transportation

Committees should serve the purpose of expanding the expertise and capabilities of the board and should carry out specific work programmes that are not normally possible in the context of board meetings. Committees should be allowed to co-opt members based on expertise and contribution to the work of the specific committees. Committees should be formed as and when needed. They can be *ad hoc* or semi-permanent depending upon the need. Committees should cease to exist when their jobs are completed. Each committee should be the responsibility of a board member who should report directly to the board on the progress and recommendations of the committee. This should ensure that the size of the board remains manageable. It is envisaged that within these structures of representation (board and specialist committees) all of the interests and

stakeholders of the industry, including labour and communities, will be represented. The technical staff of the department of tourism as well as the technical staff of Tourism South Africa should participate on the various committees of the board as appropriate. A close relationship between Tourism South Africa and relevant conservation authorities should be fostered.

The parties should work together to realise, in a sustainable way, the full tourism potential of the country's natural and cultural resources. This partnership could initially be developed through an exchange of directors on the respective boards.

The organisation is expected to be staffed with the highest level of technical and managerial expertise from South Africa, and abroad, if necessary.

7.2.4 Establishment of the national tourism organisation

A statutory or parastatal organisation is the preferred form of organisation. The organisation shall be created by an act of parliament which should be developed with a preamble that highlights the exclusion of the organisation from strict public service regulations and the possibility to raise income if it has the capacity to do so. The national tourism organisation will facilitate government intervention.

7.3 Provincial Tourism Organisations

Provincial tourism organisations (PTOs) have a critically important role to play in the development and promotion of the tourism industry of South Africa. The Provincial tourism organisations will ultimately be the drivers of the tourism industry.

The structure and organisation of provincial and local tourism organisations have been left up to the discretion of the provinces. However, there has been agreement that a statutory organisation is the best institutional structure to carry out the functions of provincial tourism organisations. It is important and necessary, however, that some form of consistency across provinces be developed. It is suggested that:

i. the structure of provincial tourism organisations reflect as closely as possible those at the national level

ii. that provincial and local organisations attempt as far as possible to assist community organisations in organising themselves so as to have access to greater representation.

Two provincial tourism structures are provided. One attempts to identify the levels of representation that PTOs should aim at. The other provides a proposed framework structure for PTOs which mirror the national structure. These structures are in no way prescriptive, but serve to provide an option that provinces may want to consider. At the end of the day, provinces must implement structures that are most effective in achieving their mandate based on local conditions.

7.4 The way forward

It is of crucial importance that the policy guidelines and organisational proposals contained in this White Paper are practically implemented as soon as possible. To this end, this document will be followed by an implementation strategy, which will contain a clear action plan and identify a number of priority actions to be implemented. Such plan will be drafted in close cooperation with the provincial tourism authorities.

APPENDIX B: TOURISM ACT, NO. 3 OF 2014

No. 37538

GOVERNMENT GAZETTE, 7 April 2014

Act No. 3 of 2014

Tourism Act, 2014

(English text signed by the President)

ACT

To provide for the development and promotion of sustainable tourism for the benefit of the Republic, its residents and its visitors; to provide for the continued existence of the South African Tourism Board; to provide for the establishment of the Tourism Grading Council; to regulate the tourist guide profession; to repeal certain laws; and to provide for matters connected therewith.

PREAMBLE

SINCE tourism in South Africa has grown considerably since the country's first democratic election;

AND SINCE inadequate, uncoordinated, inconsistent and fragmented tourism planning and information provision is the most pervasive challenge facing the development and growth of tourism in the Republic;

AND SINCE transformation is vital to ensure the sustainable growth and development of the tourism sector;

AND SINCE these challenges are best addressed through a concerted effort by all spheres of government and the private sector to work together to create an environment that is conducive to the sustainable growth, development and transformation of tourism, **P**ARLIAMENT OF THE REPUBLIC OF SOUTH AFRICA therefore enacts as follows:—

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CHAPTER 1

INTERPRETATION AND OBJECTS

Definitions

1. In this Act, unless the context indicates otherwise—

''**Board**'' means the South African Tourism Board contemplated in section 9;

''**Consumer Protection Act**'' means the Consumer Protection Act, 2008 (Act No. 68 of 2008);

''**Council**'' means the Tourism Grading Council established by section 29;

''**Department**'' means the national Department responsible for tourism;

''**Director-General**'' means the Director-General of the Department;

''**MEC**'' means the member of the executive council of a province who is responsible for tourism in that province;

''**Minister**'' means the Cabinet member responsible for tourism;

''**National Registrar**'' means the National Registrar of Tourist Guides contemplated in section 48(1);

''**national tourism sector strategy**'' means the national tourism sector strategy contemplated in section 4;

''**organ of state**'' has the meaning assigned to it in section 239 of the Constitution of the Republic of South Africa, 1996;

''**prescribed**'' means prescribed by regulation;

"Provincial Registrar" means a Provincial Registrar of Tourist Guides contemplated in section 49(1);

"Public Finance Management Act" means the Public Finance Management Act,

1999 (Act No. 1 of 1999);

"regulation" means a regulation made by the Minister under this Act;

"this Act" includes the norms and standards contemplated in section 7 and the regulations;

"Tourism Complaints Officer" means the Tourism Complaints Officer designated as such by the Minister under section 45; and

"tourist guide" means any person registered as such under section 50 and who for 10

reward accompanies any person who travels within or visits any place within the

Republic and who furnishes such person with information or comments.

Objects of Act

2. (1) The objects of this Act are to—

(a) promote the practising of responsible tourism, contemplated in subsection (2),

for the benefit of the Republic and for the enjoyment of all its residents and foreign visitors;

(b) provide for the effective domestic and international marketing of South Africa as a tourist destination;

(c) promote quality tourism products and services;

(d) promote growth in and development of the tourism sector; and

(e) enhance cooperation and coordination between all spheres of government in developing and managing tourism.

(2) Responsible tourism is tourism which—

(a) seeks to avoid negative economic, environmental and social impacts;

(b) generates greater economic benefits for local people, enhances the well-being of host communities and improves working conditions and access to the tourism sector;

(c) involves local people in decisions that affect their lives;

(d) makes positive contributions to the conservation of natural and cultural heritage and to the maintenance of the world's diversity;

(e) provides enjoyable experiences for tourists through meaningful connections with local people and a greater understanding of local cultural, social and environmental issues;

(f) provides access for physically challenged people; and

(g) is culturally sensitive, engenders respect between tourists and hosts, and builds local pride and confidence.

Conflict with other laws and binding force of Act

3. (1) In the event of any conflict between this Act and—

(a) other national legislation in force immediately prior to the date of commencement of this Act, this Act prevails if the conflict specifically concerns the management and development of tourism;

(b) provincial legislation, the conflict must be resolved in terms of section 146 of the Constitution; and

(c) a municipal by-law, this Act prevails.

(2) This Act binds all organs of state—

(a) in the national and local spheres of government; and

(b) in the provincial sphere of government, subject to section 146 of the Constitution.

CHAPTER 2

NATIONAL TOURISM SECTOR STRATEGY, NORMS AND STANDARDS,

CODES OF GOOD PRACTICE

National tourism sector strategy

4. (1) The Minister must by notice in the *Gazette* and after following the consultation process contemplated in subsection (3), adopt a national tourism sector strategy to promote the objects of this Act.

(2) The national tourism sector strategy must at least make provision for strategies, objectives, indicators, targets, plans, guidelines, procedures and institutional arrange-ments and intergovernmental coordination with provincial and local spheres of government relating to the promotion, development and transformation of tourism.

(3) Before adopting the national tourism sector strategy in terms of subsection (1), the Minister must—

(a) give notice of the proposed national tourism sector strategy in the *Gazette*;

(b) invite members of the public to submit to the Minister, within the period determined in the notice, written representations regarding the proposed national tourism sector strategy;

 (c) take such further steps as may be necessary to bring the contents of the proposed national tourism sector strategy to the attention of interested persons; and

(d) consider any written representations received.

(4) *(a)* The Minister may review and, if necessary, adjust the national tourism sector strategy.

 (b) Before adjusting the national tourism sector strategy the Minister must follow a consultative process and for that purpose subsection (3) applies with the changes required by the context.

(5) The Minister and relevant organs of state must give effect to the national tourism sector strategy when performing any function in terms of this Act.

National tourism information and monitoring system

5. The Minister must establish a national tourism information and monitoring system for—

(a) collecting, recording, managing, analysing and disseminating information and data on tourism; and

(b) monitoring developments and trends in tourism.

Information on tourism businesses

6. (1) The Minister may for purposes of planning, and with a view to the development and growth in the tourism sector, establish and maintain a database of information on tourism businesses.

(2) The Minister may for the purposes of subsection (1), by notice in the *Gazette*, determine the categories of tourism businesses that may provide information, and may in this regard determine—

(a) the period within which information is to be provided;

(b) the form and manner for providing information;

 (c) the information which must be provided, which must, in relation to each tourism business, at least include—

(i) the name and form of the tourism business;

(ii) the geographical area of operation;

(iii) the nature of services, facilities or products it provides;

(iv) particulars relating to the classification and grading of the tourism business;

(v) statistics and information of the services, facilities or products it offers; and

(vi) information as to the extent it provides facilities which are accessible to people with disabilities, children and the aged;

(d) the place and manner for the submission of information, which may include submitting the information to any organ of state;

(e) any other information which may be required for the purpose of the database; and

(f) the type of recognition and incentives that may accrue to tourism businesses which may provide information in terms of this section.

(3) The Minister may make different determinations under subsection (2) in respect of different categories of tourism services, facilities and products.

(4) A determination that information be submitted to an organ of state must be made with the concurrence of the organ of state concerned.

(5) For purposes of a comprehensive database of information, nothing in this section prevents the Minister from collecting information about tourism businesses from any other source.

Norms and standards for tourism

7. (1) The Minister may, by notice in the *Gazette* and after following the consultation process contemplated in subsection (2), determine—

(a) norms and standards for—

(i) practising responsible tourism contemplated in section 2(2);

(ii) achieving service excellence in the tourism sector;

(iii) promoting the objects of this Act; and

(iv) the provisioning of tourism information services to the public; and

(b) indicators to measure compliance with such norms and standards.

(2) Before determining norms and standards under subsection (1), the Minister must—

(a) consult with the MEC's on the norms and standards;

(b) give notice of the proposed norms and standards in—

(i) the *Gazette*;

(ii) at least two newspapers published and circulating nationally; and

(iii) a newspaper published and circulating in each province;

(c) invite members of the public to submit to the Minister, within the period determined in the notice, written representations regarding the proposed

norms and standards; and

(d) consider any written representations received.

(3) Organs of state, including any institution established by government to exercise tourism functions, must apply the norms and standards determined under subsection (1) in the performance of their functions.

(4) The norms and standards contemplated in subsection (1) *(a)*(iv) may relate to matters such as—

(i) the form of business and management that must be applied;

(ii) business hours;

(iii) facilities that must be available;

(iv) staff and training requirements;

(v) information and displays that must be offered; and

(vi) signage and identification that must be used.

Codes of good practice for tourism

8. The Minister may, by notice in the *Gazette*, issue codes of good practice to—

 (a) guide conduct relating to tourism services, facilities and products;

(b) guide conduct of organs of state responsible for developing and managing tourism; and

(c) promote the achievement of the objects of this Act.

CHAPTER 3

SOUTH AFRICAN TOURISM BOARD

Continued existence of South African Tourism Board

9. The South African Tourism Board, established by section 2 of the Tourism Act, 1993 (Act No. 72 of 1993), continues to exist as a juristic person despite the repeal of that Act by section 62.

Functions of Board

10. (1) The functions of the Board are to—

(a) market South Africa as a domestic and international tourist destination;

(b) market South African tourism products and facilities internationally and domestically;

(c) develop and implement a marketing strategy for tourism that promotes—

(i) the objects of this Act; and

(ii) the national tourism sector strategy.

(d) advise the Minister on any other matter relating to tourism marketing;

(e) with the approval of the Minister, establish a National Conventions Bureau to market South Africa as a business tourism destination by—

(i) coordinating bidding for international conventions; and

(ii) liaising with other organs of state and suitable bodies to promote South Africa as a business tourism destination; and

(f) report to the Minister on the work performance of the National Conventions Bureau.

(2) The Board must perform any function imposed upon it in accordance with a policy direction not in conflict with this Act issued by the Minister.

Powers of Board

11. Without derogating from its power generally to perform legal acts as a juristic person, the Board may—

(a) with the approval of the Minister open and operate such offices within or outside the Republic which may be necessary for the effective performance of its functions;

(b) with the approval of the Minister, granted with the concurrence of the Cabinet member responsible for finance, borrow money from a money lending institution in the Republic;

(c) insure the Board against—

(i) any loss, damage or risk;

(ii) any liability it may incur in the application of this Act;

(d) employ persons who are necessary for the performance of the functions of the board;

(e) conclude agreements with organs of state and other persons.

Delegations and assignments by Board

12. (1) The Board may in writing and subject to such conditions as it may determine, delegate or assign any of its powers or duties in terms of this Act—

(a) to any committee of the Board;

(b) to an employee of the Board; or

(c) with the concurrence of the Minister, to any other suitable body.

(2) A delegation or assignment under subsection (1)—

(a) must be in writing;

(b) does not divest the Board of the power delegated or duty assigned;

(c) does not prevent the Board from exercising the power or performing the duty so delegated or assigned; and

(d) may at any time be withdrawn by the Board.

Composition of Board

13. (1) The Board consists of—

(a) at least nine and no more than 13 members appointed by the Minister on the basis of their knowledge, experience or qualifications relating to the functions of the Board; and

(b) one officer of the Department appointed by the Minister to represent the Department.

(2) The member of the Board contemplated in subsection (1) *(b)*—

(a) is a non-voting member of the Board; and

(b) may not be appointed as chairperson or deputy chairperson of the Board.

(3) *(a)* Before appointing the members of the Board contemplated in subsection (1) *(a)*, the Minister must, by notice in the *Gazette* and in two newspapers published and circulating nationally, invite nominations for membership of the Board.

(b) The notice must specify a period of at least 30 days for nominations to be submitted to the Minister.

(4) When appointing the members of the Board, the Minister must ensure that the Board is broadly representative of society, with due regard to race, gender and disability.

(5) After appointing the members of the Board the Minister must, by notice in the *Gazette* and in two newspapers published and circulating nationally, publish the names of the persons appointed and the dates of commencement of their terms of office.

(6) If the Minister receives no nominations or an insufficient number of nominations within the period specified in the invitation, the Minister may, subject to subsections (4) and (5), appoint the required number of persons.

(7) The Minister must appoint one member of the Board as chairperson and another as deputy chairperson of the Board.

Term of office of members of Board

14. (1) A member of the Board contemplated in section 13(1) *(a)* holds office for a period of three years from the date of his or her appointment.

(2) Despite subsection (1), the Minister may by notice in the *Gazette* extend the period of office of any member of the Board for a maximum period of 12 months.

(3) Any person whose period of office has expired is eligible for reappointment.

(4) No person may be appointed as chairperson of the Board for more than two consecutive terms.

Disqualification from membership of Board

15. (1) A person may not be appointed as a member of the Board if that person—

(a) is not a South African citizen and ordinarily resident in the Republic;

(b) is an unrehabilitated insolvent;

(c) is disqualified under any law from practising that person's profession; *(d)* has been convicted of an offence in the Republic, other than an offence committed prior to 27 April 1994 associated with political

objectives, and sentenced to imprisonment without the option of a fine or, in the case of fraud or any other offence involving dishonesty, to a fine or imprisonment or both;

(e) subject to subsection (2), has been convicted of an offence in a foreign country and sentenced to imprisonment without the option of a fine or, in the case of fraud or any other offence involving dishonesty, to a fine or imprisonment or both; or

(f) has at any time been removed from an office of trust on account of breach of a fiduciary duty.

(2) An offence contemplated in subsection (1) *(e)* must constitute an offence in the Republic.

Vacation of office and filling of vacancies

16. (1) A member of the Board must vacate office if the member—

(a) resigns by written notice addressed and delivered to the Minister and the chairperson of the Board;

(b) ceases to hold any qualification necessary for that member's appointment to the Board;

(c) is unable to perform his or her functions due to mental illness or severe or profound intellectual disability contemplated in the Mental Health Act, 2002 (Act No. 17 of 2002);

(d) becomes subject to any disqualification contemplated in section 15; or 50

(e) is removed from office by the Minister, after consulting the Board, on good cause shown.

(2) If for any reason the office of a member of the Board becomes vacant before the member's term of office expires, the Minister may appoint any suitably qualified person to fill the vacancy for the unexpired portion of the period for which such member was appointed.

(3) *(a)* The Minister may on good cause shown dissolve the Board by way of notice in the *Gazette* and appoint a new Board in accordance with section 13.

(b) If the Board is dissolved in terms of paragraph *(a)* the Minister may defer the reconstitution of the Board and, in the notice by which the Minister has so dissolved the Board or by any subsequent notice in the *Gazette*, appoint one or more persons, on such conditions as the Minister may deem necessary, to manage the affairs of the Board until the appointment of the new Board.

Remuneration of members of Board

17. A member of the Board who is not in the full-time employment of the State may be paid such remuneration and allowances as may be determined by the Minister with the approval of the Cabinet member responsible for finance.

Board meetings

18. (1) The Board must hold at least four ordinary meetings every year.

(2) The chairperson of the Board—

(a) may convene a special meeting of the Board; and

(b) must convene a special meeting within 14 days of receiving a written request to do so, signed by a majority of the members.

(3) The request contemplated in subsection (2) *(b)* must clearly state the reason for the request, and only that matter may be discussed at the special meeting.

(4) The Minister may at any time request a meeting with the Board, should the need arise.

(5) If the chairperson and deputy chairperson are not present at any meeting of the Board the members present must appoint another member to preside at the meeting.

(6) The quorum for any meeting of the Board is a majority of the voting members of the Board in office at the time.

(7) *(a)* A decision of the majority of the voting members of the Board at any quorate meeting constitutes a decision of the Board.

(b) In the event of an equality of votes the chairperson has a casting vote in addition to his or her deliberative vote.

(8) A member of the Board who has any personal or financial interest in any matter before the Board must disclose that interest and withdraw from the proceedings of the Board when that matter is considered.

(9) No decision taken by or act performed on the authority of the Board shall be invalid merely because of a casual vacancy on the Board or because any person who was not entitled to sit as a member of the Board, sat as a member at the time when the decision was taken or the act was authorised, provided the decision was taken or the act was authorised by a majority of the members of the Board who were then present and were entitled to sit as members.

Conduct of meetings

19. (1) The Board may make rules to regulate its proceedings.

(2) Minutes of proceedings of every meeting of the Board must be—

(a) recorded and kept in a manner that cannot be altered or tampered with; and *(b)* submitted to the next meeting of the Board for consideration and, if adopted, signed by the chairperson.

(3) The Board may—

(a) permit members to participate in a particular meeting by means of a conference call or audio-visual technology and a member who participates in this manner is regarded as being present at the meeting; and

(b) invite a person to attend a meeting for the purpose of advising or informing the Board on any matter.

Resolution without meeting

20. (1) The Board may adopt a resolution without a meeting if at least a majority of the members in office at the time indicate their support for the resolution in accordance with a procedure previously established by the Board.

(2) A resolution in terms of subsection (1)—

(a) has the same status as if it were adopted at a meeting; and

(b) must be regarded as having been adopted on a day determined in accordance with the procedure contemplated in subsection (1).

Funds of Board

21. (1) The funds of the Board consist of—

(a) monies appropriated by Parliament for that purpose;

(b) any money paid to the Board for services rendered;

(c) any money received by way of donation; and

(d) any other amounts to which the Board is or may become entitled.

(2) The Board may use its funds for defraying expenditure incurred in performing its functions in terms of this Act.

(3) The Board may invest any of its funds not immediately required—

(a) subject to any investment policy that may be prescribed in terms of the Public Finance Management Act; and

(b) in such manner as the Minister may approve.

(4) The Board may charge and recover fees for any services rendered.

Application of Public Finance Management Act to Board

22. The Public Finance Management Act applies to the Board.

Committees of Board

23. The Board may establish any committee to assist the Board in the performance of its functions and must determine its composition and terms of reference.

Appointment and responsibilities of chief executive officer of Board

24. (1) The Board, acting with the concurrence of the Minister, must appoint a suitably qualified person as chief executive officer.

(2) The chief executive officer—

(a) is appointed for a period not exceeding five years; and

(b) may be reappointed by the Board with the concurrence of the Minister.

(3) The chief executive officer holds office on such terms and conditions, including those relating to remuneration and allowances, as the Board may determine in accordance with the policy contemplated in section 27(1).

(4) The chief executive officer is responsible for the efficient management of the business and affairs of the Board and must perform any function delegated or assigned by the Board.

Employment contract and performance agreement of chief executive officer

25. (1) The Board and the chief executive officer must conclude a written contract of employment which must incorporate in an appropriate form the provisions of section   of the Public Finance Management Act.

(2) The Board and the chief executive officer must conclude a performance   agreement—

(a) as soon as reasonably practicable but within three months after the appointment of the chief executive officer; and

(b) thereafter, annually within one month of the commencement of each financial year.

(3) The performance agreement must include—

(a) measurable work performance objectives and targets that must be met by the chief executive officer, and the time frames within which those performance   objectives and targets must be met;

(b) standards and procedures for evaluating the work performance of the chief   executive   officer   and intervals for evaluation; and

(c) the consequences for substandard work performance.

Resignation and dismissal of chief executive officer and appointment of acting chief executive officer

26. (1) The Board, after giving the chief executive officer an opportunity to be heard, and acting with the concurrence of the Minister, may dismiss the chief executive officer for any lawful reason.

(2) The chief executive executive officer may resign by notice in writing to the Minister and the Board.

(3) If the chief executive officer is for any reason absent or unable to carry out his or   her duties, or if a vacancy in the office of the chief executive officer occurs, the Board may, with the concurrence of the Minister, appoint a suitably qualified person to act as chief executive officer until the chief executive officer is able to resume his or her duties or until the vacant position is filled.

(4) An acting chief executive officer—

(a) may exercise all the powers and must carry out all the duties of the chief executive officer; and

(b) is appointed on terms and conditions, including those relating to remuneration and allowances, as the Board may determine in accordance with the policy contemplated in section 27(1).

Employment and remuneration policy of Board and appointment of staff

27. (1) *(a)* The Board must determine an employment and remuneration policy applicable to personnel of the Board.

(b) The determination must be made with the approval of the Minister acting with the concurrence of the Cabinet member responsible for finance.

(2) The chief executive officer—

(a) after consulting the Board, must determine the staff establishment necessary to assist the Board in carrying out its functions; and

(b) appoint persons in posts on the staff establishment.

(3) An employee of the Board is employed subject to terms and conditions determined by the Board in accordance with the employment policy contemplated in subsection (1).

CHAPTER 4

GRADING SYSTEM

National grading system for tourism

28. (1) The Minister may develop a national grading system for tourism with a view to maintaining or enhancing the standards and quality of tourism services, facilities and products.

(2) The grading system must promote—

(a) the objects of this Act;

(b) the national tourism sector strategy; and

(c) excellence in the provision of tourism services, facilities and products.

(3) *(a)* The grading system contemplated in subsection (1) must provide for the establishment of one or more schemes in terms of which tourism services, facilities and products are graded or classified.

(b) Such a scheme may—

(i) apply any basis of differentiation in respect of tourism services, facilities and products;

(ii) classify tourism services, facilities and products into different classes on the ground of, amongst others, their nature, extent, variety, availability and quality;

(iii) make provision for the acquisition, continuation and termination of member- ship of the scheme; and

(iv) make provision for the use and display of the prescribed insignia, which may   include a depiction of a star or number of stars indicating the grading awarded   in terms of the scheme.

Establishment of Tourism Grading Council

29. The Tourism Grading Council is hereby established.

Main function of Council and oversight and accountability

30. (1) The Council must implement and manage the national grading system for tourism contemplated in section 28.

(2) The Minister must oversee the functioning of the Council and the Council is in this respect accountable to the Minister for the proper implementation and management of the national grading system.

Composition of Council

31. (1) The Council consists of—

(a) at least nine and not more than 13 members appointed by the Minister on the basis of their knowledge, experience or qualifications relating to the functions of the Council; and

(b) one officer of the Department appointed by the Minister to represent the Department.

(2) Section 13(2) to (7) applies to the Council with the changes required by the context.

Term of office of members of Council

32. (1) A member of the Council contemplated in section 31(1) *(a)* holds office for a period of three years from the date of his or her appointment.

(2) Section 14(2) to (4) applies to a member of the Council with the changes required by the context.

Disqualification from membership of Council

33. Section 15 applies to a member of the Council with the changes required by the context.

Vacation of office and filling of vacancies

34. (1) Section 16(1) and (2) applies to a member of the Council with the changes required by the context.

(2) The Minister may on good cause shown dissolve the Council by way of notice in

the *Gazette* and appoint a new Council in accordance with section 31.

Remuneration of members of Council

35. Section 17 applies to a member of the Council with the changes required by the context.

Council meetings

36. (1) Meetings of the Council must be held on such dates, times and places as the

chairperson may determine.

(2) The Council may make rules to regulate its proceedings.

(3) Section 18(4) to (9) applies to the Council with the changes required by the

context.

Funds of Council

37. Section 21 applies to the Council with the changes required by the context.

Application of Public Finance Management Act to Council

38. The Public Finance Management Act applies to the Council.

Committees of Council

39. The Council may establish any committee to assist the Council in the performance of its functions and must determine its composition and terms of reference.

Appointment and functions of chief quality assurance officer of Council

40. (1) The Council, acting with the concurrence of the Minister, must appoint a suitably qualified person as chief quality assurance officer.

(2) The chief quality assurance officer—

 (a) is appointed for a period not exceeding five years; and

 (b) may be reappointed by the Council with the concurrence of the Minister.

(3) The chief quality assurance officer holds office on terms and conditions, including those relating to remuneration and allowances, as the Council may determine in   accordance with the policy contemplated in section 43(1).

(4) *(a)*   The chief quality assurance officer is responsible for the efficient management of the business and affairs of the Council and must perform any function delegated or assigned by the Council.

 (b) The chief quality assurance officer is furthermore responsible for—

(i) supervising the processes involved in the grading of tourism services,

facilities and products; ensuring that such grading conforms to the national

grading system for tourism contemplated in section 28; and ensuring that

standards set in terms of the grading system are maintained;

(ii) the implementation and strategic management of the national grading system;

(iii) strategic management of the resources and funds of the Grading Council; and

(iv) assisting the Grading Council in developing strategic plans.

Employment contract and performance agreement of chief quality assurance

officer

41. (1) The Council and the chief quality assurance officer must conclude a written   contract of employment which must incorporate in an appropriate form the provisions of section 57 of the Public Finance Management Act.

(2) Section 25(2) and (3) applies to the chief quality assurance officer of the Council with the changes required by the context.

Resignation and dismissal of chief quality assurance officer and appointment of   acting chief quality assurance officer

42. Section 26 applies to the chief quality assurance officer and an acting chief quality assurance officer of the Council with the changes required by the context, except that the reference in section 26(4) *(b)* to section 27(1) must be read as a reference to section 43(1).

Employment and remuneration policy of Council and appointment of staff

43. (1) *(a)* The Council must determine an employment and remuneration policy applicable to personnel of the Council.

(b) The determination must be made with the approval of the Minister, acting with the concurrence of the Cabinet member responsible for finance.

(2) The chief quality assurance officer—

(a) after consulting the Council, must determine the staff establishment necessary to assist the Council in carrying out its functions; and

(b) must appoint persons in posts on the staff establishment, including persons to assist the chief quality assurance officer in performing the functions 5

contemplated in section 40(4) *(b)*(i).

(3) An employee of the Council is employed subject to the terms and conditions

determined by the Council in accordance with the employment policy contemplated in subsection (1).

Assignment of oversight and functions of Council

44. (1) The Minister may in writing and subject to such conditions as the Minister may determine, assign oversight of the Council, contemplated in section 30(2), and the performance of any function of the Council contemplated in this Chapter to—

(a) the Department;

(b) the Board; or

(c) any other suitable body which is subject to the Public Finance Management Act.

(2) The Minister may at any time—

(a) amend or revoke an assignment made under subsection (1); and

(b) review, amend or set aside any decision made under such assignment, provided   that   a decision may not be withdrawn where it confers a right or an   entitlement on a person.

(3) An assignment under this section does not prevent the Minister from performing the function himself or herself.

CHAPTER 5

TOURISM PROTECTION

Designation of Tourism Complaints Officer

45. (1) The Minister may designate a suitably qualified officer of the Department as Tourism Complaints Officer and publish his or her name in the *Gazette*.

(2) The Tourism Complaints Officer must—

(a) perform the functions referred to in section 46; and

(b) deal with any complaint received in respect of tourism services, facilities or products in the manner provided for in section 47.

Accreditation of scheme

46. (1) *(a)* The Tourism Complaints Officer may on his or her own initiative or in   response to a proposal from persons conducting business within a particular tourism sector, recommend to the Minister—

(i) the accreditation of a particular scheme or arrangement established by or for

a particular tourism sector to resolve tourist complaints; and

(ii) the person responsible for the implementation of the scheme or arrangement.

(b) Before making the recommendation the Tourism Complaints Officer, must—

(i) consult persons conducting business within the particular tourism sector;

(ii) publish particulars of the proposed scheme or arrangement and of the

proposed accreditation for public comments;

(iii) consider any comments received; and

(iv) where appropriate, make any adjustments to the proposed scheme or

arrangement.

(2) A scheme or arrangement contemplated in subsection (1) must—

(a) be consistent with the objects of this Act;

(b) be consistent with the Consumer Protection Act; and

(c) comply with such requirements as may be prescribed.

(3) The Minister may, by notice in the *Gazette*—

 (a) accredit a scheme or arrangement contemplated in subsection (1); and

 (b) amend or withdraw the accreditation on the recommendation of the Tourism Complaints Officer.

(4) The Tourism Complaints Officer—

 (a) must monitor the effectiveness of any accredited scheme or arrangement; and *(b)* may require the person responsible for the implementation of an accredited 5

scheme or arrangement to provide such information as may be reasonably

necessary for the purposes of such monitoring.

Duties of Tourism Complaints Officer in respect of tourists' complaints

47. Upon receiving a complaint in respect of any tourism services, facilities or products the Tourism Complaints Officer must—

 (a) for the purpose of resolving the complaint, refer the complaint to an accredited scheme or arrangement contemplated in section 46;

 (b) refer the complaint to the National Consumer Commission, provincial

consumer protection authority or consumer court contemplated in the

Consumer Protection Act if the Tourism Complaints Officer believes that the

issues raised by the complaint can be dealt with expeditiously and fully by the

body concerned;

 (c) refer the complaint to the South African Police Service, if the complaint alleges that a person has committed an offence;

 (d) refer the complaint to the equality court referred to in section 16 of the

Promotion of Equality and Prevention of Unfair Discrimination Act, 2000

(Act No. 4 of 2000), if the complaint alleges unfair discrimination against a

tourist;

 (e) refer the complaint to another regulatory authority with jurisdiction over the matter; or

 (f) deal with the matter in the prescribed manner.

CHAPTER 6

TOURIST GUIDES

National Registrar of Tourist Guides

48. (1) The Minister must appoint a suitably qualified officer in the Department as the

National Registrar of Tourist Guides and publish his or her name in the *Gazette*.

(2) The National Registrar must—

(a) maintain a central database of all tourist guides registered by Provincial Registrars in terms of section 50;

(b) prepare a code of conduct and ethics for tourist guides in accordance with

section 52;

(c) hear and determine appeals and review irregularities under section 56; *(d)* monitor trends in the tourist guiding sector by conducting research and analysis;

(e) publish or otherwise disseminate information about tourist guides, associa-

tions of tourist guides and any other information to promote and develop the

tourist guiding sector nationally; and

(f)

liaise with the Board, the Council, Provincial Registrars, tourist guides,

associations of tourist guides, education and training authorities, organs of

state, the South African Police Service, provincial consumer affairs bodies and

any other person or organisation to—

(i) facilitate the growth and development of the tourist guiding sector;

(ii) improve and maintain standards in the tourist guiding sector; and

(iii) cooperate on matters of mutual interest in the tourist guiding sector.

Provincial Registrars of Tourist Guides

49. (1) The MEC in each province must appoint a suitably qualified officer in the province as the Provincial Registrar of Tourist Guides for that province and publish his or her name in the *Provincial Gazette*.

(2) A Provincial Registrar must—

(a) for the purposes of section 50, keep a register of tourist guides within the province concerned and must—

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(i) record in the register the prescribed particulars with regard to each

registered tourist guide;

(ii) delete from the register the particulars of any tourist guide whose

registration has been withdrawn;

(iii) make the prescribed endorsement against the name of any tourist guide

whose registration has been suspended; and

(iv) inform the National Registrar of anything done in terms of subpara-

graphs (i), (ii) or (iii);

(b) publish or otherwise disseminate information about registered tourist guides within the province and associations of tourist guides and any other information to promote and develop the tourist guiding sector within the province;

(c) promote and develop the tourist guiding sector within the province in any manner other than as contemplated in paragraph *(b)*;

(d) deal with complaints lodged under section 53;

(e) act in accordance with section 54 when a tourist guide becomes subject to any disqualification referred to in section 50(3);

(f) exercise disciplinary powers in accordance with section 55; and

(g) if he or she has reason to believe that any person, company or close

corperation contravenes section 57, lay a charge with the South African Police

Service.

Procedure relating to registration of tourist guides

50. (1) *(a)* Any person who wishes to be registered as a tourist guide must apply to a

Provincial Registrar in the prescribed manner.

(b) The application must be accompanied by the prescribed registration fee.

(2) No person may be registered as a tourist guide in terms of this Act unless he or she shows proof of the competence contemplated in section 51.

(3) No person may be registered as a tourist guide in terms of this Act if he or she—

(a) has been convicted of an offence in the Republic, other than an offence committed prior to 27 April 1994 associated with political objectives, and

sentenced to imprisonment without the option of a fine or, in the case of fraud

or any other offence involving dishonesty, to a fine or imprisonment or both;

(b) subject to subsection (4), has been convicted of an offence in a foreign country

and sentenced to imprisonment without the option of a fine or, in the case of

fraud or any other offence involving dishonesty, to a fine or imprisonment or

both;

(c) loses his or her South African citizenship or right of permanent residence or work permit in the Republic;

(d) has failed to pass the prescribed quality assurance process that a tourist guide must complete not later than two years after the date of his or her last

registration as a tourist guide.

(4) An offence contemplated in subsection (3) *(b)* must constitute an offence under South African law.

(5) If the Provincial Registrar is satisfied that the applicant complies with the

competence for registration as a tourist guide and that the applicant is not subject to any disqualification mentioned in subsection (3), he or she must register the applicant as a tourist guide.

(6) When the Provincial Registrar registers any person as a tourist guide, he or she

must issue to that person a registration certificate and a badge, which must be in the prescribed form.

(7) Registration as a tourist guide is valid—

(a) for a period of three years, reckoned from the date of issue of the registration certificate; and

(b) in all the provinces of the Republic.

(8) *(a)* Any person registered as a tourist guide may before the end of the period for

which he or she has been registered, apply to the Provincial Registrar on the prescribed form for the renewal of his or her registration as a tourist guide in respect of the ensuing period of three years.

(b) If the person so applies for the renewal of his or her registration, his or her registration must upon payment of the prescribed fee be renewed, unless he or she has 10

become subject to any disqualification referred to in subsection (3) since the previous registration or renewal of registration.

(9) If a tourist guide has since his or her registration acquired a competence

contemplated in section 51 in a prescribed field of specialisation or an additional competence within a prescribed field of specialisation, the Provincial Registrar must, on

the application of the tourist guide made in the prescribed manner, accompanied by the prescribed fee, issue to the tourist guide a new registration certificate reflecting that competence and also a new badge, which must be in the prescribed form.

(10) Subject to subsections (11) and (12), the Provincial Registrar may refuse to approve an application for registration as a tourist guide if the applicant's registration was withdrawn on the grounds of misconduct in terms of section 55 at any time within a period of three years preceding the date of application.

(11) Before the Provincial Registrar refuses to approve an application for registration under subsection (10), he or she must, by notice sent by registered post or any other effective method, inform the applicant of the possible refusal and the reason therefor and call upon the applicant to submit such representations in connection therewith as he or she may wish to make, within a period specified in the notice, which, in any case, may not be fewer than 30 days from the date of the notice.

(12) Before the Provincial Registrar decides on an application under this section, he or she must consider the representations, if any, made by the applicant in accordance with subsection (11).

Competence

51. The competence referred to in section 50 must be determined by the South African Qualifications Authority in accordance with the national qualifications framework contemplated in the National Qualifications Framework Act, 2008 (Act No. 67 of 2008).

Code of conduct and ethics

52. (1) The National Registrar must in the prescribed manner, after consultation with the MEC, the Provincial Registrars and stakeholder groupings, prepare and publish a code of conduct and ethics with which every registered tourist guide must comply.

(2) The code of conduct and ethics must include provisions requiring a tourist guide—

 (a) to take all reasonable steps to ensure the safety of a tourist whom the tourist guide is accompanying; and

 (b) to render services which comply with any norms and standards determined under section 7.

Reporting of contraventions and lodging of complaints

53. (1) *(a)* Any person may report a contravention of section 57(1), (2) or (3) with a Provincial Registrar.

 (b) The Provincial Registrar must, if the complaint discloses an offence, lay a charge with the South African Police Service.

 (c) In the case of a contravention of section 57(2), the Provincial Registrar must act

in accordance with section 54.

(2) *(a)* Any person may lodge a complaint with a Provincial Registrar regarding the misconduct of a tourist guide.

(b) The Provincial Registrar must, if the complaint discloses—

(i) a contravention of this Act or any other law constituting an offence, lay a

charge with the South African Police Service and act in accordance with

section 54;

(ii) misconduct not constituting an offence, including a contravention of the code

of conduct and ethics contemplated in section 52, act in accordance with

section 54.

(3) A Provincial Registrar concerned must within 14 days report to the National

Registrar in writing the result of any case dealt with in terms of this section.

Action by Provincial Registrar regarding disqualification of tourist guides

54. (1) *(a)* If a Provincial Registrar has reason to believe that a tourist guide has become subject to any disqualification referred to in section 50(3), the Provincial Registrar must by notice, sent by registered post or any other effective method, inform the tourist guide of the allegation against him or her and call upon that tourist guide to submit such representations in connection therewith as he or she may wish to make.

(b) The representations must be submitted to the Provincial Registrar within the period specified in the notice, which may not be fewer than 30 days from the date of the notice.

(2) The notice must direct the attention of the tourist guide to the possibility of his or her registration as a tourist guide being withdrawn.

(3) The tourist guide may present his or her case personally before the Provincial Registrar or through an adviser of his or her choice.

(4) If, after considering the allegations against the tourist guide and his or her representations, if any, the Provincial Registrar is satisfied that one or more of the disqualifications referred to in section 50(3) are applicable, the Provincial Registrar 25

must withdraw the registration as a tourist guide.

(5) *(a)* The Provincial Registrar may, by the notice referred to in subsection (1), suspend, for a period not exceeding 30 days, the registration of the tourist guide concerned, pending the decision of the Provincial Registrar under subsection (4).

(b) The Provincial Registrar must, before the decision to suspend the registration of

the tourist guide is taken, afford the tourist guide an opportunity to make representations to show why the registration should not be suspended.

(6) Subsection (3) applies to any proceedings for the suspension of the registration of a tourist guide under subsection (5).

(7) If the registration of a tourist guide is suspended in terms of subsection (5), the

Provincial Registrar must make the prescribed endorsement in the register of tourist guides referred to in section 49(2), against the name of the tourist guide.

(8) The Provincial Registrar must cause the names of any person whose registration has been withdrawn under this section to be published in the *Gazette* and in at least one newspaper that circulates in the province concerned.

Disciplinary measures

55. (1) *(a)* A Provincial Registrar must institute an investigation or cause an investigation to be instituted if he or she has reason to believe that a tourist guide is guilty of misconduct by—

(i) contravening a provision of this Act or any other law;

(ii) contravening the code of conduct and ethics referred to in section 52; or

(iii) failing to comply with any condition subject to which he or she has been

registered.

(2) *(a)* A Provincial Registrar who institutes an investigation or causes an investigation to be instituted contemplated in subsection (1) must by notice, sent by registered post or any other effective method, inform the tourist guide of the charge against him or her.

(b) The notice must call upon that tourist guide to submit such representations in connection with the charge as he or she may wish to make, within a period specified in the notice, which may not be fewer than 30 days from the date of the notice.

(c) The notice must direct the attention of the tourist guide to the possible penalties referred to in subsection (4).

(3) The tourist guide may present his or her case personally before the Provincial Registrar or through an adviser of his or her choice.

(4) If, after considering the charge against the tourist guide and his or her representations, if any, the Provincial Registrar is satisfied that the tourist guide is guilty of the charge of which he or she is accused, the Provincial Registrar may—

(a) issue a warning to the tourist guide;

(b) impose the prescribed fine, which may not exceed R10 000, on the tourist guide; or

(c) withdraw the registration as a tourist guide for such period, not exceeding five years, as the Provincial Registrar may determine.

(5) *(a)* The Provincial Registrar may, by notice contemplated in subsection (2) *(a)*, suspend, for a period not exceeding 30 days, the registration of the tourist guide concerned, pending the decision of the Provincial Registrar under subsection (4).

(b) The Provincial Registrar must, before the decision to suspend the registration of the tourist guide is taken, afford the tourist guide an opportunity to make representations to show why the registration should not be suspended.

(6) Subsection (3) applies to any proceedings for the suspension of the registration of a tourist guide under subsection (5).

(7) If the registration of a tourist guide is suspended in terms of subsection (5), the Provincial Registrar must make the prescribed endorsement in the register of tourist guides referred to in section 49(2), against the name of the tourist guide.

Appeals and reviews

56. (1) Any person who is aggrieved by a decision of a Provincial Registrar may   appeal   against the decision in question to the National Registrar in the prescribed manner, within the prescribed period and upon payment of the prescribed fee.

(2) The appellant may argue his or her appeal personally before the National

Registrar, or through an adviser of his or her choice.

(3) The National Registrar may confirm, set aside or amend the decision.

(4) The power to determine an appeal in terms of this section is not restricted to the merits of the decision appealed against, but includes the power to review any irregularity alleged regarding the decision.

Prohibitions

57. (1) No person who is not a registered tourist guide or whose registration as a   tourist guide has been suspended or withdrawn, may for reward, whether monetary or otherwise, act as a tourist guide.

(2) No person who has become subject to any disqualification referred to in section 50(3) may for reward, whether monetary or otherwise, act as a tourist guide.

(3) No person, company or close corporation may for the promotion of any business   undertaking conducted by him, her or it, employ or continue to employ as a tourist guide any person who is not a registered tourist guide or whose registration as a tourist guide has been suspended or withdrawn or who has become subject to a disqualification contemplated in subsection (2).

Disputes

58. Any dispute or disagreement between the National Registrar and a Provincial Registrar concerning the performance of any of the functions contemplated in sections 49, 50, 52, 53, 54, 55 or 56 must—

(a) be dealt with in accordance with the principles of cooperative government and intergovernmental relations referred to in section 41 of the Constitution of the Republic of South Africa, 1996, and the provisions of the Intergovernmental Relations Framework Act, 2005 (Act No. 13 of 2005); and

(b) whenever necessary, be settled in accordance with Chapter 4 of the

Intergovernmental Relations Framework Act, 2005.

CHAPTER 7

GENERAL

Offences and penalties

59. (1) A person is guilty of an offence and liable on conviction to a fine or imprisonment for a period not exceeding one year if he or she—

(a) professes to be a member of a scheme contemplated in section 28(3), while he or she is not such a member.

(b) uses in relation to any tourism services, facilities or products offered by him or her any depiction or depictions of a star or stars, or any other prescribed

insignia, unless he or she is a member of a scheme contemplated in section 28(3);

(c) uses in relation to any tourism services, facilities or products offered by him or her an insignia depicting a star or number of stars, or any other prescribed

insignia, which is greater than the number which he or she is authorised to

depict in terms of such tourism services, facilities or products;

(d) knowingly makes or assists in providing information or any document,

required by this Act, that contains an untrue statement of a material fact;

(e) knowingly omits to state a material fact in or on any document referred to in paragraph *(d)*; or

(f) contravenes section 57(1), (2) or (3).

(2) Any company or close corporation that contravenes section 57(3) is guilty of an offence and liable on conviction to a fine not exceeding R100 000,00.

Delegations and assignments

60. (1) The Minister may in writing and subject to such conditions as the Minister may determine, delegate or assign to the Director-General, any other officer of the Department or any organ of state any power or duty conferred on the Minister by this Act.

(2) The Minister may not delegate the power—

(a) to determine norms and standards in terms of this Act;

(b) to appoint a member of the Board;

(c) to appoint a member of the Council; or

(d) to make a regulation.

(3) The Director-General may in writing and subject to such conditions as the

Director-General may determine, delegate or assign to any other officer of the

Department, any power or duty conferred on the Director-General in terms of this Act or

delegated or assigned to the Director-General under subsection (1).

(4) Any delegation or assignment under subsection (1) or (3)—

(a) must be in writing;

(b) does not divest the person who made the delegation or assignment of the power delegated or duty assigned;

(c) does not prevent the person who made the delegation or assignment from exercising the power or performing the duty so delegated or assigned; and

(d) may at any time be withdrawn by the person who delegated the power or assigned the duty.

Regulations

61. (1) The Minister may, by notice in the *Gazette*, make regulations regarding—

(a) in relation to the national tourism information and monitoring system contemplated in section 5—

(i) the nature and form of the system;

(ii) the categories, content and form of the data and information to be

captured on the system;

(iii) the content, form and manner in which organs of state must provide the

Minister with data and information and the intervals at which the

information and data must be provided; and

(iv) any other matter necessary for the proper administration and functioning   of the system;

(b) the manner and procedure for lodging complaints with the Tourism   Complaints Officer;

(c) any matter which may or must be prescribed in terms of this Act; and

(d) generally, any ancillary or incidental administrative or procedural matter that it is necessary or expedient to prescribe for the proper implementation or administration of this Act.

(2) A regulation made under this section may, for any contravention thereof, or failure to comply therewith, prescribe a fine or imprisonment for a period not exceeding 12   months or to both a fine and such imprisonment.

Repeal of laws

62. The following Acts are hereby repealed:

(a) the Tourism Act, 1993 (Act No. 72 of 1993);

(b) the Tourism Amendment Act, 1996 (Act No. 105 of 1996);

(c) the Tourism Amendment Act, 2000 (Act No. 8 of 2000); and

(d) the Tourism Second Amendment Act, 2000 (Act No. 70 of 2000).

Transitional provisions and savings

63. The transitional provisions and savings contained in Schedule 1 must be read and applied as substantive provisions of this Act.

Short title and commencement

64. (1) This Act is called the Tourism Act, 2014, and takes effect on a date to be determined by the President by proclamation in the *Gazette*.

(2) Different dates may be so determined in respect of different provisions of this Act.

SCHEDULE 1

(Clause 63)

TRANSITIONAL PROVISIONS AND SAVINGS

Definitions

1. In this Schedule, ''repealed Act'' means the Tourism Act, 1993 (Act No. 72 of 5

1993).

Members of South African Tourism Board

2. (1) Every person who is a member of the South African Tourism Board established by section 2 of the repealed Act immediately before this Act takes effect, remains a member of the Board until a date determined by the Minister by notice in the *Gazette*.

(2) Anything done or any decision or step taken by the South African Tourism Board in terms of the repealed Act which could have been done by the Board in terms of any provision of this Act, is regarded as having been done by the Board in terms of the last-mentioned provision.

Grading and classification schemes established under repealed Act

3. (1) Any grading and classification scheme established by the Minister under section 18 of the repealed Act in respect of accommodation establishments, and any scheme

established by the Minister under section 19 of that Act in respect of a sector of the tourism industry other than accommodation establishments, remains of force and effect and must be regarded as a scheme established by virtue of section 28(3).

(2) Any person who is a member of a grading and classification scheme contemplated in section 18(1) of the repealed Act or a scheme contemplated in section 19(1) of that Act, remains such a member and must be regarded as a member of a grading and

classification scheme established by virtue of section 28(3).

(3) Any differentiation applied and any classification made by the Minister under section 18(2) of the repealed Act in respect of accommodation establishments, or under section 19(2) in respect of a sector of the tourism industry other than accommodation establishments, remains of force and effect and must be regarded as having been applied or made, as the case may be, by virtue of a grading and classification scheme contemplated in section 28(3).

(4) Any grading awarded in respect of an accommodation establishment by virtue of   a grading and classification scheme contemplated in section 18(1) of the repealed Act, and any authority granted under section 18(5) of that Act to use and display insignia indicating the grading awarded in respect of the establishment concerned, remains of force and effect and must be regarded as having been awarded or granted, as the case may be, by virtue of a grading and classification scheme contemplated in section 28(3).

(5) Until a date determined by the Minister by notice in the *Gazette*, the Tourism Grading Council of South Africa which existed immediately before the commencement of this Act as a business unit of the Board must be regarded as the Tourism Grading Council established by section 29.

National Registrar of Tourist Guides and Provincial Registrars of Tourist Guides 4. Any person who occupies the post of National Registrar of Tourist Guides or a post of Provincial Registrar of Tourist Guides immediately before this Act takes effect, remains in that post and is regarded as having been appointed under section 48 or section 49, as the case may be.

Tourist guides

5. (1) Any person registered as a tourist guide in terms of section 21A of the repealed Act immediately before this Act takes effect, remains registered as a tourist guide for the rest of the period of validity of his or her registration and must be regarded as having been registered in terms of section 50.

(2) Any tourist guide registered in a field of specialisation contemplated in section 21A(7) of the repealed Act immediately before this Act takes effect, remains so

registered for the rest of the period of validity of his or her registration and must be regarded as having been registered in terms of section 50(9).

(3) Any application by a tourist guide for the renewal of his or her registration as a 10

tourist guide, which has been lodged with a Provincial Registrar in terms of section 21A(6) *(b)* of the repealed Act but not yet finalised when this Act takes effect, must be dealt with, and a registration certificate issued, in terms of this Act.

Disciplinary measures, appeals, reviews and criminal proceedings

6. Any disciplinary measure instituted in terms of section 21F of the repealed Act, any   appeal or review lodged in terms of section 21G of that Act and any criminal   proceedings instituted in terms of section 28 of that Act, but not yet finalised when this Act takes effect, must be dealt with and concluded in terms of the repealed Act as if that Act had not been repealed.

General

7. The following matters authorised by or provided for in the repealed Act, remain of force and effect until amended, repealed or replaced in terms of this Act:

 (a) Any record of members of a grading and classification scheme and of

establishments graded and classified in terms of such scheme, kept by the

South African Tourism Board in terms of section 18(6) of the repealed Act;

 (b) any central database of all tourists maintained by the National Registrar in terms of section 20(2) *(a)* of the repealed Act;

 (c) any register of tourists, kept by a Provincial Registrar in terms of section 21(2) *(a)* of the repealed Act;

 (d) any code of conduct and ethics prepared and published by the National

Registrar in terms of section 21C of the repealed Act; and

 (e) any regulation made by the Minister under the repealed Act.

APPENDIX C: COVERING LETTER TO RESPONDENTS

Cape Peninsula University of Technology

Business Faculty

CAPE TOWN

8000

May 2010

Dear Sir/Madam

TOURISM AS A TOOL OF LOCAL ECONOMIC DEVELOPMENT IN THE TRANSKEI WILD COAST

Your kind co-operation is sought for the completion of a questionnaire which is part of a survey of attitudes and perceptions on developing a framework for toursim as a tool of local econmic development in the Transkei Wild Coast. Your willingness to complete the questionnaire will be much appreciated, as the information thus obtained will assist the researcher to evaluate current trends and practicies in local economic development for tourism in the Transkei Wild Coast area. This survey is part of a PhD qualification completion by the researcher.

The questionnaire has been prepared in such a way that it will require the minimum of time to complete. Responses to the various questions/statements will be decisive for the eventual outcome of the research.

All information will be treated as strictly confidential and it will not be possible to identify any individual on the strength of the results included in the final report.

The aim with this investigation is to determine the extent of current trends and practices in local economic development for tourism in the Trasnkei Wild Coast area and to make recommendations, if any, to facilitate the development of a framework for tourism as a tool of local economic development in the Transkei Wild Coast area.

In the interest of confidentiality, no biographical details will be requested, the only variability will relate to the differences between the attitudes of selected business owners, government officials, community leaders/members and interest groups in tourism industry as part of local economic development efforts in the Transkei Wild Coast.

Thank you for your co-operation.

Mr Lulamile Ntonzima (Researcher)

Student Number – 201075415

Cell: 082 042 9914

APPENDIX D: QUESTIONNAIRE

S U R V E Y

AS PART OF A FORMAL STUDY PROJECT NAMED:

TOURISM AS A TOOL OF LOCAL ECONOMIC DEVELOPMENT IN THE TRANSKEI WILD COAST

Reseacher: Lulamile Ntonzima

SECTION A – INDEPENDENT VARIABLES

Please indicate your involvement in tourism industry in the appropriate block

1.	**GOVERNMENT OFFICIAL**		**COMMUNITY DEVELOPMENT WORKER**		**OTHER**	

1.2 Experience in the tourism industry (in years)		
1.2.1	1 – 2 years	
1.2.2	3 – 5 years	
1.2.3	6 – 10 years	
1.2.4	More than ten years	

1.3 Gender		
1.3.1	Male	
1.3.2	Female	

1.4 Language group		
1.4.1	English	
1.4.2	IsiXhosa	
1.4.3	Other (please specify) =	

1.5 Age group		
1.5.1	Under 20	
1.5.2	21 – 30	
1.5.3	31 – 40	
1.5.4	41 – 50	
1.5.5	51 – 60	
1.5.6	60 plus	

SECTION B

QUESTION 1
To what extent would you agree that for sustainable economic development in the Transkei Wild Coast to succeed, tourism is one of the key industries to open up valuable multiple economic opportunities and for that to thrive local governments in the area should play their role?

LEGEND:
1 = STRONGLY DISAGREE; 2 = DISAGREE; 3 = UNDECIDED; 4 = AGREE; 5 = STRONGLY AGREE
(PLEASE TICK THE APPROPRIATE COLUMNS PER ITEM)

	STATEMENTS	DEGREE OF PREFERENCE				
		1	2	3	4	5
1	Tourism as a tool for local economic development in the Transkei Wild Coast for economic revival, advancement and sustainability should be treated as:					
	1.1 Priority 1					
	1.2 Priority 2					
	1.3 Priority 3					
2	For the tourism industry to grow in the Transkei Wild Coast, it needs a leading role by local governments on various areas, which include:					
	2.1 Developing a blueprint working plan.					
	2.2 Build from existing potential tourism product strengths.					
	2.3 Build and invest on support infrastructure like roads, and communication.					
	2.4 Encourage nature conservation.					
	2.5 Strengthen safety and security.					
	2.6 Improve transport modes.					
	2.7 Create a private sector business environment conducive to tourism.					
3	Implementation of tourism as a key driver for local economic development in the Transkei Wild Coast should always involve:					
	3.1 Relevant stakeholders.					
	3.2 Relevant experts.					
4	Intersectoral and stakeholders' management should be kept in a good state for partnership success.					
5	All relevant role-players should be informed of all aspects of the human resource policy.					

6	Private and public sector partnerships should be designed in such a manner that promotes empowerment of host communities to:					
	6.1 start their tourism community businesses.					
	6.2 manage tourism businesses.					
	6.3 market their tourism products.					
	6.4 meet both national and international tourists needs					
7	Private and public sector partnerships must be able to transfer to community businesses skills of financial :					
	7.1 Planning.					
	7.2 Management.					
	7.3 Accountability.					

QUESTION 2

To what extent are you in agreement with the need for quality amenities and service excellent attitude if strategy for tourism as a tool for local economic development in the Transkei Wild Coast is to thrive?

LEGEND
1 = STRONGLY DISAGREE; 2 = DISAGREE; 3 = UNDECIDED; 4 = AGREE; 5 = STRONGLY AGREE
(PLEASE TICK THE APPROPRIATE COLUMNS PER ITEM)

STATEMENTS		DEGREE OF PREFERENCE				
		1	**2**	**3**	**4**	**5**
8	Improvement of services in health centres.					
9	Improvement of entertainment facilities.					
10	Improvement of sporting events as tourism strategy.					
11	Conferencing facility improvements.					
12	Front desk customer care services improvements.					
13	Membership of professional tourism bodies for services monitoring.					
14	Tourism human relations introduction.					
15	Tourism leadership skills introduction.					

QUESTION 3

The present state of infrastructure of the Transkei Wild Coast requires priority attention for improvement in order to realize the potential of tourism economies.

LEGEND
1 = STRONGLY DISAGREE; 2 = DISAGREE; 3 = UNDECIDED; 4 = AGREE; 5 = STRONGLY AGREE
(PLEASE TICK THE APPROPRIATE COLUMNS PER ITEM)

STATEMENTS		DEGREE OF PREFERENCE				
		1	2	3	4	5
16	Roads in my area are in an adequately good state to support tourism economic activities.					
17	The quality of electricity supply in my area is not in a good state to support tourism economic activities such as provision of quality foods.					
18	There are systems in place for tourist arrival in my area, which are in good state for example banks and destination information centres.					
19	Health centres in my area are in an adequately good state to cater for tourists' needs.					
20	There are enough tourist information centres in my area to inform visiting tourists about the area, and for them to travel more within the area.					
21	Emergency services such as ambulances that have professional first aid workers operate effectively in my area.					
22	Disaster management facilities such as a fire fighter's station does exist in my area to deal with fires in the area and surroundings.					
23	Small shopping centre facilities are available in my area to allow tourists to spend.					
24	There is no gymnasium in my area to cater for tourists needs.					
25	Sport facilities such as such as soccer, cricket, rugby, tennis courts and indoor sport centres are available in my area to cater for tourists' needs.					
26	Available multiple infrastructure for transport such as roads for vehicles, rail and small airports exist in my area to meet tourists' transport needs.					
27	Public transport functioning in my area is adequately effective to allow tourists who travel between different tourist destinations to be on time.					
28	Public transport in my area operates 24 hours a day and seven days a week to allow tourists to enjoy themselves.					
29	Water infrastructure in the form of clean water supply exists in my area to meet tourists' needs.					

QUESTION 4

Tourism-led local economic development programmes within my municipality area are supportive enough to grow a strong tourism industry and achieve maximum community involvement.

LEGEND
1 = STRONGLY DISAGREE; 2 = DISAGREE; 3 = UNDECIDED; 4 = AGREE; 5 = STRONGLY AGREE
(PLEASE TICK THE APPROPRIATE COLUMNS PER ITEM)

STATEMENTS		DEGREE OF PREFERENCE				
		1	2	3	4	5
30	The municipality in my area conducts training classes for interested community members to become involved in the tourism industry with available business options.					
31	Interested and trained community members operate successful tourism businesses in my area.					
32	Emerging businesses of tour operators in my area receive sufficient financial support from government agencies.					
33	Emerging business tour operators in my area obtain sufficient financial support from private sector institutions.					
34	Community members are aware of tourism business opportunities in our area, as government awareness initiatives continuously inform them.					
35	Community members are aware of existing tourism opportunities in our area, as private sector awareness initiatives continuously inform them.					
36	Our community takes its own business tourism initiatives in order to keep the tourism industry strong and thriving.					
37	Our community benefits from existing tourism business activities in our area.					
38	There is a need to avoid domination of outside business activities in my area, if tourism should benefit us as a host community.					
39	Our community understands the tourism business concept and its potential to grow our area.					
40	The youth in my area engage with tourism business potential opportunities by starting their own small business ventures.					
41	Walter Sisulu University (WSU) campuses that exist close to my area play a key role in assisting with growing the tourism industry.					

QUESTION 5

Marketing of the Transkei Wild Coast are as a world popular tourist destination should be a apriority for the tourism industry to grow.

LEGEND
1 = STRONGLY DISAGREE; 2 = DISAGREE; 3 = UNDECIDED; 4 = AGREE; 5 = STRONGLY AGREE
(PLEASE TICK THE APPROPRIATE COLUMNS PER ITEM)

STATEMENTS		DEGREE OF PREFERENCE				
		1	2	3	4	5
42	Tourism offerings in my area are largely communicated to other areas outside the Transkei Wild Coast.					
43	I know tourism offerings in my area are communicated through national and local radio stations countrywide, and by other forms of marketing worldwide.					
44	Wide marketing of our area's tourism offerings has received good responses, as more tourists come visit our area.					
45	I can strongly say that my area is a popular tourism destination during summer, particularly during festive season.					
46	Print media publish tourism articles on a weekly basis of my area such as conferencing, accommodation, or family-to-family visits.					
47	Television covers images of my area as a tourism destination of choice.					
48	Word-of-mouth is a weak means of marketing tourist destinations and activities in my area.					
49	My area is known for tourist destination safety and security.					

Thank you for your assistance.

RESEARCHER

APPENDIX E: LETTER FROM GRAMMARIAN

22 Krag Street
Napier
7270
Western Cape

November 2014

EDITING & PROOFREADING

Cheryl M. Thomson

TO WHOM IT MAY CONCERN

This is to confirm that the Doctoral thesis of **LULAMILE NTONZIMA**, student number **201075415**, at the CAPE PENINSULA UNIVERSITY OF TECHNOLOGY, was proof-read and edited by Cheryl Thomson in preparation for submission of thesis for assessment.

Yours faithfully

CHERYL M. THOMSON

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APPENDIX F: STATISTICAL CERTIFICATE

Cape Peninsula University of Technology

To whom it may concern:

Lulamile Ntonzima (Student Number 201075415)- DTech dissertation

Study title: Tourism as a catalyst for local economic development in the Transkei Wild Coast

The statistical analyses of the data in this research project have been done by me, using SPSS 21. My function was not to be involved in the interpretation thereof- that should be the student's own work.

Corrie Uys, M.Sc (Statistics)