

SA'S TOURISM INDUSTRY IS SET TO IMPROVE



According to the latest reports from the Tourism Business Council of South Africa, the tourism industry in South Africa is set to improve. The latest Tourism Business Index reveals that even though South Africa has had very tough times in the tourism sector, it is bound to improve significantly in the near future.

Grant Thornton, who compiles the index, asserts that, as compared with the outcome for the last quarter of 2012, **there are positive indicators that the travel and tourism sector will improve greatly in 2013.** According to the index, in the fourth quarter of 2011, the index was at 87.3. It then rose to 101.1 in the third quarter of 2012, then 104.6 for the fourth quarter of the same year-2012. There is anticipation that the index for the first quarter for 2013 will be 102.4, which is positive because a score of 100 is taken to be normal.

The Tourism Business Council of South Africa board chairman, Masuvo Msimang, agrees with the speculation. In his speech during the release of the index in Johannesburg, he said that performance levels above the score of 100 for two consecutive quarters was enough to tell that there was progress towards normalcy. He said that the tourism sector in South Africa was beginning to show some hope especially after recessionary impacts and several visits after the Soccer World Cup which the country hosted in 2010.

Despite the fact that positive progress is beginning to be witnessed, there are a number of issues that need to be addressed. According to Gillian Saunders, Grant Thornton's head of advisory services, global economic uncertainty and recession risks need to be addressed. She also raised the issue of the need to reverse the negative opinion that the world has on South Africa due to its common labor and community unrests.

She mentioned that such factors have contributed in putting a strain in the South African tourism industry. She also added that high rates, high costs of electricity and fuel were also to blame for the poor performance of travel and tourism in South Africa. This is because, tourists will not prefer to visit a country where unrests are common and where the costs of services are too high.

Other individuals who have responded to the tourism reports include Wiza Nyondo, FNB's head of tourism. He was happy with the news that South Africa's tourism industry was beginning to show some improvement. He argued that despite the instabilities the country has experienced, other nations have realized that South Africa has something good for them. He supported the fact that South Africa was the next big destination for tourists. **It is expected to be a destination where every age group will get something to engage in.**

The index also revealed that most of the residence sector respondents were optimistic that domestic business markets would also benefit a lot in 2013. Foreign leisure is anticipated to come second followed by the domestic leisure. All in all South Africans should be ready to offer the best to other nations in 2013.

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