

Empowerment levels in tourism under scrutiny

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The Department of Tourism will conduct a study on the state of transformation in the tourism sector to assess the effect of broad-based black economic empowerment (B-BBEE) codes. Amended codes for tourism were gazetted in 2015 to ensure black South Africans in the sector gain access to opportunities.



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In a presentation to Parliament's portfolio committee on Friday, department officials said the study would serve to establish the current state of transformation as well as to gauge the effect of the codes since their introduction. The department's deputy director-general for policy and knowledge systems, Shamilla Chettiar, said the codes apply to businesses in the accommodation, hospitality and travel services sectors. "Enterprises are defined specifically for the sector," she said.

"The amended code was in line with the generic codes. Critical elements within the code relate to ownership, skills development as well as enterprise and supply development," Chettiar said.

Exempted micro-enterprises with an annual revenue of less than R5m that is 100% black-owned would qualify for level one B-BBEE contributor status and those with at least 51% would qualify for level two B-BBEE contributor status, Chettiar said.

Portfolio committee member for the DA Gregory Krumbock said it was critical to ensure that black-owned enterprises do not find the codes to be an administrative hurdle in a sector with the potential that the tourism industry has. "Tourism has

the potential to create jobs faster than any other (sector). They are easier to start up," Krumbock said.

"We need to ensure that, in the implementation of these codes, enterprises can achieve compliance in a way that is less bureaucratic," Krumbock added.

Source: Business Day

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