

WTTC: Tourists are travelling back to SA's biggest cities

The World Travel & Tourism Council's (WTTC) latest report has revealed positive signs of recovery for the South African travel and tourism sector with travellers heading back to its major cities. The report, researched in partnership with Oxford Economics, analysed key indicators such as travel and tourism's direct contribution to GDP, employment and traveller spend.



Image source: Gallo/Getty

The results show travellers are returning to cities such as Cape Town and Johannesburg with all indicators bouncing back to pre-pandemic levels.

The WTTC Cities Economic Impact Report shows that in 2019, the travel and tourism sector contributed over \$2.5bn to Cape Town's economy and more than \$2.1bn to Johannesburg's.

However, the pandemic devastated the country's economy. In 2020, both cities' travel and tourism GDP contribution dropped by more than half, falling to \$1bn.

Light is at the end of the tunnel

Over the last two years, since the border reopened, both cities have witnessed a significant recovery.

In 2022, Cape Town's sector is expected to have grown to \$1.8bn, 28% lower than 2019 levels, while Johannesburg's travel

and tourism's sector is forecast to be worth just over \$2.2bn, 4% above 2019 levels.

Julia Simpson, WTTC President and CEO, says: "South Africa has long been a world-favourite destination and after more than two years of disruption, it's great to see tourists heading back. Tourism provides a massive boost to both the economy

and job creation.

"It is crucial that the national and local governments continue to recognise the importance of Travel & Tourism for the local

and national economies, jobs, and businesses."

Jobs on the rise

In 2019 there were more than 170,000 people employed by the travel and tourism sector in Cape Town. In 2020 this figure dropped to just over 117,000 (-32%). But in 2021, employment grew by 8% to 127,000 jobs and is expected to have grown

at two and a half times that rate in 2022, to reach more than 152,000 jobs.

In Johannesburg, it's a similar picture.

Before the pandemic, there were over 138,000 Travel & Tourism jobs, but this number fell by 28,000 to just over 110,000 in

2020. A 10% rise in 2021 saw the number increase to more than 120,000.

WTTC is forecasting jobs to grow three times as fast in 2022 to reach more than 156,000 jobs - 11.5% more jobs than pre-

pandemic levels.

The report also shows that the sector's contribution to both cities will increase by more than \$2.25BN over the next decade.

According to the global tourism body's forecast, Cape Town's travel and tourism sector is expected to contribute over

\$3.3bn, while Johannesburg's will provide a boost of almost \$800m by 2032 to reach just under \$3bn annually.

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