

**Tourism in the Western Cape<sup>1</sup>**



Source: [www.scubatec.co.za/ Coastal%20Tours.htm](http://www.scubatec.co.za/Coastal%20Tours.htm)

The Western Cape Province, home of the Stellenbosch winelands, is currently the South African province with the highest tourism growth rate and overall market-share.

| Tourism in South Africa:  | Western Cape Province   |
|---|---|
| <ul style="list-style-type: none"> <li>• Value estimated at R90.4 billion in 2000 to which overseas visitors contributed R25.9 billion. Almost level with gold, 2<sup>nd</sup> largest earner of foreign currency for SA.</li> <li>• Projected growth of 11.6 % p.a. to 2010.</li> <li>• Contributes 8.8% to GDP. Contribution is expected to grow to 10.3% of GDP by 2010.</li> <li>• SA received 1.5 million overseas visitors in 1998, plus 5.7 million visitors from Africa. 24.5 million bednights sold to overseas visitors p.a.</li> <li>• Growth of 12.2% p.a. (overseas visitors will grow to 2.2 million by 2000 and 3.1 million by 2005)</li> <li>• More than 820,000 people are employed in the sector, with projected growth to 1.25 million in 2010, comprising 9.3% of all jobs.</li> <li>• South Africa, Tunisia, Morocco and Zimbabwe account for 64,5% of the share on the continent, and Southern Africa for 30%.</li> </ul> | <ul style="list-style-type: none"> <li>• Value estimated at R15.4 billion p.a. (R7.2 billion from overseas tourists and R8.2 billion from domestic visitors).</li> <li>• Projected growth to R34.7 billion by 2010 at current prices. (Overseas R22 billion and domestic R12.7 billion).</li> <li>• Contribution is estimated at between 9% and 13% of the regional economy.</li> <li>• Province received 830,000 overseas visitors during 1998 and 6.1 million domestic visitors. 8.5 million bednights sold to overseas visitors p.a.</li> <li>• Target of the Western Cape Tourism Board is to increase the number of overseas visitors to 3 million by 2010</li> <li>• 9 of the top 15 national tourism attractions of SA are in Western Cape. The Province has a 28 % share of the national market.</li> </ul> |

Source: Western Cape Tourist Board (2001)

For the Western Cape tourism is estimated to contribute R15.4 billion per annum (R7.2 billion from overseas tourists and R8.2 billion from domestic visitors) to the local economy. It is projected that income from tourism will more than double by 2010 (to R34.7 billion of which R22 billion is derived from overseas tourists and R12.7 billion from domestic tourists). Tourism’s contribution to the regional economy is estimated at between 9% and 13%. The Western Cape received 830,000 overseas visitors and 6.1 million domestic visitors during 1998. 8.5 million bed-

<sup>1</sup> Please note that unless otherwise stated the figures supplied here are from South African Tourism, The Western Cape Tourist Board and the Stellenbosch Tourist Board. (<http://www1.capetourism.org/Downloads/Western%20Cape%20Trends%20Card.pdf>), <http://www.wesgro.org.za/BusSector/showArticle.asp?artId=56>; <http://www.istellenbosch.org.za/> The Macroeconomic Significance of Travel and Tourism to the Economy of the Western Cape, Wesgro, February 1998, 27 pages. The Western Cape Tourism Sector: Background for Investors, Wesgro, August 1998, 16 pages.

nights were sold to overseas visitors for this period. The Western Cape Tourism Board plans to increase the number of overseas visitors to 3 million by 2010.

**Western Cape Tourism (foreign visitors) at a glance in 2002**

|   |   |
|---|---|
| Number of overseas visitors to the Western Cape   | 976,000   |
| Number of African-Air visitors to the Western Cape  | 70,000  |
| Number of African-Land visitors to the Western Cape   | 326,000   |
| Percentage of South Africa's overseas visitors visiting the Western Cape                          | 53%   |
| Percentage of South Africa's African Air visitors visiting the Western Cape                       | 21%   |
| Percentage of South Africa's – African Land visitors visiting the Western Cape                    | 8%  |
| Total spend by all foreign visitors to the Western Cape   | R17,3 billion   |
| Estimated number of nights spent by all foreign visitors to the Western Cape                      | 12 million  |
| Largest source market of bednights sold in the Western Cape                                       | UK and Germany  |
| The most popular Attractions in the Western Cape for foreign visitors                             | Cape Town V & A Waterfront, Nature Attractions e.g. Table Mountain, Cape Point, The Wine Route Stellenbosch, Nature Conservatories e.g. Kirstenbosch, The Garden Route, Robben Island |
| Share of all domestic holiday trips taken that were spent in the Western Cape (2001) <sup>2</sup> | 22.8%   |
| Spend by domestic Tourists in the Western Cape (2001)   | R2.9billion   |

Source: Western Cape Tourism Board 2003

The tourism industry in the Western Cape accounted for approx. 9.8% of Gross Regional Product and employed 9.6% of the province's workforce in 2002. During 2002/03 foreign direct investment in excess of R550million has been absorbed by the Western Cape's tourism sector. This includes mega projects such as the German financed Arabella Sheraton in Cape Town, many small-scale guesthouses and B&Bs in a lucrative residential property market as well as foreign owned tour operators and travel agents. The Western Cape received 1.4 million foreign visitors in 2002 of which 976,000 were overseas visitors (i.e. non African) and approx. 400,000 African land and air visitors. Thus 71% of all foreign visitors do not originate from another African country but are predominantly European (just under 50%) and US residents. 53% of all overseas visitors to South Africa visit the Western Cape. More bed-nights are sold to overseas visitors in the Western Cape than in any other province and of the total 12 million bed-nights sold to foreign tourists to the Western Cape, 8.9million were to overseas tourists. 32% of all foreign bed-nights were spent with friends and family while 31% were spent in hotels, the remaining 37% were shared between B&Bs, Self catering, guest houses, hostels, resorts, camping and game lodges. Just under 50% of all bed-nights were spent by Europeans – the UK and Germany overall accounting for the two largest visitor groups.

Foreign visitors spent an estimated R17.3 billion in the Western Cape during 2002 – of which the majority came from overseas visitors (R12.7billion). Foreign visitors spent 43% on accommodation, 20% on transport, 17% on food and beverages and 20% on recreation and entertainment. The Western Cape had the highest length of stay of all South African provinces and overseas visitors spent on average 9.1 days in the province while African air visitors spent 13.8 days and African land visitors spent 6.5 days. The average hotel occupancy levels for the Western Cape during 2002 were 66%, compared to 59% for South Africa as a whole. Cape Town was the most successful tourism destination in South Africa and is currently charging considerably higher room rates compared

<sup>2</sup> Please note the total number of domestic visitors to the Western Cape is not available from this data source and therefore not included in this table

to Johannesburg, Pretoria and Durban. Foreign arrivals on international direct-flights to Cape Town increased by 20% between 2001 and 2002 due to significant seat capacity increases since September 2002.

55% of domestic tourists to the Western Cape originated from within the province and the Western Cape is the fifth most popular destination for domestic tourism with 12.5% share of the total market, after Gauteng, KwaZulu-Natal, Limpopo and the Eastern Cape. Of all domestic trips to the Western Cape the overall majority visited Cape Town (44%) followed by the Garden Route (16.4%), Overberg (8.1%), Brede River (7.6), the West Coast (6.6%) and the Winelands (5.9%) in 2002. The average expenditure per capita for all types of domestic overnight trips in South Africa was R437 in 2001 of which 42% was spent on transport, 22% on accommodation, 24% on food, 8% on entertainment and 5% on gifts. The Western Cape had the highest average expenditure per domestic tourist of all the provinces in South Africa.