



Wes-Kaapse Provinsiale Parlement Western Cape Provincial Parliament IPalamente yePhondo leNtshona Koloni

STANDING COMMITTEE ON FINANCE, ECONOMIC OPPORTUNITIES AND TOURISM

REPORT OF THE STANDING COMMITTEE ON FINANCE, ECONOMIC OPPORTUNITIES AND TOURISM ON AN OVERSIGHT VISIT AND ENGAGEMENT WITH THE MITCHELL'S PLAIN CHAMBER OF COMMERCE AND LOCAL BUSINESSES ON 18 FEBRUARY 2020

The Standing Committee on Finance, Economic Opportunities and Tourism, having engaged with the Mitchell's Plain Chamber of Commerce and local businesses on 18 February 2020, reports as follows:

Delegation

The delegation comprised of the following Members:

Baartman, D (DA) (Chairperson);
Mitchell, D (DA)
Mvimbi, L (ANC)(Alternate)
Nkondlo, N (ANC)

Apologies

Makamba-Botya, N (EFF)
Van der Westhuizen, A (DA)

The Procedural Officer, Ms Z Adams, the Service Officer, Mr A Barends, and the interpreter, Mr W Thala, accompanied the delegation.

1. Introduction

The Standing Committee on Finance, Economic Opportunities and Tourism engaged with local business owners at a workshop hosted by the Mitchell's Plain Chamber of Commerce (the Chamber), on 18 February 2020. The Committee and attendees were welcomed by various founding members of the Chamber such as the Chairperson of the Chamber, Mr Sean Achim, Councillor Elton Jansen, and "Like a Boss" programme manager, Mr Howard Johnson.

Mitchell's Plain covers 84 square kilometres of land in Cape Town, consists of over 40 suburbs, and is one of the biggest contributors to the economy in terms of retail spend, residential investment and labour provision. In respect of businesses, Mitchell's Plain is home to many small businesses and informal traders who trade alongside major retailers, providing critical employment opportunities for the members of the Mitchell's Plain community. There are more than 2 000 businesses operating from commercial hubs within Mitchell's Plain, and approximately 4 000 businesses operating from homes within the area. These businesses are varied and range from software development companies, lawyers and accountants, to plumbers and electricians.

The Chamber was established in 2016 because of the growing need to reimagine, reinvent and rebuild the Mitchell's Plain area. The Chamber works closely with many Mitchell's Plain business owners whose vision is to see Mitchell's Plain as a thriving economic hub, and essentially, as a "coastal city". The Chamber's "Vision 2076" sees Mitchell's Plain as a thriving community, with a vibrant tourism hub and strong investment climate, a successful music and arts scene, a growing fish farming industry, and hosting multiple international events.

The engagement was hosted at Cedar High School, a performing arts school in Rocklands, Mitchell's Plain, who showcased their varied talents in between briefings and discussions.

2. The State of Mitchell's Plain Address

The Committee and attendees were briefed on the mission, vision and history of the Chamber, which includes creating ways to make conditions conducive for small businesses in Mitchell's Plain to thrive. Historically, Mitchell's Plain was known for gangsterism, crime and unemployment. However, this was an inaccurate description of the majority of the suburbs in Mitchell's Plain, which is home to vibrant communities, businesses, cultural and sporting activities, and a variety of indigenous flora and fauna.

Places of interest in Mitchell's Plain include Wolfgat Nature Reserve, Westridge Gardens, Westridge Dunes and blue flag beaches such as Mnandi Beach and Strandfontein Beach. Mitchell's Plain also hosts a variety of events such as the Mitchells' Plain DSTV Festival, which attracts over 40 000 guests over a three day period, and also results in a decrease in crime in the area over those days. Additionally, there are cycling events that attract thousands of cyclists every year, such as the Tour d'Plain, and running events such as the Mitchell's Plain Titans race (running club).

2.1 Economic Contribution to Gross Domestic Product

Combined, Mitchell's Plain and Khayalitsha contributed over R56 billion for the year ended December 2016. In terms of Gross Domestic Product per Cape Town suburb, the "Khaya/Plain" area contributes 15.9 percent, the second largest contribution after Tygerberg (17.74 percent). The Chamber's goal is to ensure that Mitchell's Plain is the single largest contributor to the Western Cape's Gross Geographic Product (GGP) by 2026. However, there are a number of challenges that need to be addressed for this goal to be realised.

The Chamber is focused on reimaging Mitchell's Plain as a "coastal city", that could attract foreigners in terms of yachting and sailing events. Aquaculture development is key in this vision, as Mitchell's Plain could be home to a thriving fish farming sector that could contribute further to the Western Cape's GDP.

Furthermore, the Chamber envisions that Mitchell's Plain will become a major tourism hub in the near future; however, this will require assistance from government. As this vision becomes a reality, it will also require that there are 1 200 beds (accommodation) available for tourists in Mitchell's Plain.

2.2 Challenges identified by the Mitchell's Plain Chamber of Commerce

- 2.2.1 There is limited to no spaces for community members and business owners to meet, plan and collaborate.

- 2.2.2 There are no business developments, international call centres and insufficient space for industrial parks to grow in Mitchell's Plain. Additionally, there are no Sector Education and Training Authorities (SETAs), and other government entities located in the area.
- 2.2.3 There are no research, planning and coordination funds for a local tourism information office, which Mitchell's Plain is greatly in need of to encourage growth in the tourism sector. The Mitchell's Plain community requires a physical and digital map that will display all the "must see" locations in the area, a website that tracks events and places to visit, further development of events and services that will attract international guests, partnerships with tourism bodies that will assist with marketing Mitchell's Plain as a tourism hub, and short courses aimed at Mitchell's Plain youth that will focus on teaching entrepreneurial skills, performing arts, and how to attend to the needs of tourists. Once a tourism office is established, there will also be a need for an official to project manage the office.
- 2.2.4 There is no fibre or reliable internet access for homes or small businesses. Over the last three years, the Chamber has brought free WiFi to Mitchell's Plain Town Centre through collaboration with Cell C and Facebook, however, more needs to be done to ensure the community has access to free WiFi throughout the area. This will also address the challenge of unreliable and expensive data, which people cannot always afford.
- 2.2.5 Load shedding has had a negative impact on local businesses. Some businesses have been forced to close operations for days because it is not viable for them to remain open when the electricity is off twice a day. There is a need to discuss the usage of alternative energy sources, especially for small businesses, as well as the use of Independent Power Producers (IPPs).
- 2.2.6 There is a high rate of crime in certain suburbs in Mitchell's Plain, which affects the rest of the area.
- 2.2.7 There is a lack of support for schools, especially in terms of performing arts programmes and sport activities. Schools such as Cedar High School lack sufficient educators for the amount of learners enrolled at schools. Additionally, performing arts schools such as Cedar High have to use their own funds to purchase musical instruments for learners. There is a need for more investment in cultural and sport activities, especially in terms of competitions and exchange programmes.

3. Engagement with Members of the Mitchell's Plain Chamber of Commerce and Local Business Owners

Mr Fazloodien Abrahams, an attorney at MK Attorneys, informed the Committee that many people, within the Mitchell's Plain community and outside of the area, especially senior citizens, have been defrauded by Hajj and Umrah operators. Mr Abrahams called for government to impose stricter rules and regulations for operators involved in business activities in this industry. He urged the Committee to look at the South African Hajj and Umrah Council (SAHUC), who are not the official regulators of the Umrah and Hajj journeys. He reiterated that this is also a tourism issue, where there were many instances of fraud and corruption.

Mr Cyril Williams, Head of Tourism at the Chamber, requested that certain tourism laws and regulations be addressed, such as the regulations around obtaining a transport permit. The process for obtaining permits for transporting tourists has been a tedious process. It has been three years since Mr Williams applied for a permit, but has not received anything yet, which means he cannot use his new vehicles. Mr Williams also stated that there should be more focus on schools and young learners who need intervention programmes that will allow them to thrive in and outside of Mitchell's Plain. Young learners should be encouraged to partake in performing arts, as this will be in demand when Mitchell's Plain becomes a tourism hub. Additionally, the government should implement

training programmes for school leavers to become tour guides, thereby encouraging entrepreneurship and allowing community members to become ambassadors for the area. Tourists should know about the history of Mitchell's Plain.

Mr Igshaan Carstens, founding board member of the Chamber and Chairperson of the Strandfontein Business Development Forum, stated that the Committee and the rest of the Province should view Mitchell's Plain as a city, not as a suburb, as the area along with surrounding areas has great potential for economic activity, particularly in the tourism space, as well as in the aquaculture sector. Strandfontein was also included in this vision. These are areas that have been neglected in terms of investment. He reiterated the need for a tourism information hub and a tourism Small Enterprise Development Agency (SEDA) in the Mitchell's Plain area, as more tourism meant increased revenue and employment. There should also be more focus on sporting events, especially in Strandfontein, who already hosts various events. Strandfontein sports field has been earmarked for the biggest drone event in the Western Cape. This will happen later in 2020, and there is an expectation that the event will host approximately 50 000 to 60 000 people. This will be a big tourism opportunity for the area and members of the community.

Mr Carstens further informed the Committee that he is also an electrical contractor by trade. He asked that the Committee continue the discussion on the use of IPPs to address the challenge of load shedding in the country.

Mr Hankie McMarston, member of the Chamber and Chairperson of the Khaya-Plain Undertakers Forum, explained that this sector was not lucrative for small businesses as there were a lot of similar, more commercial businesses vying for the same job. Although Mitchell's Plain is a large area, it does not have its own mortuary, which is a concern. Additionally, there was very limited burial ground for Muslim and Coloured people. He wanted to encourage the use of smaller, local businesses instead of large, commercial businesses.

Ms Marian Trout, a business owner and psychologist who resides in Mitchell's Plain, requested that government assist the community and schools with additional resources and facilities for schools and sporting activities. There are no funds available for youth that excel at sport. Funding was needed for youth that are selected to play sports internationally. Ms Trout asked that there be more partnering between local businesses, schools and government to ensure that there are proper facilities and sufficient capacity so that the community is encouraged to participate in more sport codes. There are many talented sportsman in Mitchell's Plain, however, they need more investment at grassroots level.

Ms Kennethia Williams, from Business Breakfast Club and a business owner from Mitchell's Plain, informed the Committee that initially she could not open a business in Mitchell's plain because there was too much crime in the area at the time. This is an ongoing matter that had to be addressed. Load shedding was also a factor that affected small, local businesses and their revenue generation. For example, Ms Williams owns laundromats, which require consistent electricity for washing and drying services. However, when there is load shedding, it is not financially feasible for her business to remain open on certain days, especially if there is load shedding twice or thrice a day.

Mr Rozario Brown, community activist and organiser of the Mitchell's Plain Festival through Cycle of Life, proposed that the Committee meet with business owners once every quarter to discuss progress in Mitchell's Plain. He has been engaging with the Minister for Cultural Affairs and Sport because current laws and policies do not allow for the Department of Cultural Affairs and Sport to fund privately organised events. This has been an ongoing discussion for quite a long time, however, the policies have not been amended. These events could create many jobs but there are too many red tape challenges hindering the process to host an event. For example, there are hundreds of pages to fill in when one needs to apply for a permit to host an event. Additionally, officials take very long to

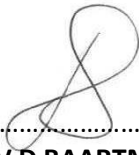
respond to the applications. This hinders job opportunities for entrepreneurs who would like to have their own stalls at these events. He asked that elected officials honour their commitments to the community, and address the departmental officials who are delaying events and awarding of permits.

Mr Achim stated that the business community of Mitchell's Plain were not interested in politics; they wanted to improve conditions in Mitchell's Plain. Most of the business owners and members of the Chamber did not receive a stipend for the work that they did; they were only interested in seeing the Mitchell's Plain community thrive. He urged the Committee to have a serious look at Mitchell's Plain and the potential it has. If the Morgenster Road in Mitchell's Plain is opened towards the Retreat area, it would create an entirely new economic hub. One could also relieve traffic on the roads if Mitchell's Plain became a business hub, rather than going to Century City or the Cape Town Central Business District. This had the potential to change the economic landscape of the Province. Mitchell's Plain could be the primary employer of the Western Cape, as well as a thriving investment space.

4. Resolutions

The Committee agreed to make resolutions/recommendations at the adoption stage of the report and to decide on a way forward.

The Chairperson thanked the Mitchell's Plain Chamber of Commerce and other attendees for availing themselves to address the Committee on the challenges they have experienced as business owners in Mitchell's Plain.



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ADV D BAARTMAN, MPP

CHAIRPERSON: STANDING COMMITTEE ON FINANCE, ECONOMIC OPPORTUNITIES AND TOURISM