The University of the Western Cape

School of Government
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The Role of Sustainable Tourism in Poverty Alleviation in South Africa: A Case Study of the Spier Tourism Initiative

By

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Mr Wynand Louw

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KEY WORDS:

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2. Sustainable tourism

3. Ecotourism

4. Responsible tourism

5. Pro-Poor Tourism

6. Poverty

7. The poor

8. Poverty reduction strategies

9. Livelihood

10. Development

DECLARATION

I, **Chifon Godlove Ngek**, hereby declare that this mini-thesis entitled *"The role of sustainable tourism in poverty alleviation in South Africa: A case study of Spier tourism initiative"* is my own work, that it has not been submitted before for any degree, or examination in any other university or college, and that all the sources I have used or quoted have been indicated and acknowledged as complete references.

Chifon Godlove Ngek

Signed: .... Date: ....

DEDICATION

This thesis is dedicated to the Almighty God who protected and guided me throughout the study, and to my beloved mother (Sarah Ntul) of blessed memory, who passed away on the 3rd of April 2009 while I was drafting the proposal for this study, to my beloved sister, Chifon Mary Kenji and my entire family in Oku and Bamenda back home in Cameroon, and also to my supervisor Mr Wynand Louw. The thesis is also dedicated to my beloved friend Ndifon Regular Ting.

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ABBREVIATIONS AND ACRONYMS

UNCTAD – United Nations Conference of Trade and Development

UNWTO – United Nations World Tourism Organisation

MDG – Millennium Development Goals

WTO – World Tourism Organisation

GDP – Gross Domestic Product

OECD – Organisation for Economic Co-operation and Development

WTTC – World Travel and Tourism Council

SAIRR – South African Institution for Race Relations

PPT – Pro-Poor Tourism

NGO - Non Governmental Organisation

DEAT – Department of Environmental Affairs and Tourism

PRS – Poverty Reduction Strategy

UN – United Nations

UNCSSD - United Nations Commission on Sustainable Development

UNMDG – United Nations Millennium Development Goals

UNICEF – United Nations International Children Emergency Fund

DFID – United Kingdom (UK) Department for International Development

RDP – Reconstruction and Development Programme

LED – Local Economic Development

PDI – Previously Disadvantaged Individuals

ABSTRACT

Tourism has been identified as the world's largest and fastest growing industry, generating 11% of Global Gross Domestic Product (GDP), employing 200 million people and capable of attracting 700 million international travellers (Roe & Urquhart, 2001:2).Given these statistics, how then can tourism, especially sustainable tourism, be used as a tool towards alleviating poverty in the developing countries with high rates of poverty.

In South Africa, poverty engendered by the apartheid regime has long been part of the fabric of the economy. Against this background of social marginalisation, material deprivation and individual vulnerability, tourism has over the years increasingly been mooted as a strategically important and lucrative sector that, if fully explored and exploited, would lead to sustained poverty alleviation in the Republic of South Africa.

The central aim of this study was to establish whether tourism as evident in the Spier Tourism model is a sustainable poverty-reduction strategy. The specific objectives of this study were to examine the socio-economic impact of Spier tourism initiatives on its workers (previously disadvantaged individuals) and the local population, to assess the pro-poor tourism practices as implemented by Spier in relation to Rogerson's pro-poor approach, to identify the challenges that Spier is facing in its pro-poor tourism approach with respect to poverty reduction goals, to *provide recommendations on how the challenges can be met most effectively and to examine how pro-poor tourism can be promoted and enhanced in South Africa.*

The study employed both the qualitative and quantitative research designs. Data were collected through different qualitative and quantitative techniques (in-depth interviews, focus group discussions, questionnaire).

Summary findings indicate that Spier has positively contributed to the socio-economic improvement in the living standards (contribution to livelihood – increased income, enhanced health and food status), through job creation, improved education/healthcare, empowerment through training and skill development, investment in the corporate social responsibility.

However, Spier is still grappling with challenges such as racial disputes, insufficient income of employees and unqualified staff to mention a few.

This study makes several recommendations which are based on the findings. Among them are the peaceful handling of disputes amongst workers, new strategies of Spier to attract business, to mention these few.

CHAPTER ONE

INTRODUCTION AND BACKGROUND

1.1 Introduction

This chapter provides a general background to the study with specific overview of South Africa's economy and the incidence of poverty in this society, the tourism industry in the country, in particular, the case study area of Spier. The chapter also presents the research problem, the research objectives and the significance of the study. The chapter further provides conceptual definitions and explanations of key terms used in the field of sustainable tourism and poverty alleviation which forms the central focus of this study. The chapter ends with an outline of the chapters for the whole thesis.

1.2 Background to the study

Poverty has been a world challenge for centuries and it continues to be. It is estimated that of the world's now more than 6 billion inhabitants, 2.8 billion live on less than US$2 a day and 1.2 billion live on less than US$1 a day (Emaad, 2007: 54). According to Spenceley (2008: 7), it is estimated that globally there are 1.2 billion people living in extreme poverty, of which about a quarter live in sub-Saharan Africa and three quarters work and live in rural areas. Eighty per cent of the world's poor people (living on under US $1 per day) live in 12 countries, and in 11 of those countries, tourism is a significant sector or at least an expanding sector (i.e. over 2% of GDP or 5% of exports). International tourism as a growth sector has the potential to provide huge economic benefits in developing countries where a large population of the world's poor reside (Spenceley, 2008).

Poverty is a social problem that demands a multifaceted approach towards its reduction including concerted efforts at global, national, regional and community levels to address this dehumanizing scourge. It is the challenge of governments, the private sector, civil society organizations and the international community to be involved in measures aimed at reducing poverty. The Millennium

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Development Goal (MDG) number one calls for concerted efforts to eradicate poverty by 2015 by reducing by half the proportion of people living on less than one dollar a day and to reduce by half the proportion of people who suffer from hunger and disease (United Nations, 2008: 181).

Tourism is a viable sector that can, if fully developed, enhance the reduction of poverty in the world today. The travel and tourism industries have been called upon to contribute towards poverty reduction in their own way. This is done through recruiting and training local people, practising sustainable supply chain management (SSCM), i.e. through the local sourcing of products and services, building pro-poor partnerships and linkages and providing training and support to small independent enterprises. This also implies assisting to generate opportunities for local enterprise and ownership, helping to pay a fair or above-average wage as well as set up profitable sharing schemes in destination areas (Mowforth & Munt, 2009).

Unlike the neo-liberal orthodox policy which stipulates that poverty can be reduced by the trickle -down concept of economic growth, the so called New Classical Consensus stipulates that poverty reduction needs deliberate intervention measures by the public and the private sector. The private sector comprises several sub-sectors, one of which is the tourism industry (WTO, 2002).

There is increasing consensus that tourism, described as a socio-economic phenomenon "comprises the activities of persons travelling to and staying in places outside their usual environment for not more than a consecutive year for leisure, business and other purposes (WTO, 2002:17) has the potential to contribute towards poverty reduction.

Globally, tourism accounts for 11% of the world's GDP and employs 200 million people annually (Sofield et al., 2004: 2). Tourism is the largest and fastest growing industry and it is expected to continue to grow between 4 and 5 % per annum. The tourism sector is increasingly becoming an important source of income, employment and wealth in many countries (Neto, 2003: 212). The rapid growth of the tourism industry over the last 50 years has been the most remarkable economic and social phenomenon of this period (UNWTO, 2009). In the year 2007, global international tourist arrivals grew by 2% (16 million) and reached 924 million in 2008

(UNWTO, 2009). Despite an increase in international tourism arrivals in 2007, towards the end of September 2008 and mainly as a result of the world economic meltdown, the tourism sector has suffered a series of setbacks. For example in 2009, international tourist arrival declined worldwide by 4% to 880 million. International tourism nevertheless generated US$ 946 billion in export earnings in 2008. However, for this year 2010, United Nations World Tourism Organisation is forecasting a growth in international tourist arrivals of between 3% and 4% (UNWTO, 2009).

In developing countries, tourism has lately grown significantly faster than in the European Union (EU) and the Organisation of Economic Corporation and Development (OECD) countries. In the year 2000, developing countries had 292.6 million international arrivals, an increase since 1990 of an impressive 95% (Roe, Ashley & Meyer, 2004: 7). International tourism to developing countries has increased by 9.5% a year compared to 4.6 % worldwide (Sofield et al., 2004). According to the World Tourism Organisation (2000) cited in Sofield et al., (2004: 2), "tourism is the only service industry where there is a positive balance of trade flowing from First World to Third World countries – from US$ 4.6 billion in 1980 to US$ 6.6 billion in 1996. In the year 2000, tourism was ranked third among the major merchandised export sectors for both developing and least developing countries (LDCs) (Emaad, 2007).

Nowadays, given the adverse effects of "mass tourism" on the environment, the tourism industry is fast adopting a sustainability approach in order to ensure that destinations benefit from tourism activities and also to ensure that the future generation is not deprived of their own resources.

In South Africa, tourism is seen as a key sector in the economic development of the country. The rationale for this view is that it is one of the richest and most economically advanced countries on the African continent so it is well placed to exploit this sector. However, the country's apartheid regime for decades prevented it from achieving its full potential and has left a legacy of widespread disparity and poverty which has resulted in a high level of socio-economic inequality (World Travel and Tourism Council Report, 2004: 26 cited in Emaad, 2007: 38). At the end of the apartheid era in 1994, the South African government announced its ambitious campaign to make tourism "one of the key drivers of economic expansion, employment creation as well the

generation of foreign exchange earnings by the year 2000" (Viljoen & Tlabela, 2006:2). International tourism arrivals in South Africa grew spectacularly in real terms, from 25 million in 1950 to 698 million in 2000, representing an average annual economic growth of 7% over a period of 50 years (WTO, 2002d L: 51 in Emaad, 2007: 38).

Despite the high level of poverty in South Africa, 18 million (45% of its population of 45 million) Bhorat (2003: 1 in Emaad, 2007) contends that tourism is a potential tool that can be used to reduce poverty in South Africa if it is structured in such a way that it includes and thus benefits the poor. Amongst the sustainable tourism enterprises in South Africa that have poverty alleviation programmes as a specific articulated goal, Spier is a notable one. Spier is currently involved in pro-poor projects aimed at alleviating poverty amongst its workers and the surrounding local communities in its sphere of operation.

The section that follows will briefly discuss the situation of poverty in South Africa, as well as offer a brief analysis of the tourism situation of the country.

1.2.1 Brief overview of poverty in South Africa

Despite being classified as a middle income country (Taylor, 2007), South Africa still faces major challenges: poverty, inequality, HIV/AIDS, unemployment, a profoundly racially skewed distribution of wealth, and a burgeoning oversupply of unskilled labour (Landman, 2004, Benjamin, 2005, Venter & Landsberg, 2006). There is consensus among economic and political analysts that approximately 45% of South Africans are living in poverty with the poorest 15% in a desperate struggle to survive (Taylor, 2007: 14, Landman, 2004: 38). According to statistics published by South African Institute for Race Relations (SAIRR, 2008), nearly 2 million South Africans were living on less than US$1 per day in 1997. This number further increased to 2.8 million in 2002. However, in 2005 the number started to decline to 1.5 million. Again in 2007, the number of people living in extreme poverty dropped to less than 1 million. (SAIRR, 2008). Poverty in South Africa is to an important extent being exacerbated by the pervasively high unemployment rate.

According to the SAIRR (2008), the number of unemployed South Africans excluding discouraged work-seekers increased from almost 2 million to 4.3 million people between 1994 and 2007. The unemployment rate increased from 20% to 25.5% over the same period. According to this survey, the peak of unemployment and poverty in South Africa was from 1994 until 2003, but fortunately started decreasing in the same year (2003) as a result of the expanded economic growth which resulted in more jobs being created. In addition, the mass role-out of social grants in 2002 contributed to a decline in poverty rates (SAIRR, 2008: 9). However, the economic downturn that the world is currently experiencing could worsen existing poverty and unemployment rates if nothing proactive is being done.

Besides poverty and unemployment, South African is also grappling with unacceptably high levels of inequality in its population. South Africa's Gini coefficient of 0.60 in 2004 ranks it globally as one of the most unequal societies (Landman, 2004: 39). However, May and Hunter (2004:2) suggest that the Gini coefficient could be as high as 0.68, which is worse than that of Brazil, the Bahamas, Jamaica and 33 other developing countries.

The government of South Africa, some would argue, has not been successful in its efforts to address the above mentioned socio-economic challenges and problems facing this country. Nevertheless, since the beginning of the new democratic dispensation, the government has developed policies which are focused on poverty alleviation, improving economic growth, relaxing import controls and reducing the budget deficit. Post-1994, the South African government has adopted policies geared towards making a difference in the lives of the poor. Most of the pro-poor policies have been focused on the delivery of housing and basic services like healthcare, water and electricity, as well as social security and education.

In addition, the expansion of the social grant system has become a source of poverty reduction for millions of vulnerable and impoverished South Africans. There has also been an unprecedented expansion of social grants over the past four years of almost 22 billion rand (Van der berg, Burger, Louw & Yu, 2005: 22). Social pensions have provided considerable poverty relief to extended households, particularly in the rural areas (Ardington & Lund, 1995). In addition, the unemployment insurance system was reformed to safeguard individuals from

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financial crisis during periods of involuntary short-term unemployment (Triegaardt & Patel, 2005: 137). However, sadly, notwithstanding the government's concerted efforts, widespread poverty is still evident in South African society.

Poverty in South Africa has a strong race dimensions (May et al., 1998: 4). Nearly 95% of South Africa's poor are African, 5% coloured; less than 1% are Indians or White (RDP, 1995: 3). Most of the poor in South Africa live in rural areas: while 50% of the population of South Africa is rural, the rural areas contain 72% of the total population who are poor. The poverty rate (which is the proportion of people in a particular group or area falling below the poverty line, and which measures how widespread poverty is) for rural areas is 71% (May et al., 1998: 4). In South Africa, poverty is distributed unevenly among the nine provinces. Provincial poverty rates are highest for the Eastern Cape 97%), Free State (63%), North-West (62%), Northern Province (59%) and Mpumalanga (57%), and lowest Gauteng (17%) and the Western Cape (28%). Out of the nine provinces, poverty is deepest in the Eastern Cape, Free State and Northern Province, which together make up 36% of the population but account for 51% of the total poverty gap (May et al., 1998: 4).
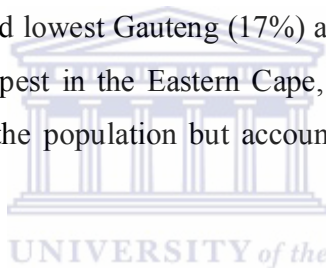
Against this background of profound levels of material deprivation and social marginalization and individual vulnerability that millions of predominantly black South African have to deal with daily, tourism has over the last decade increasingly been mooted as a strategically important and lucrative sector that, if fully explored and exploited, could lead to sustained poverty alleviation and local economic development in many areas in South Africa. Previously, (international) tourism has played a relatively insignificant role in the economic life of South Africa due to the impact of global sanctions and subsequent isolation of this country due to its abhorrent racial policies.

1.2.2 Brief overview of tourism in South Africa

At the moment, the tourism sector in South Africa is progressively playing a more strategic and dynamic role in the economic development of the country. In the era of democratic South Africa, tourism is viewed as an essential sector for national reconstruction and development, and one

that offers 'enormous potential as a catalyst for economic and social development across the whole country (DEAT, 2003: 6). During 2004, the tourism economy was recognized as a key contributor to the national employment creation, gross domestic product and foreign exchange earnings (Monitor, 2004). In a bit to support the involvement of poor communities in the tourism economy, the national government has innovated a series of interventions, including support through the Poverty Relief Fund for the provision of infrastructure investment and a new product development and additional support for rural infrastructural development through the program for Spatial Development Initiative (Rogerson, 2006: 45). Another measure of support relate to the search for new market niches and the development of new tourism products involving poor communities with special focus in rural areas on cultural tourism and handcraft (Rogerson, 2004). Wildlife tourism is a further critical area for expansion linked to poverty alleviation in many rural areas of South Africa (Spenceley, 2003). Certain South African ecotourism enterprises, such as Wilderness Safaris and Conservation Corporation Africa, have demonstrated a commitment to expand the benefits of tourism development to local communities (Rogerson, 2006). Promotion of small businesses and the informal sector as well as community involvement in eco-lodges is an important component of the activities of these enterprises (Kirsten & Rogerson, 2002 in Rogerson, 2006: 46).
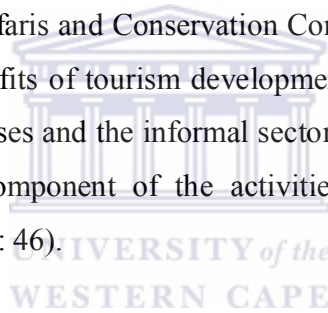
According to statistics (National Treasury, 2008: 513), South Africa welcomed nearly 8, 4 million tourists during 2006. This represents a significant annual increase compared to the year 2000 (South Africa Yearbook, 2007/2008:524). Tourism created 947,530 employment opportunities, both skilled and unskilled, in the same year, representing an increase of 9, 6% over 2005. Tourism forms part of the Accelerated and Shared Growth Initiative for South Africa (AsgiSA) whose goal it is to reduce poverty and unemployment and to increase economic growth from 4, 5% to 6% between 2010 and 2014.

In 2006, the estimated contribution of tourism to the Gross Domestic Product (GDP) increased from 4, 6% in 1993 to 8, 3% – representing a nearly 100% increase. Since South Africa hosted the World Cup in June 2010, it was estimated that over 10 million foreign visitors would be drawn to the country leading to job creation, generation of revenue, increase in GDP, all of which would contribute to poverty reduction (Burger & Tibane, 2007/2008: 524).

Tourism cannot be promoted and sustained without some institutions and enterprises specifically targeting the tourism sector. This is deemed imperative if South Africa wants to maximize the potential economic value of this sector. In this study, it is argued that Spier represents one such enterprise that is promoting sustainable tourism development in South Africa and subsequently is contributing to poverty alleviation in a sustainable fashion.

1.2.3 Brief overview of Spier

Located in Lynedoch, in the district of Stellenbosch in the Western Cape Province, the Spier Estate was founded in 1692. In 1993 Spier was bought by the Enthoven family who immediately started restoring and expanding the estate with its associated businesses. Spier has remained a family-owned business and has always had strong values that are not typical of public companies. Spier's vision is to "create a sustainable micro ecology which enhances the heritage and culture, regenerates wealth for all stakeholders, helps meet social and economic needs, and provides the infrastructure to encourage new community lifestyles compatible with the vision for the winelands" (Spier, 2001: 5).

Since its inception, Spier's ambitious goals have been in the areas of environmental integrity and broad sustainability as well as local recruitment and community development – to mention two important ones. In 1990 for example, Spier supported sustainability initiatives and community investment worth a value of ZAR 10 million for a period of five years. This support ranged from diverse activities such as local tennis tournaments, waste recycling and eco-village development in Lynedoch. (Pro-poor tourism pilots, 2003b in Hayson & Ashley, 2005). The Spier Leisure department is made up of tourism-related operations such as conference facilities, cultural and wildlife attractions, catering, sporting activities and other related ventures. The size of the combined Spier property is approximately 1,000 hectares.

The size and strategic location of Spier combined with its non-profit policy commitment and development plan makes the company a critical operation for increasing the involvement of local people in the functioning of its business. Spier, whose main activity was geared towards wine

production, is gradually moving away from being purely a member of the "winelands" family to becoming a tourism and recreation destination. This is because of Spier's efforts to seek and explore business opportunities apart from relying solely on the wine industry and also because of the difficulties for Spier to stay profitable in an increasingly competitive local and international wine industry. In a bid to promote Stellenbosch as an attractive holiday destination and increase the length of stay, Spier has adopted certain strategies such as the improvement and development of local arts and culture geared towards opening opportunities for developing entrepreneurs.

Over the last fifteen years, Spier has developed into a first class internationally admired tourist destination operating on its five key values of *appreciating and fostering excellence, social justice, protecting the Cape African heritage and protecting diversity and the natural environment.* Spier is known for its numerous projects which strive to deter environmental degradation. One mission of Spier is to find solutions of how business and socio-economic development can succeed in harmony with the ecology and society. This is achieved among others by embracing the notion of sustainability, as well as incorporating all aspects relating to staff development and the well being of the immediate surrounding community. Another fundamental value guiding all ventures and programmes at Spier is encouraging a greater environmental awareness (Spier Sustainability Report, 2007).

Spier operates three non-profit organisations (NGOs) namely *Spier Arts and Culture, the Spier Institute and the Lynedoch Development.* These NGOs set out to increase the involvement and participation of local communities in tourism management and development.

Approximately 500,000 visitors, including tourists visit Spier each year, resulting in an annual turnover of approximately R41, 000,000. Spier customers include businesses people, individuals, government representatives and NGO workers. The company has over 700 different suppliers of goods and services from local, regional, national and international sources (Spier Annual Report, 2006: 23-28).

Spier has a policy to recruit it staff largely within a 15km radius; 80% of those recruited in 2003 were local black and coloured employees. The majority of the employees reside in the

neighbouring working-class black and coloured communities of Kayamandi, Ida's Valley, Cloetesville, as well as Khayelitsha, situated a bit further away on the Cape Flats. (http://www.leadership.co.za/issues/2002mar/articles/spier.html)

1.3 Statement of the research problem

According to Pillay (1996: 14), "poverty has long been endemic in South African Society". Le Roux (1996: 47) stated bluntly that "poverty, both absolute and relative is an abiding feature of the South African economy". Poverty is a multi-facetted phenomenon. Thus, in order to combat or redress it effectively, South Africa needs a multi-dimensional approach towards poverty alleviation. Looking at the South African tourism industry in general and Spier tourism enterprise in particular, this research seeks to explore the potential of tourism as a poverty reduction strategy (using Spier as a case study).

There is no consensus in the literature regarding the contribution of sustainable tourism to poverty alleviation. The literature contains a powerful argument that declares "tourism is often driven by foreign, private sector interests, and that it does not contribute much to poverty elimination." (Ashley, Roe & Goodwin, 2001:2). Roe & Urquhart (2001) support this idea by saying that sustainable tourism has failed to incorporate the links between poverty, environment and development. In the same vein, Gerosa (2003, cited in Rogerson, 2006) pointed out that tourism has barely been included in national poverty-reduction policies and strategies by many African governments.

Tourism in general and sustainable tourism in particular, still faces a challenge to be taken seriously as a significant poverty alleviation tool. Hopefully, systematic research in this regard will contribute to putting this sector firmly on future anti- poverty agendas. By critically investigating the relative success of the Spier tourism initiative as an example of a sustainable pro-poor tourism initiative, this research will try to illustrate the potential of a specific type or model of tourism that can potentially be used as a poverty-alleviation tool in South Africa. This study is limited only to Spier Leisure, and not the entire company. The sample population is composed only of the black employees (historically disadvantaged individuals). Black in this

sense means people of colour – the black African people and the coloured people predominantly in this case originating from the Cape.

1.4 Goal and objectives of the study

Overall Goal

The overall aim of this study is to establish whether tourism as evident in the Spier Tourism Model is a sustainable poverty-reduction strategy.

Specific objectives

The specific objectives of this study are to:

i. Provide an analysis of the socio-economic impact of Spier's pro-poor tourism initiative on the local population as well as Spier workers, as perceived by them. This will include inter alia increased job creation, enhanced access to healthcare and education, as well as to recreational facilities, skills development, and training programmes.

ii. Undertake an assessment of pro-poor tourism practices as implemented by Spier in relation to Rogerson's pro-poor approach. These practices include empowerment of previously disadvantaged and marginalized livelihoods, development of effective and sustainable corporate social responsibility initiatives and local enterprise development.

iii. Identify challenges that the pro-poor tourism approach of Spier is facing with respect to their poverty reduction goals amongst the relevant/affected livelihoods.

iv. Provide recommendations on how the above-mentioned challenges can be met most effectively and how pro-poor tourism can be promoted and enhanced in South Africa.

1.5 Significance of the study

For poverty to be drastically reduced in South Africa, the government as well as other stakeholder initiatives needs to develop multidimensional approaches to this effect. This study makes the assumption that sustainable tourism, if fully exploited and utilized, can become "an engine" towards poverty alleviation in South Africa.

The vision of the former Department of Environment and Tourism (DEAT) of South Africa was to "manage tourism in the interests of sustainable development in such a manner that tourism contributes to the improvement of the quality of life of all South Africans. This is achieved by integrating tourism growth with sound environmental management and by linking it to job creation, rural development and poverty alleviation" (Matlou, 2001 in Spenceley & Seif, 2003: 8).

Given the changing policy debate within the new pro-poor tourism agenda, attention is now being focused on "missed opportunities" to enhance net benefit and opportunities for the poor. The role that tourism can potentially play in poverty reduction has greatly intensified compared to previous years according to Rogerson, (2006). The rationale of this study is thus to be found in the enhanced strategic importance given to tourism globally and thus the important role that the tourism sector, if properly exploited, potentially can play in sustained poverty reduction in South Africa.
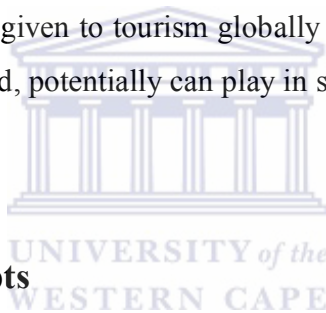
1.6 Definitions of key concepts

In this study a number of terms and concepts in the field of tourism and poverty will be frequently used and referred to. It is therefore important that these words be defined and clarified at the onset.

1.6.1 Tourism

Tourism refers to "the activities of a person travelling to and staying in places outside his or her usual environment for not more than one consecutive year for leisure, business and other purposes" (Cooper et al., 1998: 8). Cattarinich (2001), defines tourism as "those industries that provide accommodation, transportation and other services such as the sale of souvenirs and other goods, restaurants and, guided tours, for visitors who come from outside the destination for a period of more than 24 hours and less than a one year" (WTO, 2000: 2 cited in Cattarinich, 2001: 3).

1.6.2 Sustainable tourism

Sustainable tourism according to the *World Tourism Organization* is "tourism that meets the needs of present tourists and host regions while protecting and enhancing opportunities for the future" (WTO, 2002: 20). Sustainable tourism is thus envisaged as leading to the management of all resources in such a manner that economic, social and aesthetic needs can be fulfilled while maintaining cultural integrity, essential ecological processes, biological diversity and all life-support systems. One of the benchmarks of Spier's business activity is environmental integrity which is manifested through its core value of protecting their natural environment. Sustainable tourism should further be capable of providing socio-economic benefits to all stakeholders through stable employment, income-earning opportunities and social services to host communities, and contributing to poverty alleviation (WTO, 2004).

1.6.3 Ecotourism

The term ecotourism is debated and defined in various ways but it is increasingly used by both academics and the tourism industry to describe tourism that focuses on natural areas and undeveloped parts of the world (Hughes, 2005 cited in Viljoen & Tlabela, 2006). Ecotourism is used to describe tourism activities that are conducted in harmony with nature as opposed to the more traditional "mass tourism activities" (Visser & Kotse, 2004 quoted in Viljoen & Tlabela, 2006). A comprehensive characterization of ecotourism given by Khatib defines ecotourism as "responsible travel to nature areas that conserves the environment and improves the well-being of the local people" (Khatib (2000: 168). In South Africa, the term ecotourism is defined in the Government's *White paper on the Development and Promotion of Tourism* as "environmentally and socially responsible travel to natural or near natural areas that promote conservation, have low visitor impacts and provide for beneficially active socio-economic involvement of local people" (DEAT, 1996: 3 cited in Johan & Tlabela, 2006: 13).

1.6.4 Responsible tourism

Responsible tourism is "tourism that promotes responsibility to the environment through its sustainable use; responsibility to involve local communities in the tourism industry; responsibility for the safety and security of visitors and responsible government, employees, employers, unions and local communities" (Roe & Urquhart, 2001: 5). According to Allen &

Brennan (2004: 9), responsible travel is about the responsibility of governments and business to include local, host communities in tourism activities so that communities are able to benefit meaningfully from tourism (Allen & Brennan, 2004: 9). One of Spier's values is geared towards the preservation of the natural environment. Spier as a company has adopted the Earth Charter and other local and international conventions as a baseline approach towards environmentally sustainable development. Spier's framework for environmental sustainability is encompassed in reducing use of resources, protecting biodiversity, recycling, as well as reducing its carbon footprint (Spier's Sustainability report, 2008-2009).

1.6.5 Pro-Poor Tourism (PPT)

The Pro-Poor Tourism (PPT) concept was introduced by the United Kingdom's Department for International Development (DFID) in 1999 following research on tourism and poverty alleviation. Many developing countries have since adopted this approach as a way to use tourism development to reduce poverty. For example, in Gambia, tourism is regarded as "manna from heaven" which will solve its economic difficulties in terms of contribution to foreign exchange earnings, government revenues, regional development stimuli, creation of employment and subsequently poverty reduction (Dieke, 1993: 277 cited in Shitundu & Luvanga, 2003: 10).

According to PPT researchers, PPT is "tourism that generates net benefits to the poor, and seeks to ensure that tourism growth contributes to poverty reduction" (Bennett, Roe & Ashley, 1999: iii, Ashley, Roe & Goodwin, 2001: 2). Pro-poor initiatives represent practical steps that can transform strategies and principles into concrete and practical action. The enhancement of economic opportunities for the poor in tourism is an example of a pro-poor tourism strategy. A tourism enterprise or organization implementing this strategy in its tourism business does so by providing employment or casual labour to the poor. Another example is that it could establish supply linkages with emerging and poor merchants and/or farmers, outsource some services like laundry or training programmes to these providers and establish joint ventures with poor communities (Cattarinich, 2001).

1.6.6 Poverty

Poverty, in a broad sense means a lack of basic capacity to participate effectively in society – not having enough to feed and clothe the family, not having a clinic or school to go to, not having the land on which to grow one's food or a job from which to earn one's living and not having access to credit. In essence, poverty implies insecurity, powerlessness and exclusion of individuals, households and communities from the main resources, processes and opportunities of mainstream society (IMF & IDA, 1999 quoted in Goodwin, 2006: 4).

According to Cattarinich (2001: 2), "poverty is a multidimensional phenomenon that consists of a 'lack'of certain things upon which human health, well-being, and autonomous social functioning depend, including the ability to meet "basic needs" (i.e. food, shelter and clothing). This lack may consist of insufficient income, consumable goods or assets, entitlements, rights or security" (Cattarinich, 2001: 2). For the purpose of this study, poverty is defined as the inability to attain a minimum level of living standard measured in terms of basic consumption needs or in terms of income required to meet or satisfy these basic human needs.

1.6.7 The poor

In the South African context, to be poor means "the inability to attain a minimal standard of living, measured in terms of basic human needs or income that is required to satisfy them. It includes alienation from the community, to be unable to sufficiently feed your family, to live in overcrowded conditions, use basic forms of energy, lack adequately paid and secure jobs and have fragmented families" (May 2000: 5, quoted in Bhorat, Poswell & Naido, 2004: 2).

1.6.8 Poverty Reduction Strategy (PRS)

Poverty Reduction Strategy describes a country's macroeconomic, structural, and social policies and programmes to promote growth and poverty reduction, as well as associated external financial needs (IMF, 2005). A Poverty Reduction Strategy (PRS) initiative is a major effort by the World Bank and IMF to make aid more effective in reducing poverty most especially in the developing countries. The World Bank launched the PRS initiative to underpin the Highly Indebted Poor Countries (HIPC) Initiative, which was intended to ensure that resources be freed

up and directed towards poverty, reducing public sector programmes especially in the developing countries (World Bank, 2003: 2)

1.6.9 Sustainable livelihood

According to the New Oxford Dictionary, livelihood refers simply to a "means of support", which does not only mean income and consumption but also emphasizes the means by which living is secured (Shen, 2009: 9). Chambers and Conway (1992) describe livelihood as comprising "the abilities, assets (including both material and social resources) and activities required for a means of living. A livelihood is sustainable when it can cope with and recover from stresses and shocks maintain or enhance its capabilities and assets, while not undermining the natural resource base". Ellis (2000: 10) suggests a definition of livelihood as "the activities, the assets (natural, physical, human, financial and social capital) and the access to these (mediated by institutions and social relations) that jointly determine the living gained by an individual or household" (Ellis, 2000: 10).

1.6.10 Development

Development is defined as "a socio-economic change and progress, embracing indicators which include increases in per capita income, a reduction in poverty level among the masses, more social justice, modernization in terms of social changes, higher levels of employment and literacy, improvement in and wider access to medical treatment, a better life with more opportunities for self-improvement"(Mihalic ,2002: 83). According to Coetzee et al. (2001: 307) development is a "process whereby a community, region, or nation improves its access to basic services such as health, education, cultural opportunities and reduced levels of inequalities". According to these authors, development must have a connotation of favourable change "…advancing away from inferior… a form of social change that will lead to progress… the process of enlarging people's choices such as acquiring knowledge, and having access to resources for a decent standard of living" (ibid, 2001: 120). Roodt (2001) states that tourism development can be measured in terms of job creation by the tourism industry, increased income, and also improvement in the availability of basic services such as health, education and cultural opportunities, as well as in the reduction in the levels of inequality.

1.7 Chapter outline

This thesis is divided into five chapters.

Chapter 1

This chapter introduces the general background of South Africa, a synopsis of the tourism situation and poverty in South Africa as well as a brief overview of Spier which is the case study area. The chapter also contextualizes the research problem/problem statement, research objectives and significance of study. Some of the key words frequently used in the study are explained. The chapter ends with an outline of chapters for the whole thesis.

Chapter 2

Chapter two focuses on the literature review and theoretical framework. The chapter also highlights some of the broad-based theories of development that are deemed applicable in the tourism sector. Three key theories namely tourism and modernization theory, tourism and dependency theory and the alternative development theory of tourism are briefly analyzed. The livelihood approach model extracted from Rogerson's pro-poor tourism framework is used in this research to make a comparative assessment of pro-poor tourism practices implemented by Spier in their sustainable tourism initiatives. The chapter ends by operationalizing some of the indicators used in the study.

Chapter 3

Chapter three provides the research design and the methodology used in this research, the ethical statement and the limitation of the study.

Chapter 4

This chapter provides a detailed account of the data analysis and of the empirical field findings and the discussion of findings.

Chapter 5

The last chapter provides the summary, conclusion and recommendation for further studies into the role of sustainable tourism in poverty alleviation. Literature sources consulted and relevant annexes are scheduled in the last section of the mini-thesis.

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CHAPTER TWO

LITERATURE REVIEW AND THEORETICAL FRAMEWORK

2.1 Introduction

This chapter presents the literature review and conceptual framework to be applied in this study. It explains some major broad-based development theories such as modernization, dependency and alternative development theories. Only one of the theories, "the alternative development theory of tourism" will be applied in this study. This chapter also briefly analyzes the application of the "livelihood approach" to Rogerson's pro-poor tourism model. This model explores the socio-economic impacts of sustainable tourism in alleviating poverty. The chapter ends by operationalizing some of the key themes (indicators) from the literature that will be used as a conceptual guiding principle for the attainment of the study objectives.

2.2 Sustainable tourism and poverty alleviation

Before reviewing the relevant literature on sustainable tourism, it should be noted that the tourism sector has gone through stages of evolution. Amongst the various efforts towards addressing the evolution of tourism development, Jafari's (1990) four-platform framework gives a good explanation. These include *advocacy*, *cautionary*, *adaptancy* and *knowledge-based* platform.

The first platform, "advocacy" considers tourism as "without fault" and tourism's economic contribution as being widely and exclusively supported (Jafari, 1990). The advocacy platform was popularized after World War II and embedded in the modernization paradigm (Jarari, 1990). Some of the major indicators, for instance foreign exchange earnings and the multiplier concept were evidence of this platform. This platform was gradually substituted in the 1960s by the "*cautionary platform*". The cautionary platform recognized the negative prospects of tourism and criticized tourism's tendency to create mostly seasonal and unskilled employment, for its destruction of the natural environment and for the de-integration of host-societal structures (Jafari, 1990). At this stage, many researchers looked at tourism development in developing

countries and accused the dependency of tourism in the Third World on the so called industrialized (developed) countries, especially for the countries highly reliant on international tourism (Oppermann, 1993). As Oppermann (1993: 540) pointed out tourism "is used by the developed countries to perpetuate the dependency of the developing countries". Oppermann (1993) argued that certain travel agencies, hotel chains, and some airline companies are mostly owned and operated by businesses located in developed countries who take away a considerable proportion of the benefits of tourism development in developing countries for their selfish ambitions. Dependency theory was, however, criticized for too much attention to mass and international tourism and little concern for alternative and domestic tourism (Oppermann, 1993; Khan, 1997).

This debate led to the growth of the third platform in the early 1980s – **"*adaptancy*".** It called for the development of alternatives to "mass tourism" which was increasingly discouraged due to its negative impact on the environment. Ecotourism, rural tourism and so called green tourism was promoted as alternatives to mass tourism. The adaptancy platform clearly follows the pattern of the relatively new paradigm of alternative development Jafari, 1990).

The fourth and the last platform developed by Jafari was the "*knowledge-based platform"*. Unlike "the general foci of the advocacy and cautionary platforms on tourism impacts and of the adaptancy platform on forms of development" (Jafari, 1990: 35), the fourth platform accentuates holistic thinking of tourism as a system, including its structures and functions. It is exemplified by the proliferation of the concepts of sustainable tourism that have moved from the initial consideration of just the environment to holistic thinking about community development, poverty, social equity, community empowerment, and so on. This platform can be compared with the "sustainable development" paradigm. This study fits comfortably into the ethos and principles of the knowledge-based platform which focuses strongly on sustainability in the tourism sector.

Recently, because of the growing concern for the environment there has been an increasing need to promote sustainable tourism development in countries and regions whose economies are largely determined by the tourism industry, but whose socio-cultural problems are often associated with unsustainable tourism. "In many developing and developed countries alike,

tourism destinations are becoming overdeveloped (in terms of carrying capacity) up to the point where the damage caused by environmental degradation – and the eventual loss of revenues arising from a collapse in tourism arrivals – becomes irreversible (Neto, 2003: 217). In a bid to safeguard environmental destruction and ensure a steady flow in tourism arrivals especially to the developing countries, there is a need to promote sustainable tourism and minimize negative environmental impact and maximize the socio-economic benefits of tourism at the destination areas.

The centrality of the sustainability concept in the tourism discourse stems from a deep concern with environmental deterioration, often caused by rapid economic growth (or industrialization) in the 20th century (Hardy et al., 2002). Multiple debates about the notion of sustainability have arisen, but one common thread is that the sustainable development paradigm traditionally includes economic, socio-cultural and environmental dimensions (Spangenberg, 2002 cited in Shen et al. 2008). However, tourism and development practitioners have begun to realize that it is difficult to strike a balance among these three dimensions without an institutional perspective to manage, mediate and facilitate growth (Eden et al., Spangenberg, 2002 cited in Shen et al., 2008). More and more researchers have begun to recognize that poverty alleviation, local community empowerment, equality and justice should be the core of sustainable development (Ahn et al., 2002; Reid, 2003; Sharpley, 2000; Sofield, 2003 cited in Shen et al., 2008).

According to Hardy et al. (2002), "the tourism sector has witnessed the proliferation of application of the sustainability concept". Since the 1970s, various new concepts and terminologies such as "new tourism", "Destination Life Cycle Model" and "carrying capacity" have been discussed and were believed to indirectly address the concept of sustainability. Hall and Lew (1998) posit that over the last decade, numerous theoretical, conceptual and empirical studies have contributed to the debate about sustainable tourism development. "Sustainable tourism" has become the predominant philosophical term in tourism research as indicated by its emergence in the early 1990s proceeded by the launching of the *Journal of Sustainable Tourism* (Shen et al., 2008: 7).

Current debate on sustainable tourism is focused on environmental sustainability and/or on enhancing the involvement of the affected communities in tourism. The United Nation (UN)

Commission on Sustainable Development meeting in 1999 emphasized that governments should "maximize the potential of tourism for eradicating poverty by developing appropriate strategies in co-operation with major and affected groups, i.e. indigenous and local communities" (Roe & Urquhart, 2001: 2).

Another central discourse that surrounds tourism and its sustainability and development is the new emphasis on the so called Green Agenda. The *Earth Summit* held in Rio in 1992 established the "triple bottom line" of development, entailing three crucial elements; i.e. the environment, economic issues and social sustainability. Since the Rio Summit, tourism has become increasingly geared towards environmental sustainability with less emphasis being placed on social elements of sustainable development (Goodwin, 1998 quoted in Rogerson, 2006).

At the seventh annual session of the United Nations Commission on Sustainable Development (CSD 7) in 1999, tourism and sustainable development were reviewed. The UN Commission on Sustainable Development urged governments to "maximize the potential for tourism for eradicating poverty by developing appropriate strategies in cooperation with all groups, indigenous and local communities" (WTO, 2002: 20).

Another major follow-up activity of the UN commission to the international work programme on sustainable tourism has been the on-going development on international guidelines for sustainable development by the *Convention on Biological Diversity*, which stipulates that "to be sustainable, tourism should be managed within the carrying capacity and limits of acceptable change for ecotourism and sites and to ensure that tourism activities contributes to conservation and biodiversity" (UNEP, 2002a cited in Neto, 200: 218). The UN Commission on Sustainable Development called on all stakeholders "to promote linkages within the local economy in order to share benefits more widely" and for greater efforts to be made to employ the local work force, to use local products and skills and to "maximize benefits for indigenous and local communities" (WTO, 2002: 20).

After the Rio Summit of 1992, another World Summit on Sustainable Development (WSSD) took place in Johannesburg (South Africa) from 26 August to 4th September 2002. The World Tourism Organization (WTO), supported by UNCTAD, took a global lead in this field,

launching the concept of "Sustainable Tourism as an effective tool for eliminating poverty". The Sustainable Tourism for Poverty Elimination initiative was seen as a response by the global tourism industry under the leadership of WTO to the United Nations Millennium Development Goals to halve extreme poverty in the world by 2015 (Sofield et al., 2004: 1).

The overall theme of the Johannesburg conference on Sustainable Tourism Development in 2002 was aimed towards the promotion of sustainable tourism development, with the view of increasing "the benefits from tourism resources for the population in host communities while maintaining the cultural and environmental integrity of the host communities and enhancing the protection of ecologically sensitive areas and natural heritages" (UN, 2002b cited in Neto, 2003: 281, Roe & Urquhart, 2002: 4). The main goal of the Sustainable Tourism – Poverty Elimination (ST-PE) concept was to refocus "sustainable tourism as a primary tool for eliminating poverty in the world's poorest countries, particularly the least developed countries, bringing development and employment to people who are often living on less than one dollar a day" (WTO/UNCTAD, 2002).

After the aforementioned Johannesburg conference in 2002, another World Tourism Organization conference was held in Brussels in 2004. At this conference, Eugenio Yunis (Chile), Chief of Sustainable Development at the WTO declared that "sustainable tourism often plays a major part in the economies of poorer countries". He mentioned that tourism is growing faster in developing countries than in developed countries and that there are many reasons why tourism is particularly well placed to meet the needs of the poor, though this does not happen fast. Yunis further reiterated the importance of developing simple indicators and systems to measure the impact of tourism on the poverty. He emphasized that there are still very few cases where the impact of tourism on poverty of particular programmatic initiatives have been researched, monitored and reported (Yunis, 2004).

The WTO, subsequent to this conference, met with the United Nations Children Emergency Fund (UNICEF), United Nations Development Programme (UNDP), and a broad range of operators in the private sectors and NGOs at its summit in New York in September 2005. The goal was to review the call upon the tourism industry by the MDG, for this sector to take its place in national development plans of poor countries to achieve their MDGs. The WTO was

convinced that "tourism can be harnessed to bring about local economic development in forms that assist in poverty reduction, and believes that poverty reduction criteria should play a more prominent role in decision making about tourism development" (WTO, 2002: 70). The WTO believed that the impact of poverty reduction should be part of any assessment of sustainability and that the cornerstone of sustainability should be the well-being of poor communities and their environment (Ashley & Mitchell, 2005).

2.3 Ecotourism

From a review of the contemporary relevant literature, it is clear that a shift from sustainability to conservation is becoming evident. Debates in the literature of sustainable tourism are increasingly focusing on ecotourism. There is a crucial distinction between ecotourism and sustainable tourism. While ecotourism is broadly defined as alternative travel to nature-based areas (Neto, 2003), sustainable tourism is a more encompassing concept and calls for adherence to the broad sustainability concept developed by the World Tourism Organization in *all types* of tourism activities and in *all segments* of the tourism industry. According to Neto (2003), ecotourism is still a relatively small segment of the overall tourism sector, but at the same time one of the fastest growing tourism segments and further rapid growth is expected in the future. The core focus of ecotourism is environmental sustainability, preservation and appreciation of both the natural world and traditional cultures located in natural areas. It thus aims to minimize harmful human impacts on the natural and socio-cultural environment and supports the protection of natural and cultural assets and the well-being of host communities (Neto, 2003: 219). The overlapping and synergistic relationship with the essence of sustainable tourism is obvious from this description of ecotourism and its aims.

During the World Ecotourism Summit held in Quebec in May 2002, the key role of ecotourism in socio-economic development was stressed. The Quebec Declaration stated that "if carried out responsibly, ecotourism can be a valuable means of reducing poverty and promoting the socio-economic development of host communities while generating resources for the preservation of natural and cultural assets" (Ibid, 2003: 219). It should be noted here that often these natural and cultural assets are owned by the poor, particularly those in developing countries and they depend on these natural and cultural assets for their livelihood.

2.4 Pro – Poor tourism

Evolving debates in the tourism literature of recent times have also shifted towards pro-poor tourism initiatives. The pro-poor tourism scholarship has radically reshaped policy debates (including among African scholars) around development in particular by asking the key question of how tourism can be aligned to become more pro-poor (Pro-Poor Tourism Partnership, 2004 quoted in Rogerson, 2006). These emerging pro-poor debates around tourism were showcased at the World Summit on sustainable development held in Johannesburg during 2002 (Rogerson, 2006). The pro-poor tourism agenda focuses on how tourism affects the livelihoods of the poor and how its positive effects can be enhanced through sets of interventions or strategies for pro-poor tourism (Goodwin & Roe, 2001; Ashley & Mitchel, 2005) in (Rogerson, 2006). It is contended that to realize potential gains from tourism for local communities "tourism development needs to be reoriented according to the interests of local stakeholders, in particular poor people" (Forstner, 2004: 497). As Ashley, Goodwin and Roe define it pro-poor tourism is "tourism that generates net benefits to the poor" and seeks to "ensure that tourism growth contributes to poverty reduction" (Ashley, Roe & Goodwin, 2001: 2). Pro-poor tourism according to these authors is not a specific product or sector of tourism per se but rather an overall approach that aims to "unlock opportunities – for economic gain, other livelihood benefits or engagement in decision-making by the poor (Ashley, Roe & Goodwin, 2001).

According to Dimoska (2008: 176) a number of pro-poor tourism strategies aimed at unlocking opportunities and generating net benefits for the poor has been developed. These strategies include: employment of the poor in tourism enterprise/business, supply of goods and services to tourism enterprises by the poor or by enterprises employing the poor, investment in infrastructure stimulated by tourism benefitting the poor. It also encourage direct sales of goods and services to visitors by the poor, tax or levy on tourism income or profit with proceeds benefiting the poor and voluntary giving/support by tourists and tourism enterprises to the poor.

The potential of pro-poor tourism lies in four main areas (DFID, 1999; Ashley et al., 2001 cited in Spenceley, 2008):

- Tourism is highly dependent upon natural capital (e.g. wildlife and culture), which are assets that the poor may have access to – even in the absence of financial resources.

- Tourism can be more labour intensive than other industries such as manufacturing. Compared to other modern sectors, a high proportion of tourism-benefits (e.g. jobs and informal trade opportunities) go to women, which is crucially important especially in patriarchal societies.

- Tourism is a diverse industry which increases the scope for wide participation of different stakeholders and businesses including the involvement of the informal sector.

- The customers come to the product, which provides considerable opportunities for linkages (e.g. souvenir production and selling) for emerging entrepreneurs and small, medium and micro-enterprises (SMMEs) with a lucrative and well endowed market of tourists.

According to the United Nations Tourism Report (2003), pro-poor tourism can be introduced both in rural and urban areas opening various opportunities and access not only for tourists but for local residents as well. The UN emphasized that since tourism operates in different geographical areas, it can be an important tool to affect poverty. Tourism can increase income-generating opportunities for both the rural and urban poor through employment creation leading to additional incomes and the well-being of the affected families employed in tourism enterprises United Nations Tourism Report (2003).

According to the United Nations (2003: 23) "pro-poor tourism is an appropriate mechanism for poverty reduction". It does not only contribute to economic growth but can also have additional social, environmental and cultural benefits and costs. Tourism should be able to provide employment opportunities by diversifying and increasing the income of the poor which reduce their vulnerability. Through increased national income from foreign exchange earnings and taxation through tourism, additional funds can be diverted towards designing poverty-reduction strategy programmes which can help improve the livelihood of poor in the rural and urban areas.

Ashley and Roe (2002: 61) argue that "despite commercial constraints, much can be done to enhance the contribution of tourism to poverty reduction". Sharpley in support of Ashley and

Roe posits that "tourism has long been considered an effective catalyst of rural socio-economic development and regeneration" (Sharpley, 2002: 112).

Cattarinich (2001) argues that research on tourism in developing countries has mostly focused on the positive economic, environmental and socio-cultural impact of the industry. His views are based on the fact that although the tourism industry has a potentially beneficial impact, in practice this impact has been frequently negated by negative consequences for the local populations. John Brohman, in support of Cattarinich argues that "tourism has contributed to the mal-development of many developing countries (Cattarinich, 2001: 11). Supporting John Brohman's argument, Goodwin (2006) argues that demonstrating the benefits of tourism in addressing poverty is a challenge because there is little data that demonstrates the impact of tourism on poverty "the industry has been managed for foreign exchange benefits rather than as a pro-poor development strategy" (WTO, 2002).

 In line with these arguments, tourism development has traditionally been measured and reported in classical economic lexicon and jargon by referring to it in macro quantitative economic terms – numbers of international visitor's arrivals, contribution to employment and to the balance of payments in foreign exchange earnings. Tourism reports and the multiplier concepts i.e. how an increase in economic activity starts a chain reaction that generates more activity than the original increase, have been used to identify the economic contribution of the industry at the national level (Jamieson et al., 2004). Generally, there is often an assumption that through a "trickle-down" process, local communities (might) benefit from employment (directly, indirectly or by inducing such a benefit) and through tourists spending at the destination. However, there exists very little hard evidence to support this view (WTO, 2002).

To demonstrate the trickle-down effect of tourism on the economy of a country, the case of Tanzania where research has been conducted on the role of tourism in poverty alleviation is presented.

Shitundu and Luvanga (2003) studied the role of tourism in poverty alleviation in Tanzania by analyzing the direct and indirect livelihood impact from tourism on poverty alleviation. Their findings established the following effects of tourism:

- It leads to the generation of employment for the local people. It is observed that there was substantial employment creation in hotels and restaurants, campsites, guesthouses, with 1,114 employees of which 1,056, (95%), being Tanzanians. Though these employment opportunities were mainly located in the lower ranks with limited educational/skills requirement and modest pay, it did, however, help to reduce poverty amongst the workers' households.

- It has helped to improve accessibility to basic needs such as food, water, clothes and shelter for local people, and improved infrastructure and social services

- It has contributed significantly to the national economy through employment generation, foreign exchange earnings and public revenues.

- Cultural tourism has emerged as an important tourist activity especially in Arusha, and Bagamoyo. This is because cultural activities do not require specialized skills and income from tourists accrues directly to the performers, thus immediately improving their livelihoods.

However, despite the positive impact of tourism on the lives of the beneficiaries, there were some unquantifiable negative effects. These included environmental degradation, distortion of traditional culture and immoral behaviour. The study nevertheless concluded that overall, tourism development in Tanzania has played an important role towards poverty reduction (Luvanga & Shitundu, 2003:47-48). This is an encouraging finding and other African countries should pay attention to it.

2.5 Sustainable tourism and poverty alleviation in South Africa

Before discussing what has been written about the alleged or mooted relationship between sustainable tourism and poverty alleviation in South Africa, a brief review of literature is presented on poverty in South Africa including the different perspectives on poverty by scholars.

2.5.1 Perceptions of poverty in South Africa

South Africa is widely categorized as an upper-middle income country, but most South African households experience outright poverty or vulnerability to being poor (Woolard (2002: 1). The distribution of income and wealth in South Africa is among the most unequal in the world, and

many households still have an unsatisfactory access to clean water, healthcare, energy and education (May, 1998).

In South Africa, poverty is apparent and visible to the human eye. It is profiled by shacks, homelessness, unemployment, casualised labour, poor infrastructure and a pervasive lack of access to the most basic services. The apartheid regime imparted a strong and stubborn racial character to the nature of poverty in this country as well as to the distribution of income and wealth amongst its people (Amstrong, Lezwa & Siebrits, 2007). More than a decade after democratization in 1994 the incidence of poverty among black and coloured individuals remained substantially higher than that among whites (Motloung & Mears, 2002).

Most contemporary studies analyzing poverty in South Africa, acknowledge that this phenomenon is a multidimensional one. For example, the Statistics South Africa report (Stats SA, 2000 in Gumede, 2008: 5), conceptualized poverty as, "the denial of opportunities and choices most basic to human development – to lead a long, healthy, creative life and to enjoy a decent standard of living, freedom, dignity, self-esteem and respect for others".

Wratten (1995:25) argues that the structural explanation of poverty is based on the outcome of an "unfairly structured political and economic system that discriminated against the disadvantaged people". The Reconstruction and Development Programme (RDP) explained the prevalence of poverty in South Africa as the direct result of the apartheid system and the accompanying industrial development that benefitted certain groups of people (ANC, 1994: 14). According to the RDP (Motloung & Mears, 2002: 534) poverty is not only the lack of income; it is mainly a proportion of basic needs that are currently unmet. These are the main determinants of poverty in South Africa. Given the availability of resources in South Africa, it must be possible to feed, educate, and provide healthcare for all citizens, yet the apartheid system and economic exploitation created some significant and unnecessary inequalities among South Africans.

Describing the impact of apartheid's assault on the poor, Wilson and Ramphele (1991: 189) argue that "the effect of favouring one particular group in the allocation of state funds has had a significant effect on the extent of poverty among the neglected black communities". Wilson

(1996: 234 in Moutloung & Mears, 2002: 536) states that "some members of the present population in South Africa still bear the burden of the past". According to Wilson and Ramphele (1989), the apartheid policies deliberately impoverished and brought about the experience and the dynamism of poverty in South Africa. Hence, apartheid, and the legislation and institutions through which this ideology was implemented operated to produce persistent poverty and extreme inequality in South Africa.

Moene (1992: 61) argues that "the mal-distribution of land in land-rich societies can increase the number of poor households and reduce their income to below the poverty line". This can be the case where households working for landowners find themselves without jobs because of land redistribution and evictions from farms, creating unemployment. Unemployment will lead to a decrease in income and subsequently increase in poverty. In South Africa, unemployment is often seen as the major cause of poverty. Lack of employment, low wages and lack of job security are considered by the poor as major factors contributing to poverty in Africa. (Motloung & Mears, 2002). A study by May et al. (1995: 113) supports this view by stating that "the poor are poor not only because they have few assets, but also because they are constrained in their ability to utilize effectively the assets they have to generate income". A persistently high population growth rate in South Africa is also a factor contributing to poverty.

 Although unemployment and underemployment are some of the major causes of poverty in South Africa, other factors are also associated to poverty. Streeten (1989: 11) argues that many of the poor lack the will to work. Levin (1994: 14) argues that it is mainly "the lack of education and the lack of exposure to the labour market that have contributed to the increase in poverty in South Africa"

To conclude that poverty is increasing in South Africa will be a distortion of facts. Various studies have shown that the incidence of certain manifestations of poverty is gradually reducing in South Africa although with contestations. For instance Bhorat et al. (2006) in his analysis of the welfare shift in the post apartheid period showed that access to formal housing has grown by 42 per cent and 34 per cent for decile 1 and 2 between the year 1993 and 2004, and 21 per cent and 16 % for decile 3 and 4. Access to potable water (pipe-borne water) has increased by 187 per cent for decile 1 over the same period, while the growth was 31 per cent in decile 4. There is a

remarkable growth of 578 % of access to electricity for lighting for the poorest household. From these studies, it seems obvious that the delivery of basic services has been strongly pro-poor (Gumede, 2008: 11).

Another recent study showing a decline in poverty in South Africa was undertaken by Van der Berg et al. (2005). They found that poverty has stabilized since the political transition and decreased since 2000. They used a poverty line at R250 income per month or R3000 per year in 2000, and concluded that "while the proportion of people living in poverty increased during 1993–2000, in more recent years the proportion of poor people appears to have declined substantially – from 18.5 million in 2000 to 15.4 million in 2004. Over the same period, the number of non-poor rose from 26.2 million in 2000 to 31 million in 2004" (Gumede, 2002: 11-12). The reduction in poverty, they argue, is based on the impact of the recent expansion of social grants on the poor to have been the major reason considering that real social assistance transfer from government increased by some R22 billion from 2003 to 2005.

Recently, Bhorat et al. (2008) using the poverty line of R174 per person per month (using the year 2000 benchmark prices) concluded that from 1995 to 2005, both absolute and relative poverty reduced. The authors equally showed that at a monthly income of R322 per person, poverty declined from 53% in 1995 to 48% in 2005, and at R174 per person per month, poverty declined from approximately 31% to 23%. The decline in poverty was attributed to the improvements in job creation and social security transfers (grants) to the most vulnerable. For example, Van der Berg et al. (2007: 11) using the Labour Force Survey showed that approximately 1.7 million jobs were created between 1995 and 2002, and 1.2 million between 2002 and 2006 (Gumede, 2008). Social grants have continued to play a major role towards poverty reduction amongst million of South Africans. For example, there has been an unprecedented expansion in real terms of 22 billion rand over the past four years (Van der Berg et al., 2005: 22).

The above discussion suggests that poverty is indeed gradually being reduced amongst the vulnerable cohorts of households in South Africa. Notwithstanding this positive trend, the country is still faced with enormous challenges regarding the prevalence of both urban and rural poverty and stark and unacceptably high level of inequity – huge gaps between the so-called

haves and have-nots in South Africa. While millions of people still do not enjoy basic rights like food security and access to quality health and educational facilities, a small proportion enjoy a lifestyle reminiscent of those living in an advanced society.

The section that follows discusses the contribution of sustainable tourism in reducing poverty in South Africa.

2.5.2 The contribution of sustainable tourism in poverty alleviation in South Africa

In the post-apartheid South Africa, tourism is regarded by the Government as an essential sector for national reconstruction and development (South Africa, 1996; 1998b cited in Rogerson, 2006: 45), and one that offers "enormous potential as a catalyst for economic and social development across the entire country" (DEAT, 2003: 6 cited in Rogerson, 2006: 46). According to Rogerson (2000), the promotion of tourism in South Africa is widely recognized as a key growth alternative. The country's rich natural and cultural heritage and the fact that it is clearly one of the most appealing and rapidly growing tourist destinations in the world make this sector an area the Government, entrepreneurs and communities are increasingly looking at to explore (Binns and Nel, 2002: 236). While well-known destinations such as Table Mountain, Robben Island, Kruger National Park, Cape Town and the Cape Winelands are clearly benefitting from South Africa's new attractiveness, the Government of South Africa is anxious to ensure that the benefits accruing from tourism are felt in all parts of the country (Binns and Nel, 2002).

In 2004, the tourism economy was recognized as a key contributor to national employment creation, gross domestic product (GDP) and foreign-exchange earnings (Monitor, 2004). During the period 1998–2002, tourism was the only sector that showed positive growth in both employment and in contribution to GDP compared to several other priority sectors where an alarming trend has been a decrease in employment. Because the export earnings calculated from tourism surpassed that of gold for the period 1998-2002, tourism in the popular press has become "the new gold" for the economy of South Africa (Rogerson, 2006: 46).

Tourism has been identified as a priority sector in South Africa in terms of boosting the local economy, foreign exchange generation, rural development, black economic empowerment and

subsequent poverty alleviation, (Rogerson, 2006). Since the transition to the new democratic dispensation in 1994, greater resources have been geared towards creating a supportive environment for tourism development and poverty alleviation in this country. This was done to empower this sector in general and to redress past inequalities created by the apartheid system. This is in line with a key core value and distinctive feature of pro-poor tourism, i.e. putting previously disadvantaged and marginalized people and their poverty at the centre of initiatives.

From the 1990-1994, the tourism policy has shifted fundamentally and with this also the role of tourism in the South African economy (Rogerson, 2006). In the democratic era, tourism is seen as an essential sector for national reconstruction and development and a sector that has enormous potential to be a catalyst for economic and social development in South Africa (DEAT, 2003:6). The promotion of sustainable tourism in South Africa has been identified as an important strategy to bring about economic upliftment, community development and poverty relief (Binns & Nel, 2002: 235). In South Africa, tourism has come to be widely recognized by local authorities as "a mechanism through which development can be attained, yielding benefits for the host communities through job creation and poverty reduction" (Binns & Nel, 2002: 239).

At the end of the apartheid era in 1994, the South African government announced an ambitious campaign to make tourism the country's number one industry in the creation of new jobs and generation of foreign earnings by the year 2000. For decades, however, the country's apartheid regime prevented it from achieving its potential, leaving widespread disparity and poverty in its legacy, and resulting in a high level of socio-economic inequality. (World Travel and Tourism Council Report, 2004: 26 cited in Emaad, 2007: 39)

The South African National Constitution of 1996, and the South African *Local Government White Paper* (1998) have subsequently charged local governments with promoting economic and social well-being and introducing development and job creation endeavours in the areas under their jurisdiction, often within the framework of the Local Economic Development (LED) progranmmes. The result has been the emergence of a range of initiated projects with some of the most common ventures being efforts to encourage tourism-based development programmes, public-works programmes, local procurement and small-business promotion strategies as the main ingredients of the LED menu available to some local authorities (Binns & Nel, 2002)

Tourism-led development according to Binns & Nel (2002) is clearly an emerging theme in the literature on development in South Africa, particularly within the LED framework. The tourism sector as part of a LED initiative for socio economic and community development is perceived as a viable growth option and tool for poverty reduction (Goudie et al. 1999, Kirsten & Rogerson, 2002 cited in Binns & Nel, 2002). Binns and Nel (2002: 239) also believe that tourism has come to be widely recognized by the local authorities in South Africa as "a mechanism, through which development can be attained, yielding benefits for the host communities". These two authors have supported their belief with evidence found in a number of local authority applications received by the national LED Fund to support tourism ventures, such as the construction of traditional and cultural villages and craft centres. Rogerson (2002: 402) has therefore identified tourism as "a key local economic development strategy in South Africa and as an anchor for growing local economies". He asserts also that "local economic development (LED) planning is of major importance especially with tourism as a lead sector for LED" (Ibid, 144)

Tourism is very important for poverty reduction strategy especially in a country like South Africa with a high percentage of the population living in poverty (Mbuli, 2008). Spenceley & Seif (2003) conducted a study into the strategies, impact and costs of pro-poor tourism approaches. In this study they used case studies of a range of five small and large-scale tourism initiatives and enterprises such as coral divers, KwaZulu Natal (diving operation), Jackalberry Lodge, in Limpopo (safari operation), Phinda Resources Reserve in KwaZulu Natal (safari operation), Sabi Sabi private game reserve in Mpumalanga (safari operation) and Sun City, North West Province (casino and golf resort). The activities of these five commercial tourism enterprises were geared towards benefitting the local poor in their own communities.

The study found that the most significant benefits of tourism to the poor clearly arose from direct employment within the tourism industry. This research also highlighted the positive ripple-down effect of tourism in a rural community. For example, the wage earned by one staff member frequently support seven to eight family members who relied on the worker's salary to pay for food, clothing, shelter and schooling (Spenceley & Seif, 2003). Tourism therefore constitutes one of the leading driving forces of socio-economic expansion in South Africa (Visser, 2003: 116)

After the review of literature on sustainable tourism and poverty alleviation in South Africa, the section that follows looks at the theoretical framework of this study. Different development theories of tourism will be discussed, with special reference to the *Alternative Development Theory of Tourism* – the theory this study will implement. This theory will best provide a framework for analysing the contribution of pro-poor tourism initiatives of Spier in reducing poverty among its workers as well as in surrounding local communities within Spier's sphere of operation. Three theories namely Tourism and Modernization theory, Tourism and Dependency theory and Alternative Development Theory of Tourism will be explained below.

2.6 Theoretical framework

Theories of tourism aim essentially at answering two simple but profound questions: firstly whether tourism really brings development and secondly, if so, how? As Bratton (1982, quoted in Telfer, 2002: 50) observes, tourism research initially served as an "instrument of development research with the majority of research being conducted by planners and economists who worked for organizations including United Nations, the World Bank and the Organization for Economic Cooperation and Development (OECD)". There was a belief that tourism created increases in foreign exchange and employment and that the expenditure of tourists created a large multiplier effect, which stimulated the local economy (Graburn & Jafari 1999, quoted in Telfer 2002: 50). However, over time some authors and researchers began to question the validity of using tourism as a development tool (De Kadt 1979 cited in Telfer, 2002). This is simply because until recently, poverty alleviation and relevant issues have only attracted a small cohort of researchers within the tourism sector, and the existing literature is basically case-study driven and oriented to practical aspects (Zhao & Ritchie, 2007). In addition, the complexity of poverty-related issues may partly account for the sparse attention that researchers of tourism have paid to poverty alleviation research (Zhao & Ritchie, 2007: 121).

2.6.1 Tourism and Modernization theory

Modernization theory is a broad-based development theory that will be used in this study to explain the link between tourism and the Modernization theory This theory arose after World War II from various streams of thought prevalent in the social sciences of the West. In essence,

Modernization theory suggests that in order for Third World Countries to progress economically, politically and socially, they should follow the path taken by the "developed countries" over the past 100 to 200 years. For the protagonists of this theory, the solution to the development problems of Less Developed Countries (LDCs) is simple and straightforward, "do as the Western World did, forget about tradition and all your development problems will be solved" (Theron et al., 2005: 9). According to this theory, for developing countries to develop, they need to "break out of the "shackle of tradition" to become modern (Graaff, 2001: 13). Modernization theory sees Western values as superior and any values other than Western ones are ignored or regarded as "primitive", "backward" and "unsophisticated" (Graaff, 2001). Modernization theory seeks to explain the hierarchical and linear development model that ultimately aims for underdeveloped countries to arrive at a status of the modern industrialized Western Nations. Societies are classified as developed or underdeveloped according to their similarity to industrialized societies on a variety of social, political and economic measures (Eisenstadt, 1973 quoted in Simms, 2005).

During the 1960s, tourism was essentially equated with socio-economic development, which was part of the modernization paradigm (Sharpley & Telfer, 2002). Tourism has been promoted as a development strategy to transfer technology, to increase employment, to generate foreign exchange, to increase the Gross Domestic Product (GDP), to attract development capital and to promote a modern way of life with Western values (Mathieson & Wall, 1982; Harrison, 1992a cited in Simms, 2005). Tourism, Pi-Sunyer (1989, quoted in Simms, 2005) argues, generates rural transformation and modernization of traditional societies.

Roche (1992: 566) cited in Sharpley & Telfer (2002) suggests that "tourism has long been viewed as both a vehicle and a symbol of westernization, but also, more importantly, of progress and modernization". Van Doorn (1979) and Krapf (1961) cited in Sharpley & Telfer (2002: 52) argue that tourist development could only be understood in the context of the development stage of the country. (They were referring to Rostow's model of stages of economic growth). Van Doorn then proposed a typology which combines the stage of tourist development with the levels of social and economic development in a particular country. In another widely acclaimed model, Butler (1980), cited in Simms (2005), developed an evolutionary model of a tourist area based on

the product cycle. Butler's model was later adapted by Keller (1984) to include increasing levels of international control as the number of tourists increased. Britton (1982) and Cater (1987) quoted in Simms (2005), identified tourism as generating employment opportunities, transferring technology and thus as a net contributor to the national economy in underdeveloped countries. Mathieson and Wall (1982) in Simms (2005), identified the increase in balance of payments as tourism's main economic achievement as a vehicle for economic growth and modernized development in developing countries.

2.6.2 Tourism and Dependency Theory

The broad-based development Theory of Dependency originated in Latin America during the early 1960s as a result of the failure of the modernization paradigm to address the issue of underdevelopment of Less Developing Countries (LDCs). This theory was popularized through the work of Paul Baran, the United Nations Economic Commission for Latin America (ECLA) and through the advocacy of André Gunder Frank, who is thought to be at the forefront of this theory. Contrary to the modernization theorists who argued that the First World (should be) guiding the development of the Third World through aid, investment and expertise, Paul Baran maintained that the First World actually retarded economic growth and progress in the Third World countries (Theron et al., 2009). Gunder Frank in 1967 helped confirmed and popularized the dependency school by building on Baran's thesis that "the exploitation of the Third World continued after the end of colonial rule, and indeed became more efficient and systematic". According to Baran, Western countries have "choked the growth in the Third World by draining away the capital and by killing the local industry through unequal competition" (Khan, 1996: 988). "Underdevelopment was the result of the economic capture and control of backward regions by advanced metropolitan capitalism" (Swanepoel, 2000).

Amongst the variety of models addressing the impact of tourism, Britton's approach, based on "Dependency Theory" maintains that to understand the tourism industry, one must consider the organization of international tourism and examine the structure of the peripheral (host) economy (Emaad 2007: 44). This is based on the assertion that "international tourism is dominated by large companies from the industrialized world exerting influence over or controlling tourist demand, transportation and accommodation".

Briton further asserted that within the peripheral economy, the multi-national companies exert control through what he called "system determinants" such as ownership and the use of package tours and agreements which are unfavourable for the host country but which can be forced through owing to the dominance of these companies.

The theory further argues that tourism is equivalent to a "new type of plantation economy" where the needs of the metropolitan centre are being met by the developing countries and where the wealth generated by it is transferred from the colony to the motherland (Telfer 2002: 54). According to Telfer, (2002: 54) "the myths of tourism serve as a smoke screen of this mighty form of domination". Thus, according to this theory, the predominance of foreign ownership in the tourism industry imposes structural dependence on the developing countries in a core-periphery relationship which prevents destinations from fully benefiting from tourism (Telfer 2002: 54).

According to Britton (1982 cited in Sharpley & Telfer, 2002), the political economy of tourism (as controlling forces in the tourism industry) is owned by developed societies, enabling them to create and coordinate the tourism product. In his view, tourism is most often related to colonial history where the predominance of foreign ownership imposes dependency and domination much like in international unregulated trade relations. Developing countries become locked into marketing systems of comprehensive standardized tourism packages organized in developed countries (Sharpley & Telfer, 2002: 55). According to this theory, tourism destinations rely on multi-national corporations for tourism infrastructure and tourists. The theory further argues that metropolitan companies and governments have maintained the special trading relationship with local elites who gain from the less than equal shares of income and profits remaining in the peripheral economy (Lea 1988).

2.6.3 The Alternative Development Theory of Tourism

The Alternative Development Theory of Tourism was developed alongside the concept of sustainable development. Central focus areas within the theory of Alternative Development include indigenous-development tourism, local entrepreneurship response, empowerment of

local communities in the decision-making process, the critical role of women in tourism and finally sustainable tourism development. The theory argues that indigenous communities are not only impacted by tourism but that they (can) respond to it through entrepreneurial activities (Long & Wall, 1993 quoted in Sharpley & Telfer, 2002). It further asserts that as tourism sites are constructed, the local communities provide labour and other construction materials, thereby impacting positively on the lives of these communities. Local farmers and fishermen also provide food to tourist destinations, hence boosting the financial base of the local communities. This theory further argues that tourism planning should be guided by the principles of sustainable development (e.g. ecological sound practices, broad participation and involvement of the local communities as well as capacity building within these communities), to mention a few important aspects **(**Shepherd, 1998**).**

By applying this theory to the case study, that is Spier Enterprises, the study sets out to measure and/or determine to what extent this company is implementing the tenets of this theory by way of promoting local entrepreneurship development by empowering the surrounding underprivileged communities through procurement and employment, skills development and by providing on-the-job training to its employees.
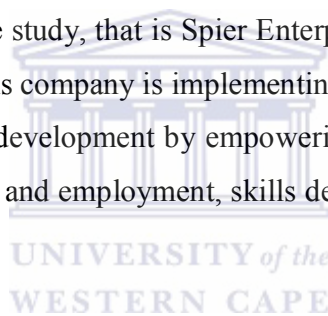
The study in addition investigate to what extent Spier's procurement policy and supply chain is focused on small, mostly black local businesses. Since 2005, Spier has established and/or supported new enterprises such as Klein Begin Laundry, Khayelitsha Cookies, a staff canteen and an alien vegetation-clearing initiatives to service their diverse supply and operational needs.

Another indicator of this theory is Spier's labour policy. The alternative theory of tourism stipulates that wherever a tourism enterprise is developed, labour should be provided by the local population. In the case of Spier, its labour policy stipulates that where possible it employs within a five to fifteen kilometre radius. This means that Spier prefers to employ non- or under-qualified staff and train them rather than employ qualified staff beyond the fifteen kilometre radius. For this reason, Spier is employing most of its workers from nearby communities such as Kayamandi, Ida's valley, Cloeteville, Kuilsriver, Gugulethu, Khayelitsha and many others

The alternative development theory of tourism places considerable importance on the inclusion and sustainable empowerment of women. This research will analyse programmes which are typically managed and run by women and the role these programmes play regarding the development of livelihood opportunities for these women.

The application of this theory is facilitated by the use of the Livelihood Approach which helps to identify specific tenets or elements of the livelihoods such as employment creation, health and education, tourism as a source of livelihood, empowerment, enterprise development, corporate social responsibility, access to the market for the poor, sustainable environmental management and pro-poor growth. These elements will be critically analyzed in chapter four which forms part of the study objectives. The reason for using this approach is to check whether Spier is implementing all the elements of this framework.

The Sustainable Livelihood Approach (SLA) is used is by this study as one theoretical frameworks. This approach is explained in detail below.

2.6.4 The Sustainable Livelihood Approach for Tourism

The Sustainable Livelihood Approach is a methodology which can be used to analyze the contribution and impact that different forms of tourism might make to the livelihood of the poor. The livelihood approach is "a form of systematic analysis that seeks to assess the many issues that affect how the poor put their living together and sustain their families and go beyond what is often thought of as economics earnings or social earnings to address livelihood security" (Jamieson et al., 2004: 2).

This particular livelihood approach provides a methodology that looks at the positive as well the negative impact of a particular form of tourism development upon the livelihood of the poor. Applying a livelihood approach makes it possible to assess the diverse impacts, (if indeed any is to be evident) of tourism initiatives on different livelihood strategies of individuals and households in a particular area. The impact of tourism and poverty alleviation on livelihoods includes creation of employment opportunities, the establishing and development of small and medium size enterprises (SMMEs), healthcare and infrastructural gain (for example development

of roads, supply of water, electricity and telecommunication), education and training, corporate social responsibility programmes and, empowerment (Rogerson, 2006).

The Sustainable Livelihood Approach provides an analytical framework that promotes a systematic analysis of the underlying processes that causes poverty (Jamieson et al. (2004). The advantage of using a livelihood approach is that it focuses on people's own definition of poverty and takes into account a wide range of factors that cause or contribute to poverty. The maximization of livelihood benefits requires an understanding of what people most need and want (their livelihood priorities) and the complex ways in which different options affect livelihood directly and indirectly. How and whether to engage in pro-poor tourism initiatives by the local people are shaped by the anticipated impact on their livelihoods and those they most want (Jamieson et al. (2004: 15). Careful planning and design, based on the understanding of the local livelihoods of a particular local community, can greatly enhance the positive impact of a tourism initiative on the economy and its impact on poverty reduction. A livelihood approach is generally but most often relevant in any situation where a defined community is considering engaging in tourism as a livelihood strategies. A livelihood technique is also useful in identifying potential linkages between tourism and other livelihood activities (Jamieson, 2004).

The schematic presentation of the key elements of the livelihood approach is explained in the section below. It is adopted from the sustainable livelihood framework used by the Department of International Development (DFID) in the late 1999.
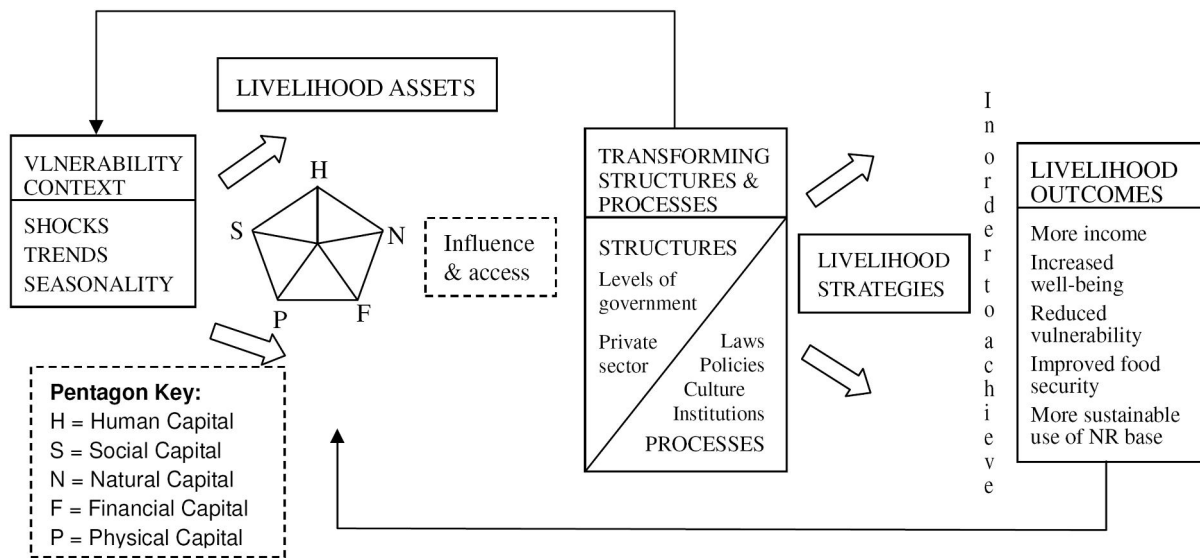
Diagram 1: Sustainable Livelihood Framework

The analytical framework of the sustainable Livelihood (Diagram 1) above reinforces a people-centred approach. There are five key features in a livelihood system, namely vulnerability context, livelihood assets, transforming processes and structures, livelihood strategies and livelihood outcome.
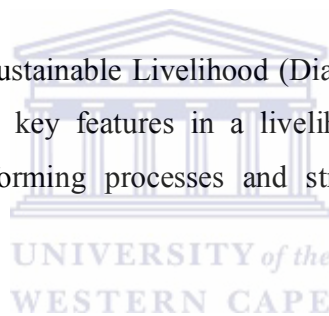
The sustainable livelihood framework emerged as an alternative way of conceptualising poverty alleviation, including its context, objectives and priorities. The Livelihood Approach focuses on the fundamental aspects of life i.e. the ability of people to support themselves and their families, for now and in the future (Shen, 2009). The sustainable livelihood features are explained below as follows:

Vulnerability context is an element of the Sustainability Livelihood Framework. In Carney's (1998a) work, vulnerability context includes conflicts, health problems, and sudden outbreak of natural disaster. Shocks include human and crop/livestock shocks such as epidemic, animal diseases, natural disasters like tsunamis, floods, earthquakes and so on, wars (e.g., civil wars), seasonality (seasonal fluctuation in prices, production, and health and employment opportunities).

Livelihood assets according to DFID (1999a) consist of natural, physical, social, human and financial capital. Natural capital refers to natural resources that can be used by people to achieve their livelihood objectives, for example, land, water and aquatic resources, trees and forest products, wildlife, biodiversity and environmental services. Physical capital is composed of infrastructure, secure shelter and building, water supply and sanitation, energy and communication. Financial capital consists of financial resources such as cash, bank deposits, liquid assets, pension and remittances that can be accessed by people to maintain their current livelihoods or to pursue a better livelihood. Human capital denotes good health, knowledge, skills and ability of labour that make it feasible for people to pursue different livelihood strategies and achieve livelihood objectives. Social capital consists of social networks, group membership, relationship of trust, mutual support and leadership from which people get support to contribute to their livelihood (Shen, 2009).

Transforming structures and processes. According to DFID (1999a), transforming structures are "hardware which comprises public and private sectors at all levels. Process is made of policy, law, culture, institutions and power relations, and is more like software". Transforming structures and processes determine conditions of asset exchange and return of given livelihood strategies (DFID, 1999a), and most importantly have a direct impact on the poor's access to assets (Ellis, 2000).

Livelihood strategies are those activities employed to generate the means of household survival (Shen, 2009:16). Carney (1998b) in Shen (2009) classifies these activities as natural resource based (e.g., farm income from crops and livestock), non-natural resource based (e.g., non-rural wage, rural trade, rural service, house rents, retirement pensions, urban and international remittances), and migration. In a tourism livelihood system, strategies are "activities that people undertake to achieve their livelihood goals, consisting of tourism-related activities and non-tourism related activities" (Shen, 2009).

Livelihood outcome is another element of the SL framework. According to DFID (1999: 35) "livelihood outcomes are the achievements or outputs of livelihood strategies". Livelihood

outcome may be regarded as what people obtain in the future through livelihood activities. Scoones (1998) identified two categories of outcomes. The first category is concerned with an individual's working hours, improvement of well-being and capabilities. The second category is based on sustainability – the enhancement of adaptability and resilience to sustainability, and sustainable use of natural resources (Shen, 2009). In DFID (1999a), livelihood outcomes focus more on income, increased well-being, reduced vulnerability, improved food security, and more sustainable use of the natural resource base. For tourism to achieve its livelihood objectives, it needs to "economically offer local people a long-term, reliable income sources, socio-culturally maintain a stable local society and integral culture; environmentally protect local natural resources, and institutionally maximise opportunities for local participation and involvement" (Shen, 2009:63).

According to Shen (2009: 57), a sustainable tourism livelihood is one that is embedded in a tourism context within which it can cope with vulnerability, and achieve livelihood outcomes which should be economically, socially, environmentally and institutionally sustainable without undermining other's livelihoods. A sustainable tourism livelihood approach thus aims to demonstrate the key features of a tourism livelihoods system. The system includes assets, tourism-related and non-tourism related activities, outcomes and vulnerability context (Shen, 2009).

2.6.5 Rogerson's Tourism – Poverty Framework

Another framework used in this study is the Rogerson's Tourism–Poverty Model. The reason for using this model is to make a comparative analysis of Rogerson's tourism-poverty elements vis`a vis Spiers'. These elements include inter alia: education and training, empowerment, enterprise development, corporate social investment, creation of employment opportunities and others. The diagrammatic depiction of the model can be seen below.

Diagram 2: Rogerson's Tourism – Poverty Framework

Non-farm livelihood opportunities

Source of livelihood

Growth and diversification in marginal or remote areas

Empowerment

Pro-poor growth

Access to the market for the poor

Education and training

Creation of employment opportunities

Enterprise, SMMEs

Tourism and poverty

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Corporate social investment

Sustainable environmental management

Healthcare/ wellness

Source: Modified after Pro-poor Tourism Partnership, 2004 from Rogerson, 2006 framework

The sustainable Livelihood Framework adopted from DFID on page 41 and the Rogerson Tourism– poverty model (above) modified after pro-poor tourism partnership (2004) is used in this study to determine whether Spier's tourism enterprise is adhering to the livelihood outcomes (increased income for its workers, reduced vulnerability, increased well-being, sustainable use of natural resources, more food security for their workers especially from disadvantaged backgrounds) as well as to the outcomes of Rogerson's Tourism – Poverty Model which include: education and training, enterprise development (SMMEs), empowerment especially of

previously disadvantaged individuals, creation of employment opportunities, corporate social investment, healthcare, infrastructure and services, source of livelihood and sustainable environmental management. Objectives one and two of this study focus on the key elements of the Rogerson Tourism–Poverty Framework. The elements of this framework will be operationalized as the major themes (indicators) cutting across the whole thesis.

2.6.6 Sustainable Poverty Reduction Strategy (SPRS)

The sustainability poverty reduction strategy (SPRS) is used in this study to answer the main research objective - whether whether tourism as evident in the Spier Tourism Model is a sustainable poverty reduction strategy. The SPRS is some sort of a conceptual theoretical model although not fully fledged socio – economic theory which is integrated into this study alongside Rogerson to evaluate Spier's pro poor tourism initiative on alleviating poverty amongst its workers and the local population involved in its funded projects. The key elements of the SPRS is promoting opportunities, facilitating empowerment and enhancing security. This is discussed in more details in the proceeding paragraphs.

Over the last 50 years, the approach to reduce poverty has evolved in response to the deepening understanding of the complexity of development and the need to uplift the lives of those in the most poverty stricken category (World Bank, 2000: 6). During the 1950s and 1960s, large investments in physical capital and infrastructure were seen as the primary means of development. These strategies carried the trademark of the Modernization Theory (Graaff, 2001). In the 1970s, awareness slowly grew that physical capital was not enough, and that "at least as important were health and education" (Ibid, 2000: 6). This was the beginning of a new perspective on social and economic development and poverty reduction – one that was infinitely more textured and holistic than the restricted and narrow monemetric approach of the modernists. Following the debt crisis, and the global recession in the 1980s coupled with the contrasting experiences of East Asia, Latin America, South Asia, and Sub-Saharan Africa regarding strategies towards poverty reduction, more emphasis was placed on improving economic management and allowing greater play for market forces. The 1990 World Development Report on Poverty proposed an expanded two-pronged approach of reducing poverty: promoting labour-intensive growth through economic openness and investment in

infrastructure and providing basic services to the poor people in health and education (World Bank, 1990).

Based on experiences gained from earlier unsuccessful strategies of reducing poverty and in the light of a new global development ethos and lexicon that were emerging context, the World Bank in its World Development Report (2000/2001) titled *Attacking Poverty*, proposed three ways of tackling poverty in a more sustainable manner, i.e. promoting opportunities, facilitating empowerment, and enhancing security.

2.6.6.1 Promoting opportunity

For the poor, material opportunities are at the centre of their initiatives to reduce their poverty levels. This entails access to employment, credit, roads, electricity and markets for their produce, as well as access to schools, water, sanitation, and health services - all prerequisites for sustained and viable economic growth that is crucial for generating economic opportunities and ultimately livelihood security.

In societies with high inequality such as South Africa (Emaad, 2007), greater equity is particularly important for rapid social and economic progress in reducing poverty. This requires focused and sustained state interventions to support the building of human resources and infrastructure assets. State interventions include giving access to cultivate successfully quality arable land that poor people can take ownership of or to which they have access, promoting opportunities through assets and giving market access to increase the independence of poor people and thereby strengthening their bargaining position relative to the state and society. Promoting opportunity therefore also entails human development and empowerment. According to Sachs (2005), human capital development consists of direct provision of basic social services needed by the poor such as primary healthcare, family planning, nutrition and primary education. Sachs explains that improvement in the healthcare of a particular country can be achieved if there is a consistent emphasis on preventive and basic curative measures, provision of safe drinking water, improved sewage disposal and other sanitation measures such as campaigns against parasitic diseases. According to Sachs another social pillar that can radically reduce

poverty is investment in education investment in educational opportunities for a wide range of age cohorts according to Sachs is another social pillar that can radically reduce poverty. Sachs explains that investing in education will entail constructing affordable primary schools especially primary that are built, financed and staffed by the state. This will in turn results in enhanced net enrolment rates, and hence high literacy levels leading to job creation and subsequently poverty reduction. Creating opportunity for the poor also entails building knowledge capital which is one of the pillars for sustainable poverty reduction according Sach's argument. He explains that the scientific and technological know-how that raises productivity in business output and the promotion of physical and natural capital will contribute to reducing poverty. Technological advancement in all spheres of human life be it in agriculture, industrial development, communication and information technology will stimulate economic activities leading to economic growth and development. The ripple-down effect of economic growth will funnel down to the poor in the form of employment and the provision of basic services, reducing the poverty levels (Sachs, 2005).

2.6.6.2 Facilitating empowerment

According to the World Bank (2000/2001: 7), the choice and implication of public action that are responsive to the needs of the poor people depend on "interaction of political, social, and other institutional processes". Access to market opportunities and to public sector services are often strongly influenced by the state and social institutions, which must be responsive and accountable to poor people. Achieving access, responsibility, and accountability are intrinsically political actions and require "active collaboration among the poor people, the middle class, and other people in the society". Active collaboration can be greatly facilitated by "changes in government that make public administration, legal institutions, and public service delivery more efficient and accountable to all citizens – and by strengthening the participation of the poor in political processes and local decision making" (ibid, 2000/2001: 7). Empowerment in a broad sense entails laying the political and legal basis for inclusive development, creating public administrations that foster growth and equity, promoting inclusive decentralization and community development, promoting gender equity, tackling social barriers, and supporting poor

people's capital. These components can be greatly influenced by the state and social institutions (World Bank, 2000: 8–9).

Availability of natural capital also enhances empowerment. Sachs (2005) argues that for poverty to be sustainably reduced, the poor should have access to arable land, healthy soils, and available credit/loan for the purchase of farm input, biodiversity and well-functioning ecosystems. These are prerequisites for a healthy, wholesome and viable human society in general, but especially for sustainable rural areas. Sachs further posits that if the poor have access to arable land it will boost agricultural production and hence food security and disposable incomes. Food security and available incomes will improve the quality of life of the poor and increase their living standards and reduce their vulnerability, a critical issue for poor people will be discussed below more fully.

2.6.6.3 Enhancing security

One of the tenets of poverty is the vulnerability context. Reducing vulnerability – to economic shocks, natural disaster, ill health, disability, and personal violence – is an intrinsic part of enhancing well-being and encouraging investment in human capital. Achieving greater security in a broad-based context requires formulating a modular approach to helping poor people manage risk. This entails developing national programmes to prevent, prepare for, and respond to macro shocks that may be financial or natural, designing national systems of social risk management that are also pro-growth and tackling the HIV/AIDS epidemic (World Bank, 2000: 11). Effective national action is required to manage the risk of the economy and having an effective mechanism to reduce the risk, including health and weather-related risks faced by poor people.

Enhancing the poor's security also involves building the assets of the poor people, diversifying household activities, and providing a range of insurance mechanisms to cope with diverse shocks. Such programmes may include a public work programme, stay-in-school and health insurance. Enhancing security further entails addressing issues of good governance such as improved public expenditure, elimination of corruption through the establishment of procurement authority and the strengthening of anti-corruption agencies including independent and solid judicial systems. All these will lead to proper accountability on the side of the

government and thus ultimately to the delivery of basic services needed by the poor. Effective and efficient services delivery will contribute to poverty reduction amongst the poorest of the poor (Sachs, 2005).

In analyzing the sustainability of poverty-reduction strategy as implemented by Spier, this study will therefore use this framework which can be summarized by the diagrammatic depiction below:

Diagram 3: Sustainable Poverty Reduction strategy Framework

Develop national programmes to prevent macro shocks

Addressing civil conflicts

Enhancing Security

Tackling HIV/AIDS

Promoting gender equity/tackling social barriers/laying the political and legal basis for inclusive development

Access to the market for the poor

Empowerment

Training and skill development

Sustainable Poverty Reduction Strategy

Encouraging private investment/ Building the assets base of the poor

Promoting opportunities

Job creation

Nutrition/family income

Human capital development

Healthcare

Education

Source: author's own compilation

The diagram above explains the various tenets through which poverty can be reduced sustainably amongst the poorest cohorts of the society. The diagram illustrates that there are three major ways of reducing poverty sustainably namely: promoting opportunities, empowerment and enhancing security. Under each of the major tenets, there are sub-components. The sub-components of promoting opportunities represented in the diagram in black includes job creation, healthcare, education and family income. Empowerment which is a pillar represented in red is composed of sub components such as training and skill development, access to market for the poor and promoting gender issues and tackling social barriers. The third major pillar presented in green is enhancing security. This pillar is sub divided into sub components such as tacking HIV/AIDS, addressing civil conflicts and development of national programmes to prevent macro shocks.

2.6.7 Conclusion

In conclusion, this chapter has discussed emerging debates in the literature of sustainable tourism and poverty alleviation. It has also briefly analyzed some of the few case studies already conducted in the domain of tourism as a tool for poverty alleviation. Some of the broad-based development theories such as modernization theory, dependency theory and alternative theory of development are explained in relation to tourism. The livelihood framework adopted from DFID, the Rogerson's Tourism–Poverty Model, as well as the World Bank (2000) Sustainability Poverty Reduction Strategy Framework are incorporated into this study as the key theoretical frameworks. The chapter ends by highlighting some of the major themes critically analyzed in this study such as employment creation, education and healthcare, corporate social investment, empowerment and enterprise development.
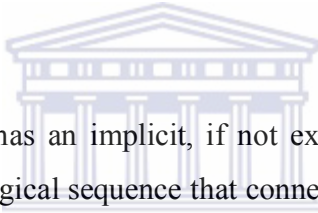
CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

3.1 Introduction

This chapter serves the purpose of presenting the research design and the case study methodology, followed by an explanation of the utilized research methods for collecting both quantitative and qualitative data. The chapter further discusses the process of data collection methods as well as data processing and analysis. The chapter ends by highlighting the ethical consideration, time frame and the limitation of the research.

3.2 Research design

Every type of empirical research has an implicit, if not explicit, research design. In the most elementary sense, the design is a logical sequence that connects empirical data to a study's initial research questions and ultimately, to its conclusions. According to the opinions of Hussey and Hussey (1997: 115) and Mouton (2001), designing a social research study requires a researcher to map out strategies he or she will use as guiding tools for enabling him or her to get the most valid results for the problem being investigated. Berg (2001: 60–61) cited in Birungi (2005: 34) refers to a research design as a road map used in planning when undertaking a research study. He points out that it aims at visualizing and imagining how the research will be carried out, the type of data to be collected, and how much it will cost the researcher. This will therefore enable the researcher to obtain relevant and valid data from which he or she is able to draw conclusions. In a research design, different research methods are used namely, quantitative, qualitative and mixed methods which are the use of both methodologies.

Simmons (1985) classifies research methodology as formal, informal and integrative. Moreover, the concept of methodology lies in the categories of qualitative, quantitative and mixed methodology consistent with gathering of research data (Denzin, 1989; Bouma, 1996; Veal, 1997; Sarantakos, 1998; Davies, 2001; Jennings, 2001) in Shen (2009: 66). As was explained in

the section on the research design, quantitative methodology generally involves collecting limited information from text-based quantitative data such as census, government statistics or a questionnaire-based survey of a large number of people while a qualitative methodology refers to the gathering of information from text-based qualitative data such as reports, literature or via interviews and observation from a limited number of people (Veal, 1997; Jennings, 2001 in Shen, 2009: 66).

With the small number of respondents included in this study it's clear that the qualitative research design and methodology is the more appropriate design. However, the study did employ the quantitative design and methodology – although on a limited scale. The advantages of this quant- qualitative approach is discussed below. It must be stated here that the typical advantages of the quantitative design – representivity and generalization of findings were not possible due to the non probability sampling; the application of the survey methodology enabled the researcher to generate basic statistics in this study. The chapter thus contains theoretical discussions of both research approaches.

3.2.1 Quantitative and Qualitative Research Design

Quantitative studies according to Creswell (1994: 2) is "an inquiry into a social or human problems, based on testing a theory composed of variables, measured with numbers and analyzed with statistical procedures, in order to determine whether the predictive generalizations of the theory holds true". The purpose of quantitative researchers is to explain and predict that which will be generalized to other persons or places (Leedy, 1997: 106). Quantitative paradigms put more emphasis on the quantification of construct which is the assigning of numbers to the perceived qualities of things (Babbie & Mouton, 2001: 49). Qualitative researchers on the other hand "always attempt to study human action from the insider perspective" (ibid, 2001: 53. The goal of research here is to describe and understand rather than explain and predict human behaviour (Babbie & Mouton, 2001: 53).

In terms of process, quantitative researchers choose to use methods that allow them to objectively measure the variables of interest. These include concepts, variables and hypothesis which tend to be defined before the study begins and to remain static throughout the research

(Leedy, 1997: 106). With regards to data collection, quantitative researchers use experimental or correctional designs to reduce error, bias, and extraneous variables. Generalization is enhanced if the instruments are shown to be valid and reliable. Data is collected from large samples that represent the population, in a form easily converted to numerical indices. Quantitative researchers are most interested in describing the norm of the population sampled (Leedy, 1997: 107). In this study, the quantitative method was used to collect data from the 23 Spier workers with the aid a structured questionnaire.

To collect information from the five executive management staff of Spier, as well as the tow co coordinators of the Kibwe Kids project and the Khayelitsha Cookies Project the qualitative method was used. In the case of the 30 female beneficiaries of the two mentioned projects above, the qualitative design was used. In all, this study used a collected data from a total of 60 respondents.

In terms of data analysis, all research requires logical reasoning. The quantitative paradigm tend to rely on a deductive form of analysis i.e. this type of analysis moves from the general to the specific, typically from an existing premise (theory, hypothesis) to a logical conclusion (Ibid, 1997: 107). Qualitative study on the other hand, tends to use an inductive form of analysis whereby observations of particular cases may be generalized to a class of cases (Leedy, 1997: 107). Based on communicating research findings, the quantitative research approach typically reduces its data to numbers, which it then presents as results of a statistical test, whereas qualitative researchers construct interpretive narratives from the data and employ a more literary style (ibid, 1997: 109). The different methodological approaches will be discussed in the section that follows.

Quantitative and qualitative methodologies have their merits and their demerits. It is believed that a quantitative methodology has the 'merit of validity' of hypothesis but may oversimplify the reality. A qualitative methodology on the other hand allows for an in-depth understanding of reality while being disadvantaged by limited generalisability (Simmons, 1985). The combination and integration of both methods will therefore offset the shortcomings of each methodology (Simmons, 1985; Denzin, 1989 in Shen, 2009: 67).

This study blends both quantitative and qualitative research paradigms. The use of mixed methods has itself often been debated (Shen, 2009). Dissidents argue that the two methodologies are "respectively rooted in specific paradigms which stand in opposite positions to each other" (Shen, 2009: 67). The mixing of methods will result in a self-contradictory mixing of theoretical world views (Jennings, 2001). According to Davies (2001), neither quantitative nor qualitative methodologies could deal with "reality" in all its complexities, and that a suitable research methodology will depend on the research question or – problem, i.e. what is being researched and what is being pursued. Shen (2009: 67) argues that "a mixed method is theoretically justifiable and is employed frequently in tourism research". Mixed methodology in essence does not necessary mean clinging to some common ontology and epistemology, but rather it is adopted to overcome the flaws of a single methodological use, either qualitative or quantitative (Shen, 2009: 67)

3.2.2 Qualitative research design – Case study methodology

According to Creswell (1994: 2), qualitative study is defined as "an inquiry process of understanding a social or human problem, based on building a complex holistic picture, formed with words, reporting detailed views of informants, and conducted in a natural setting. Qualitative researchers on their part operate under the assumption that reality is "socially constructed, complex, and ever-changing" (Glesne & Peshkin, 1992 in Leedy, 1997: 107). Rather than sampling a large number of people with the intent of making generalizations, qualitative researchers tend to select participants "purposefully" to "learn about the *range* of behaviour related to the research focus; in order to gain understanding of the complex phenomenon in question" (Leed, 1997: 107). Qualitative data was collected using in depth interviews and focus group discussions with the aid of a questionnaire schedule. This is further explained in the data collection section below.

Spier was chosen as a case study for this research, and it is important to explain what a case study entails. According to Creswell (1994: 12), a case study is an example of qualitative research in which the researcher "explores a single entity or phenomenon ('the case') bounded by time and activity (a programme, event, process, institution, or social group) and collects

detailed information by using a variety of data collection procedures during a sustained period of time". In this instance, the researcher decided to base his research on a case study, which represents a scientific research strategy that focuses on one aspect of the "real world" – an in-depth study of the socio-economic impacts of Spier's tourism initiative on its employees and the surrounding local communities within its sphere of operation. Robson (1993: 146) defines a case study as "a strategy for doing research which involves an empirical investigation of a particular contemporary phenomenon with its real life context using multiple sources of evidence"

According to Tellis and Soy (1997), the advantages of case studies are that they are not only based on statistics, but that they represent a "detailed contextual analysis". Critics however, argue that case studies are just beneficial for exploratory studies, that their findings cannot be generalized as they are only based on one or only a few cases and that they are rather unscientific because of their inherent "subjectivity" and "generalizability" due to the researcher's intense exposure to the case (Tellis and Soy, 1997).

Garson (2002) on the other hand argues against this limitation of case studies by stating that as long as they are theory driven and aimed at hypothesis testing to make them replicable for other researchers, they represent a valid scientific method. Soy and Tellis further point out that biases are avoided by means of triangulation, which is the combination of different research tools to get as much accurate information as possible.

The motivation for the researcher choosing Spier as a case study can be explained as follows: The vision underpinning its tourism enterprise is focused on sustainable development, environmental consciousness and humanity. Apart from basing their tourism initiative on solid business principles, Spier firmly embraces less tangible and less material values, i.e. personal excellence and growth, diversity, social justice, natural environment and protecting the Cape African heritage. Another reason for choosing Spier as a case study was because of its pro-poor tourism initiatives. Spier employs most of its workers from within a 15 km radius, mostly from surrounding localities such as Kayamandi, Khayalitsha, Eersterivier, Ida's Valley and other nearby communities. The majority of these workers come from poverty-stricken backgrounds. In addition, is Spier also a co-sponsor of community projects within the vicinity of Stellenbosch

and beyond. These are Kibwe Kids in Kayamandi and Khayelitsha Cookies in Maitland (Ndabeni). These projects are owned and managed mostly by women and are very important as means of livelihood strategy.

The strategic location of Spier in Stellenbosch is another additional advantage to its employees, visitors and tourists. Spier is on the R310 highway linking Stellenbosch to the Cape Flats and Cape Town. The Lynedoch train station is in close proximity. This facilitates easy access for visitors and tourists as well as very importantly, also allowing Spier workers affordable transport to and from the estate.

The section that follows will discuss the data collection methods such as in-depth interviews, questionnaires and focus group discussions.

3.3 Data Collection Process

As already stated above, a mixed-method approach was chosen for this research. Different forms of data were gathered using different means. The combination of both quantitative and qualitative research methods is more beneficial than a single-method approach, as the advantages of each method is used and the disadvantages are partly balanced out thus applying both methods can be seen as functioning complementarily (Bless et al., 2006: 164). For this reason, the researcher used different methods, i.e. of questionnaires, in-depth interviews and focus group discussions, which are described in the following sub-sections. It is important to state here that quantitative survey was planned to cover at least 60 respondents as units of analyses but unfortunately this could not be achieved for reasons explained elsewhere in the text.

3.3.1 Questionnaires

According to Hussey and Hussey (1997: 161), a questionnaire is "a list of carefully structured questions, chosen after considerable testing, with the view of eliciting reliable responses from a chosen sample". The questionnaire is the main measuring instrument used by social scientists using the quantitative method to collect data in a standardized format from research

participants/respondents (Babbie and Mouton, 2001, Neuman, 2003). To obtain information about the socio-economic impacts of Spier's tourism initiative on its workers, a structured questionnaire was designed to obtain information concerning demographic background of respondents (age, sex, place of residence), income distribution, indicators of quality of life, levels of education, skill training and development and access to healthcare benefits, to mention some of the aspects probed.

Three questionnaires were designed for this study namely one designed for Spier workers, another for Spier top management and a questionnaire for beneficiaries of Spier's funded projects. In all, 23 respondents (Spier workers) participated in completing the questionnaires through face-to-face interviews. The responses were later transcribed for very basic SPSS analysis.

Seven management executives of both Spier and the two projects (i.e. Kibwe kids and Khayelitsha Cookies) also participated in the interviews guided by questionnaires.

3.3.2 In-depth interviews

In-depth interviewing is a data collection technique relied on quite extensively by qualitative researchers. The qualitative-data collection method was chosen in this study because as Neuman (2000: 71) observes, they "provide an array of interpretative techniques which seek to describe, decode, translate, and finally, easily draw meaning out of data rather than frequencies".

It is described by Kahn and Cannell (1957: 149) in Marshall and Rossman (1989: 82) as "a conversation with a purpose". According to Babbie et al., (2001: 291), an in-depth interview is "an interview process where the researcher is not only interested in the content of the conversion but also in the process by which the content of the conversion came into being"

Interviews were conducted using semi- structured questionnaires. This left ample room for respondents to answer in detail and in more elaborate fashion. Five senior management staff of Spier Estate, the executive coordinator for the Kibwe Kids and the Marketing Director for Khayalitsha Cookies participated in the in depth interviews (see list of research participants on page 63 and 64 below). Interviews were conducted using an audio recorder.

3.3.3 Focus-group discussions

Focus-group discussions are very useful when a researcher is concentrating his or her attention on particular aspects of the study. Focus-group discussions have their particular advantages. They help participants to voice their opinions on the subject under discussion and are cost and time effective (Baumgartner & Strong, 1998: 183). According to Morgan (1997), focus-group discussions provide the opportunity to observe a large amount of interaction on a topic in a limited period of time. Focus-group discussions for this study were conducted with beneficiaries of Spier-funded projects. Two projects were the Kibwe Kids project and Khayelitsha Cookies. Focus group interviews were organized in addition to the questionnaires designed for the 23 Spier employees. In all 30 participants took part in the focus group discussions, 15 of the participants from the Kibwe kids project and 15 participants from the Khayalitsha Cookies.

Below is the list of research participants and data collection methods used in the case of the different subsets of the samples.
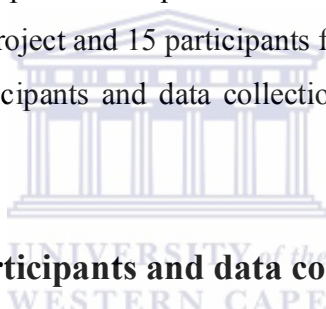
Table 1: List of research participants and data collection methods

Research Design	Data-collection methods	Participants/Respondent
Quantitative method	Survey administering questionnaires	Spier employees (23)
Qualitative method	In depth Interviews	- Chief Executive officer (CEO) - Chief Operating Officer(COO) - Skills and Development manager - Banqueting/conferencing

		manager
		- Public Relations Manager
		- Executive Coordinator for Kibwe Kids
		- Marketing Director for Khayalitsha Cookies
	Focus group discussions	30 Participants
		- 15 Kibwe Kids Project
		- 15 Khayalitsha Cookies

Source: Author's own compilation.

Eventually 60 respondents participated in the study. Twenty three Spier workers were interviewed and 30 women from the Khayelitsha and Kibwe Kids projects participated in the focus-group discussions. It should be noted here that the sample was constituted only of the historically disadvantaged individuals (people of colour).

3.4 Sampling method

According to Babbie and Mouton (2001: 203), a sample means "a special subset of a population observed in order to make inferences about the nature of the total population". The sample is studied in an effort to understand the population from which it was drawn (Kitchin and Tate, 2000: 54; Arkava and Lane, 1983: 27). According to Babbie (2007: 189), "a sample will be representative of the population from which it was selected, if all members of the population have an equal chance of being selected in the sample". The aims of selecting a sample are to:

- Achieve maximum precision in your estimates within a given sample size;
- Avoid bias in the selection of your sample (Kumar, 2005: 169).

In a quantitative approach, the researcher is usually interested in making references about a population from the sample. Different types of sampling techniques exist. These include probability and non probability sampling. Non probability sampling is composed of reliance on

available subjects, purposive or judgmental sampling, snowball sampling and quota sampling. Sampling is further different types of sampling designs namely simple random sampling, systematic sampling and stratified sampling (Babbie & Mouton, 2001)

3.4.1 Probability

In probability sampling, the researcher can specify in advance that each segment of the population will be represented in the sample. A basic principle of probability sampling is that a sample will be representative of the population from which it is selected if all members of the population have equal chance of being selected in the sample (Babbie & Mouton, 2001). The composition of the sample is derived by selecting units from those of a much larger population. In survey studies, the way the sample units are selected is important. The components of the sample in general are chosen from a larger population by a process known as randomization, and such a sample is known as a random sample (Leedy, 1997). Randomization simply means selecting a sample from the whole population in such a way that the characteristics of each units of the sample approximate the characteristics of the total population. (ibid, 1997: 205). The study population is that aggregation of elements from which the sample is actually selected (Babbie & Mouton, 2001).

The study population in the case of this study constitutes all the Spier workers, in other words all Spier employees. The sampling unit on the other hand is that element or set of elements considered for selection in some of the sampling. In a simple single-staged sample, the sampling units are the same as the elements and are probably the unit of analysis. (Babbie & Mouton, 2001). As mentioned earlier, due to constraints this research could not select a representative probability sample. The sampling technique eventually used is discussed below.

3.4.2 Non Probability Sampling

Social research is often (if not mostly) conducted in situations where selection of probability samples associated "with large-scale social surveys are impractical, such situations call for non probability sampling methods (Gerwel, 2010: 59). Qualitative researchers rarely draw a representative sample from a huge number of cases to intensely study the sampled cases – the

goal in quantitative researchers, "it is their relevance to the research topic rather than their representativeness which determines the way in which the people to be studied are selected" (Flick, 1998: 41).

In non probability sampling, the researcher has no way of forecasting, estimating, or guaranteeing that each element in the population will be presented in the sample. It can be divided into two types: accidental and quota sampling (Leedy, 1997). Accidental or convenience sampling makes no pretense of being representative of the population. It takes the unit as they presented to the researcher by mere "happenstance" (Leedy, 1997: 204). In the case of accidental sampling, no attempt is made to control bias. Quota sampling on its part is a variant of convenience sampling. It collects respondents in the same ratio as they are found in the general population (ibid, 1997: 205).

As earlier mentioned above, non probability sampling is made up of four different techniques. This includes reliance on available subjects, purposive or judgmental sampling, snowball and quota sampling. Some of these non probability sampling techniques were applied in the study.

The researcher used purposive sampling techniques. The study thus can make no claim of representitvity and can thus not generalize the findings to the research population, i.e. black workers from the different departments, senior management and those involved at the different Spier initiatives and projects included in this study.

A purposive sampling strategy involves the selection of sample elements on the basis of specific characteristics or qualities that are theoretically relevant to the study (Silverman, 2004: 129). In purposeful (or judgmental) sampling, a researcher "uses his or her own judgment in the selection of sample members" (Babbie & Mouton, 2001: 202). The researcher used purposeful sampling to get data from respondents and informants. In some instances he was advised by workers who would be best to talk to and in other instances it was based on the impression formed by the researcher having spent substantial time amidst the workers. One operational criteria for selection employed was that the researcher selected workers and management staff who had been working in Spier for over a period of five years. The choice of these workers was to examine to what extend their living conditions have improved as a result of working for Spier.

Purposeful sampling was supplemented with snowball sampling. In snowball sampling, members of the target group were asked to provide information about other workers who would be in a position to provide some information. Snowball sampling was used to identify community members who were involved in Spier-funded projects.

Stratified sampling was also used in the research. Stratified sampling is used when the population is heterogeneous. The aim of using stratified sampling was to ensure that the sampled population was a representation of various groups within the sampled population. Spier workers are composed of black South Africans, coloured, whites, Indians and foreigners from other African countries such as Zimbabwe, Mozambique, and Cameroon. To include all races in the study, there was a need for a stratified sampling.

3.5 Data processing and analysis

Data processing refers to the method of organizing data in a way that will enable easy retrieval for analysis purposes (Babbie, 2001). Two methods of data and information collection were employed for this study:

- Interviews with selected Spier workers and some top management staff
- Focus group discussions with beneficiaries of Spier funded projects namely Kibwe Kids and Khayalitsha Cookies.

3.5.1 Quantitative data analysis

According to Gopaul (2006: 91/92), quantitative paradigm entails that the analyst breaks down data into constituent parts to obtain answers to research questions. Analysis means the categorization, ordering, codification, manipulating and summarizing of data to obtain answers to research questions. Gopaul (2006: 91) maintains that "the purpose of analysis is to reduce data to an intelligible and interpretable form so that the research problem is studied and tested and conclusions drawn". Quantitative approach to analysis was adopted here considering that data was collected using semi-structured questionnaire (closed-ended and open-ended format). The nature of the data collected which stemmed from the way the questionnaires were designed allowed for statistical analysis using Statistical Package for Social Sciences (SPSS). After coding

the data in Microsoft Excel in a numeral form, it was then cleaned and checked for error and subsequently for analysis purposes. Basic descriptive data were formulated leading to the establishment of numerical frequency distribution, percentages, and cumulative frequencies as well as cross tabulations. The data generated was further summarized in the form of tables which were finally converted to pie charts and histograms using Microsoft excel 2007 version. Interviews which were analyzed statistically were interviews conducted with Spier employees. Some of the open-ended questions were post coded from thematic themes emerging from different response sets.

3.5.2 Qualitative data analysis

Some information collected was also analyzed using a qualitative-data analysis method. According to Babbie & Mouton (2001: 490), qualitative analysis refers to "all forms of analysis of data that was gathered using qualitative techniques regardless of the paradigm used to govern the research". This includes the content-analysis method and the thematic clustering, ordering and systemization of the information generated during the focus-group discussion and the face to face interviews. The analysis of the depth interviews were done interpretatively i.e. explicatively. According to Marshall & Rossman (1989) analytical procedure in qualitative research entails organizing the data, generating categories, themes and patterns; testing the emergent hypotheses against the data; searching for alternative explanation of the data; and writing the report.

3.6 Ethical statement

This study was conducted after the proposal was submitted and approved by the University of the Western Cape's Institute for Social Development, Art Faculty and Board. This research worked strictly in coherence with ethical research standards and legal obligations of the University of the Western Cape. The researcher obtained a letter from his supervisor that granted him permission to conduct interviews with the concerned respondents from Spier. An introductory letter addressed to Spier management requesting permission to conduct this research at Spier was also presented. Permission was granted by management to conduct interviews with workers who were willing to participate in the study. Permission was obtained from the various

interviewees before interviews were conducted. It was the responsibility of the researcher to adhere to the principles of ethical good practices in social science research such as voluntary participation, not doing harm to the participants, respecting confidentiality, avoiding accepting favours that might violate research principles and avoiding deceiving participants. (Babbie & Mouton, 2001: 520-525).

During the data-collection process and report writing, the researcher ensured that the following ethical consideration was strictly adhered to:

- Protecting the identities and interests of all respondent by keeping to the norms of confidentiality. Based on these norms, participants were instructed not to reveal their names to the researcher,

- Explanation of the purpose of the research to the participants beforehand and seeking permission to use information gathered from them in writing. The researcher also explained to them that the information obtained was purely for his master's degree and nothing else,

- No form of coercion was used against respondents. The research ensured that their participation was voluntary,

- Acknowledgement of all the sources of data used and quotations in the report,

- The researcher also behaved in a respectful manner to all participants/respondents throughout the research and finally thanked them for accepting being part of the research. He also ensured the participants that in the course of the interviews, those who did not feel comfortable with the information could withdraw.

3.7 Time frame

The data was collected in the months of April, May and June 2010 at the Spier estate, the Kibwe Kids project in Kayamandi and at the Khayelitsha Cookies factory in Maitland.

3.8 Limitations of the study

The researcher experienced a few challenges/difficulties in the process of conducting the research.

- Financial constraints: The exercise of data collection process turned out to be very costly as the researcher had to travel long distances, using trains and taxis to Stellenbosch. In some instances, some of the trains got delayed leading to a waste of time and cancellation of appointments with respondents.
- Difficulty in meeting some of the prospective participants. It was a very difficult exercise planning meetings and appointments with Spier workers and some of the top management staff. Some of the employees worked in shifts and it became difficult to meet those working night shifts. It became extremely difficult to meet with the chief executive officer, the chief operating officer and the skills and development manager as they had tight work schedules
- The researcher also encountered the problem of language barriers as some of the respondents struggled to understand his English ascent. Being a foreign student and conducting research in South Africa turned out to be difficult as some of the research participants were not well versed in English. Most of the respondents were either Xhosa or Afrikaans speaking. The researcher encountered problems as he was unable to understand either of these languages. In some situations, the researcher had to hire a Xhosa-speaking student to do the necessary translation.
- Some respondents were anxious about revealing sensitive information for fear that if information were to be leaked, they might be dismissed.

3.9 Conclusion

This chapter has described the research design and methodology used in this study. Both quantitative and qualitative designs were used to obtain detailed information from participants/ respondent. Quantitative methods of data gathering were administered through questionnaires, and qualitative methods of data collection through in-depth individual interviews and focus-group discussions. The chapter also focuses on the research procedure and the data-analysis processes.

CHAPTER FOUR

DISCUSSION AND PRESENTATION OF DATA ANALYSIS AND RESEARCH FINDINGS

4.1 Introduction

This study had four objectives. The central objective was to establish whether tourism as evident in the Spier tourism model is a sustainable poverty-reduction strategy. The specific objectives were to provide an analysis of the socio-economic impact of Spier's tourism initiative on the workers as well as the local population, to undertake an assessment of pro-poor tourism practices as demonstrated in relation to Rogerson's pro-poor approach, to identify challenges that the pro-poor tourism approach of Spier is facing with respect to its poverty-reduction goals amongst the relevant/affected livelihoods, and finally to offer recommendations and suggestions to deal with the aforementioned matters. This chapter presents and discusses the empirical research findings. The analysis is presented according to the different foci that the research developed and also according to the responses to the different questions asked to the diverse units of this analysis. Data are presented in both quantitative and qualitative format. The quantitative data are presented in the form of histograms and bar charts, while qualitative data are presented in a narrative and textual manner. The outcome of study results and findings are elaborated based on descriptive data analysis. The results of the analysis are based on the sample population of 60 respondents who participated in the study.

4.2 Profile of respondents' demographic information

4.2.1 Gender and age aspects of study respondents (Spier workers)

The gender distribution of research respondents (Spier workers) who participated in the study shows that 15 (65%)[1] were females while 8 (35%) were males as depicted in figure 1 below. This is consistent with the hospitality industry that tends to employ more females in its workforce as

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[1] Percentages are rounded up when greater than .50 and rounded down when less than .50, for example 30.43% becomes 30% and 30.50% becomes 31%.

opposed to men. This scenario has a poverty-reduction dynamic because in a situation where more women are working than men, poverty can be substantially reduced (Premchander, 2003 cited in WTO, 2002). Premchander explains that money is more useful in the hands of women than men because most women are less wasteful in their spending compared to men. He argues that most women will spend much of their income on food and household basic needs as opposed to most men whose incomes are not properly accounted for. More women employed in Spier will therefore imply a positive trickle-down effect on their household members.

Figure 1: Gender distribution of respondents
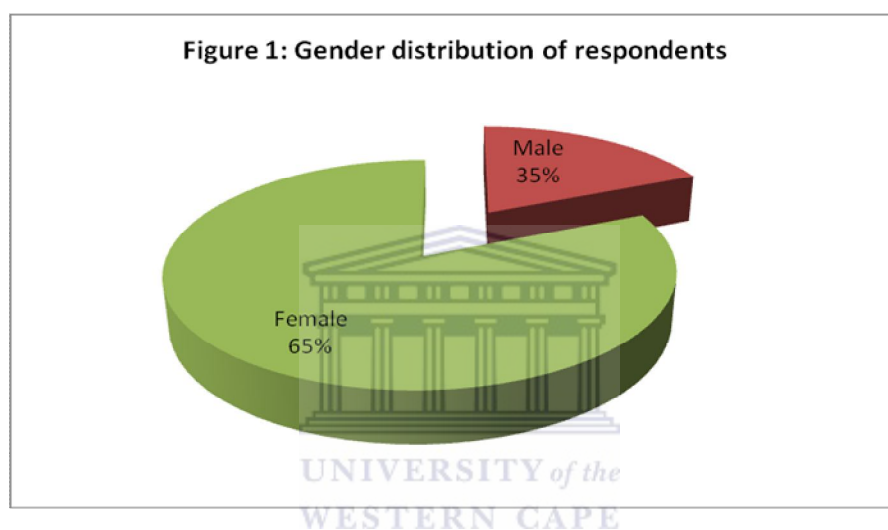
Source: Survey data 2010

In terms of age distribution of respondents as presented in figure 2 below, the majority of the respondents fall within the age range 21–30, and 31– 40. These age cohorts constitute 39% and 39% of the respondents respectively, while 9% falls within the age group of below 20 years. A minor 13% of the study respondents were above the ages of 41. It can therefore be deduced that the age range 21 to 40 with the majority of respondents is the active working age group. The relatively young age of the workforce is encouraging because sustainable employment offers better protection against poverty. In South Africa, as in most developing countries, poverty amongst the unemployed economically active age group constitutes a serious challenge.

Figure 2: Age distribution of respondents
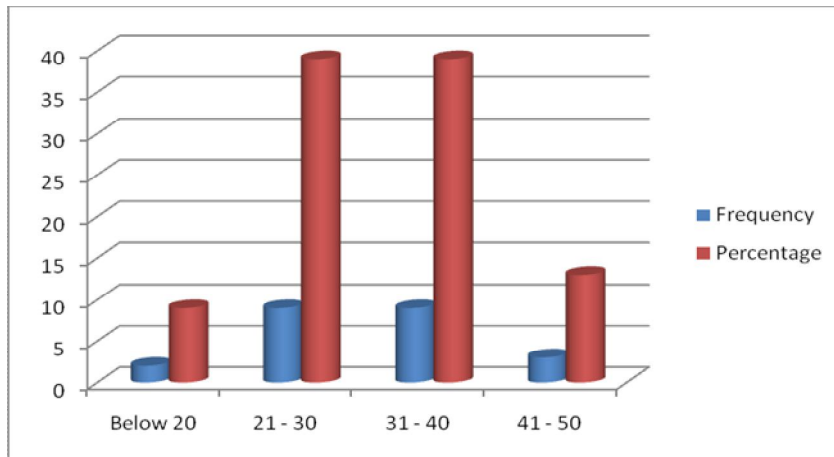
Source: Survey data 2010

4.2.2 Place of residence

Most of the workers employed at Spier reside in the surrounding local communities such as Kayamandi, Ida's Valley, Cloetesville, James Town, Kuilsrivier, Khayalitsha, and Gugulethu to mention the most important ones. The majority of the employees are from previously disadvantaged backgrounds. This is consistent with Spier's commitment to draw its workforce from these previously disadvantaged surrounding local communities. This has a beneficial impact on the communities, as it offers employment to the community members thus reducing poverty amongst the workers and their households. Figure 3 below shows the place of residence for the respective study respondents:

Figure 3: Place of residence of study respondent
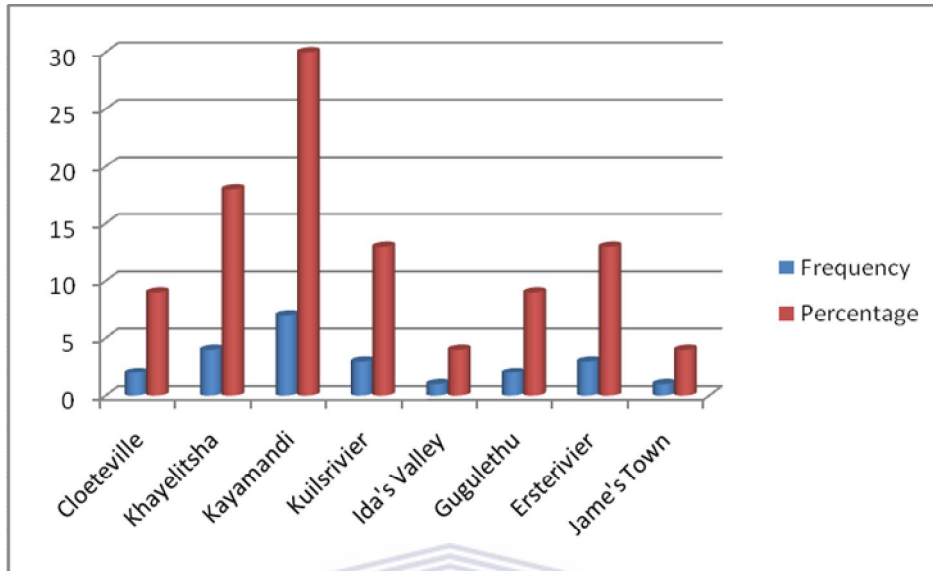
Source: Survey data 2010

The data presented in figure 3 above show that 9% of Spier workers reside in Cloeteville, 17% in Khayelitsha, 30% in Kayamandi, 13% in Kuilsriver, 4% in Ida's Valley, 9% in Gugulethu, and 13% in Eerste River and 4% in Jamestown. The findings of this analysis shows that most of the workers employed in Spier come mostly from the previously disadvantaged surrounding communities. These results reflect Spier's labour policy of employing mostly from within 5 to 15 km radius. The majority of the respondents (51%) reside in the communities within the municipal boundaries of Stellenbosch or on its fringes. The relative high percentage of respondents from Kayamandi is encouraging as this township consisting predominantly of black Xhosa speaking people is battling with high levels of poverty, insufficient education opportunities, and limited access to clean water, proliferation of health-related problems including HIV/AIDS, high illiteracy levels and unemployment challenges.

 (http://www.sg.org.za/index.php?option=com_content&view=article8id=29&itemid=150)

4.3 Social and economic impact of Spier pro-poor tourism initiative

This section of data analysis will be answering the first objective of the study which is to analyze the socio-economic impact of Spier's pro-poor tourism initiative on the local population as well as Spier workers, as perceived by them. This will include among other things increased job creation, skills development and training programmes and enhance access to healthcare and education, as well as to recreational facilities. This will be achieved by using Rogerson's framework. Rogerson's tourism–poverty framework illustrates the different ways through which sustainable tourism can contribute to poverty alleviation. These practices include the creation of employment opportunities, education, training and skills development, establishment of healthcare/infrastructural services, development of small and medium-sized enterprises (SMMEs) and access to markets for the poor. This framework conceptualizes tourism as a source of livelihood sustainability; empowerment and capacity building amongst Previously Disadvantaged Individuals (PDI); establishment of corporate social investment and sustainable environmental management (Rogerson, 2006: 44).
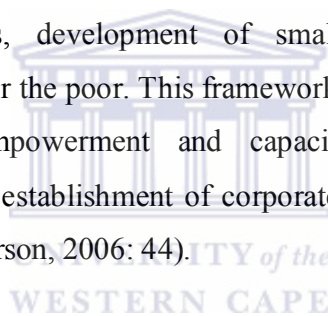
4.3.1 Employment and income: livelihood strategy

4.3.1.1. Employment

The tourism sector is renowned as a labour-intensive industry. This is one of the main reasons the sector holds promise as a tool for sustainable poverty reduction. Spier as a tourism enterprise is a source of livelihood especially to its workers from the previously disadvantaged background. Income earned by these workers is assisting workers to smoothe over the consumption demands of their livelihoods. Figure 5 below shows the employment situation of workers prior to being employed at Spier.

Figure 4: Employment Status of respondents prior to being employed at Spier
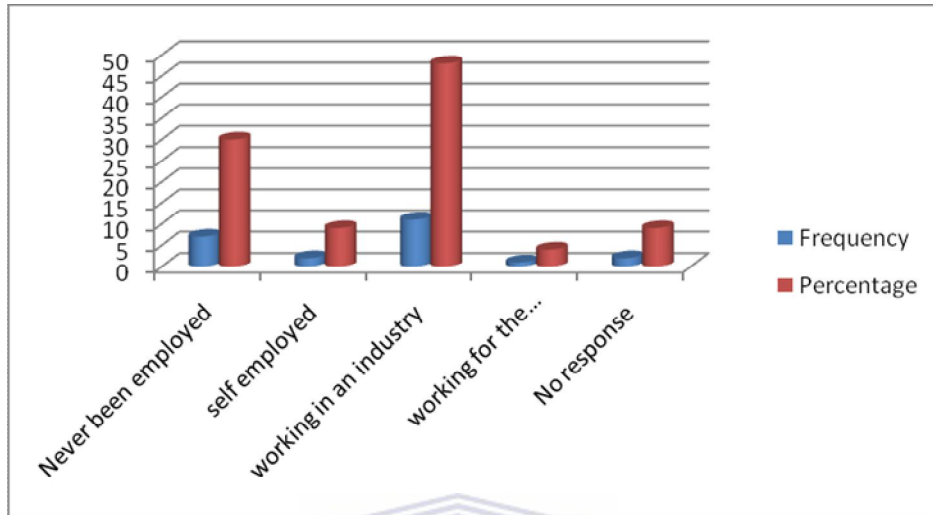
Source: Survey data 2010

Figure 4 above, shows that 30% of the respondents had never worked prior to being employed at Spier. Spier was thus their first employer. Some of the respondents had worked for the government, industries, some of them were self employed. The analysis above shows that Spier has succeeded in providing employment for almost 30% of previously unemployed individuals, a small but significant number. Spier also promotes employment creation through the different projects that it is supporting and funding, and through the establishment of local enterprise development initiatives.

Respondents were then asked about their employment status at Spier, i.e. whether full time/permanent or casual/temporary. A high percentage, i.e. 87% were working full time, while three (13%) were working on a casual basis. Figure 5 below shows the employment status of respondent.

Figure 5: Employment status
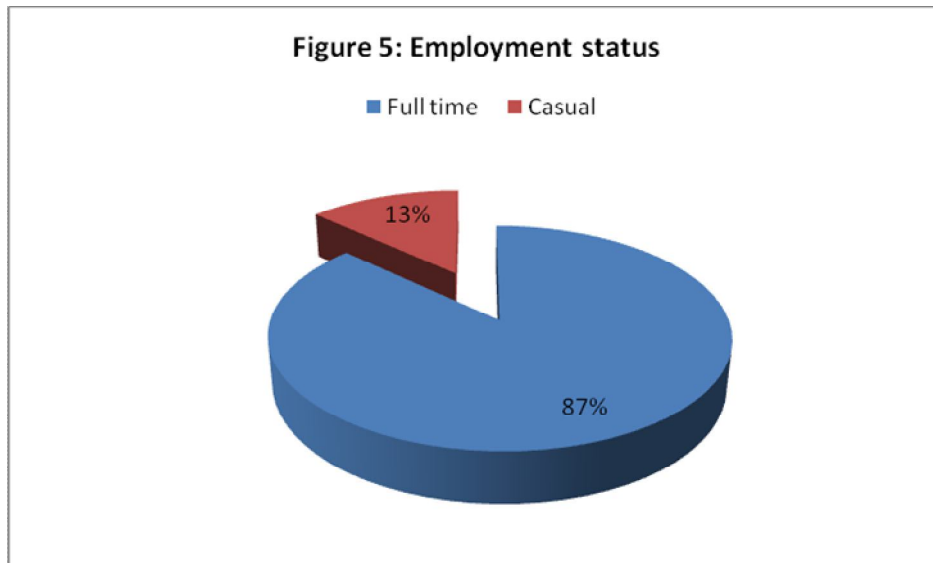
Source: Survey data 2010

The fact that the majority of the respondents were working full time is encouraging because with permanent employment some fringe benefits are usually associated with a pension scheme, medical aid, a housing allowances and paid leave. Permanent employment also brings a substantial measure of security and livelihood sustainability to both the worker and his or her dependents.

In a follow-up question, respondents had to indicate the specific section or department they were employed in. These differed substantially as they were employed in the hotel, restaurants, conference centre, housekeeping and banqueting departments. Figure 6 below reflects the different departments and frequency (number of respondents) and percentage within each.

74

Figure 6: Department of respondents
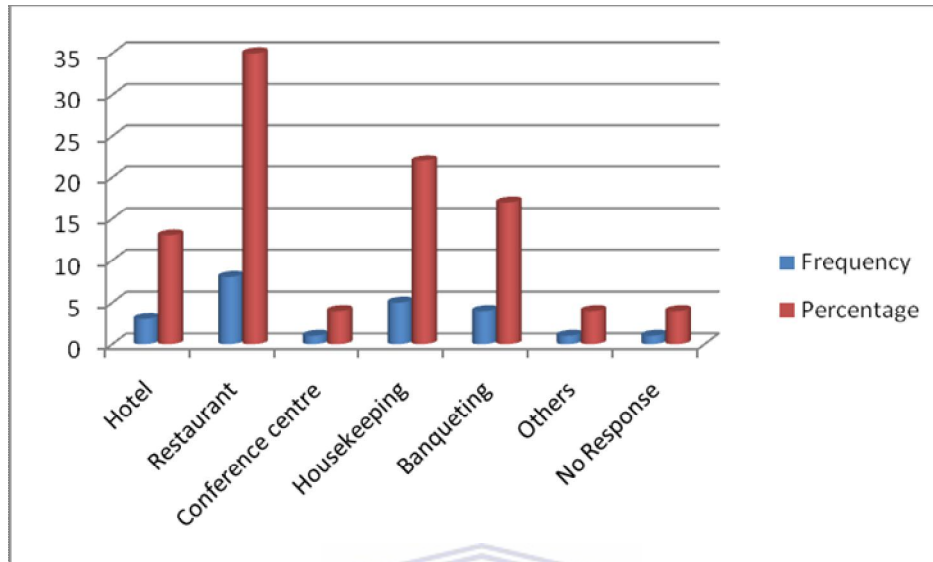
Source: Survey data 2010

Figure 6 above shows that majority of the respondents were employed in the restaurant, housekeeping and banqueting departments. This is to be expected given the nature of the business. This does suggest though that wages will be relatively modest given the low level of skills required by these types of work. This issue is discussed in the following section.

4.3.1.2 Income

The respondents had to indicate the size of the monthly household income they earned from Spier, and the degree of sufficiency of their incomes to meet basic needs. In another question, respondents had to state the number of household members depending on their incomes for a living. Figure 7 below shows the monthly income distribution of respondents.
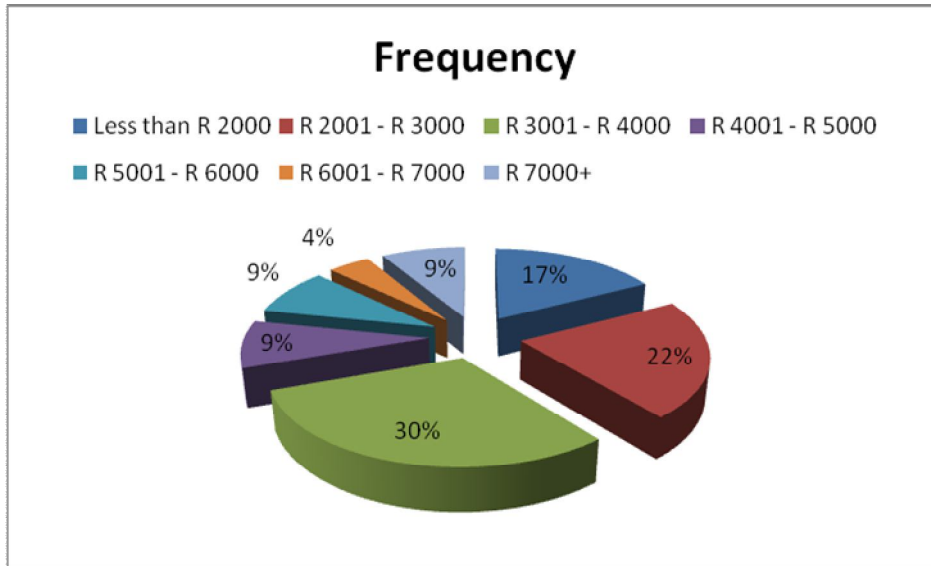
Source: Survey data 2010. **Figure 7: Distribution of monthly income of respondents**

From the income distribution figure above, 4 (17%) of the respondents earn less than R 2000, 5 (22%) earn between R2001 and R3000), 7 (30%) earn between R3001 and R4000), 2 (9%), earn between R4001 and R5000), 2 (9%) earn between R5001 and R6000), 1 (4%) earns between R6001 and R7000), 2 (9%) earn R 7000+). The analysis shows that majority of the respondents (30%) earn between R 3001 to R 4000. Compared to what other tourism companies pay to their employees, the amount earned by Spier workers is reasonably high to meet their basic income needs.

In a follow-up question, respondents were asked if their incomes were sufficient to meet their basic needs (food security, housing, clothes and others). A total of almost 30% of the respondents stated their incomes were sufficient to meet their basic needs, while 4% described it as very sufficient. Slightly more than a third expressed satisfaction with their income. However, the, majority 52% indicated their incomes were hardly sufficient, while 13% declared their incomes were never sufficient, although it is encouraging that only a small percentage expressed strong dissatisfaction.

Income insufficiency does not, however necessary imply that respondents were not satisfied with their quality of life. When respondents were asked if they were satisfied with their living standards, the majority (91%, figure 13 below) affirmed that they were satisfied with their living standards. Below is the figure showing the degree of sufficiency of respondents' incomes. This seemingly contradictory finding is not easy to explain. It is possible that some respondents are now in an infinitely better material position than they were previously due to a sustainable and regular income, but they still found their income insufficient to meet their needs.,. It is also well known that very few employed people, irrespective of the position and level of remuneration, express satisfaction with their current income.

Figure 8: Income sufficiency of respondents
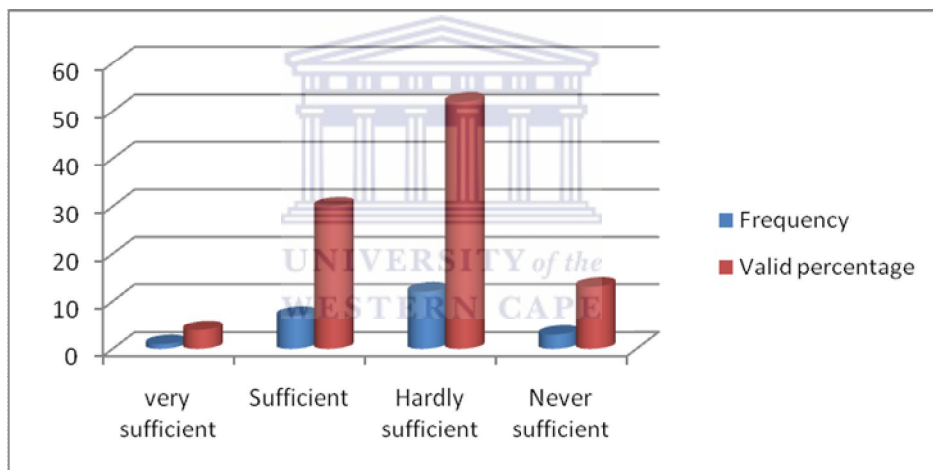
Source: Survey data 2010

It was argued that one possible additional explanation for the high percentage of dissatisfaction with the monthly remuneration could relate to the high number of dependents on, although it is encouraging that only a small percentage expressed strong dissatisfaction. Respondents were asked about the number of people (household members) depending on them financially. One respondent (4%) indicated supporting only one household member, two respondents (22%) stated they were supporting two family members, six (25%) had four household members dependent on them, while another three respondents (13%) had to support as many as five household members. Nearly 20% indicated they were responsible for an additional seven

household members. This shows that nearly a third of the respondents had five or more dependents. This shows the critical role that a sustainable salary plays in maintaining entire livelihoods in previously disadvantaged communities. This has a positive ripple-down impact on poverty reduction as these household members rely on the wages of the workers for food, clothing, shelter and even education. The analysis suggests that a Spier worker supports on average three other family members. The highest prevalence of dependants is in the fourth category, followed by two and seventh as seen in the figure below. In order to ascertain accurately if there existed a significant correlation between satisfaction with income and number of dependents, more statistical analysis will be required though.

Figure 9 below shows the number of dependants relying on Spier employees for their livelihood.

Figure 9: Number of people depending on employee's income for their livelihood.
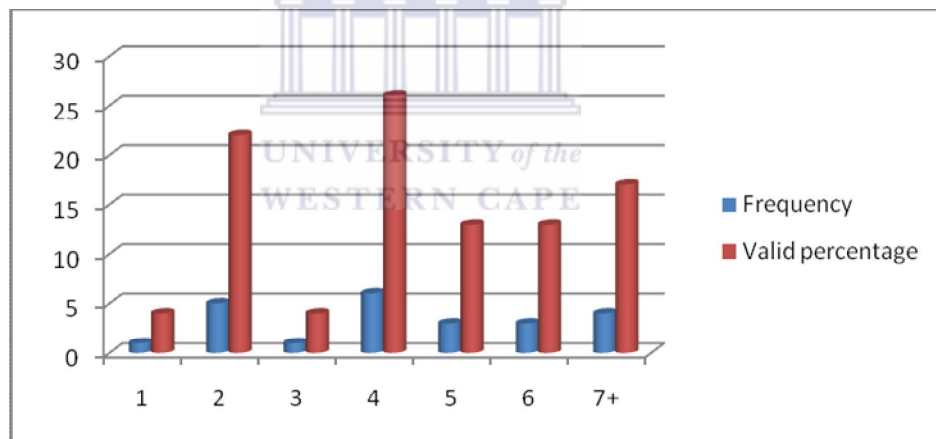
Source: Survey data 2010

A question was asked relating to the number of people receiving education and who were directly dependent on the respondents. Figure 10 below, shows that four respondents (20%), supported one person at school, eleven (47%) indicated supporting two people at school, two (8%) stated they were supporting three household members at school. Another three (13%) were supporting four family members at school and one respondent (4%) indicated supporting as many as five household members at school. The majority of respondents, i.e. 67% had between 1and 2 household members at school. Although expensive sometimes, particularly for working

class households, education is an important poverty reduction tool because it helps in empowering people with the required skills needed in the job market.
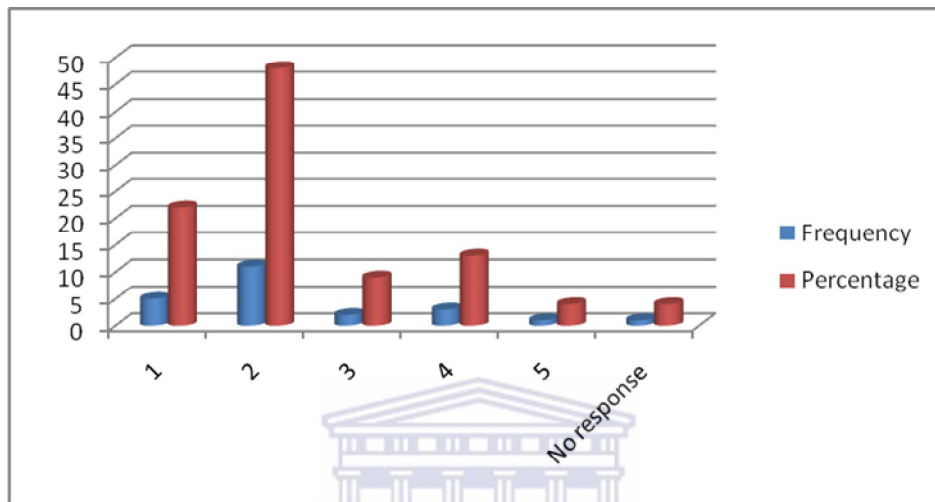
Source: Survey data 2010: **Figure 10: Dependants attending school**

4.3.2. Improvement in living standards

A person's living standard is indicated by such factors as his or her family income, food sufficiency, clothing, housekeeping supplies, guaranteed quality shelter, education, recreation and means of communication (http://www.taiwan-agriculture.org/taiwan/rocintro15.html)
Respondents were asked to describe their type of dwelling as a means of determining their living standard. It was argued that type of dwelling is a good indicator of the present standard of living that a livelihood enjoys. Figure 11 below depicts the type of housing of Spier workers who participated in the research.

Figure 11: Type of housing of Spier workers
- Brick built, plastered /painted dwelling
- Traditional hut/block built
- Flat in a block of flats
- Shacks
- Wendy house on another's person plot
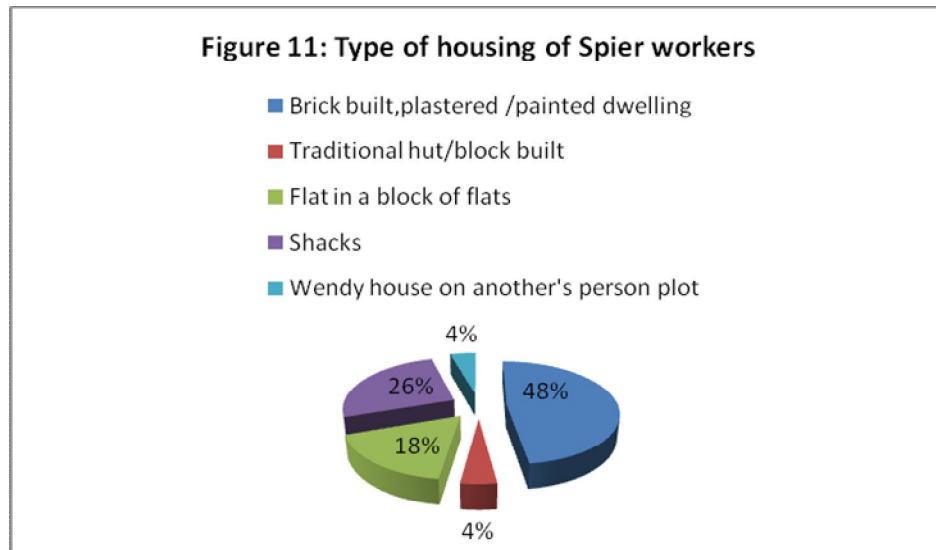
Source: Survey data 2010

Nearly half (48%) of the respondents live in a brick-built, plastered house , 4% live in a traditional hut built of blocks, 26% of the respondents in shacks, while 18% in an apartment in a block of flats. Four percent stayed in a so-called Wendy house, a wooden shelter usually without solid foundations and basic amenities. This finding suggest that the type and by default also the quality of dwelling differs substantially amongst workers surveyed in this study. The type and probably also the quality of housing of nearly a third of respondents can be described as inferior and weak, while the housing conditions of virtually half can be classified as acceptable.

Respondents were further asked about possible changes in their living standards since or after being employed at Spier. As figure 12 below suggests, thirteen (56%) of respondents said their living conditions and those of their household members have improved substantially. Six (26%) indicated a slight improvement in their living conditions and four (18%) asserted that their lives have stayed the same. Figure 12 below shows respondents' perceptions regarding their living standards.
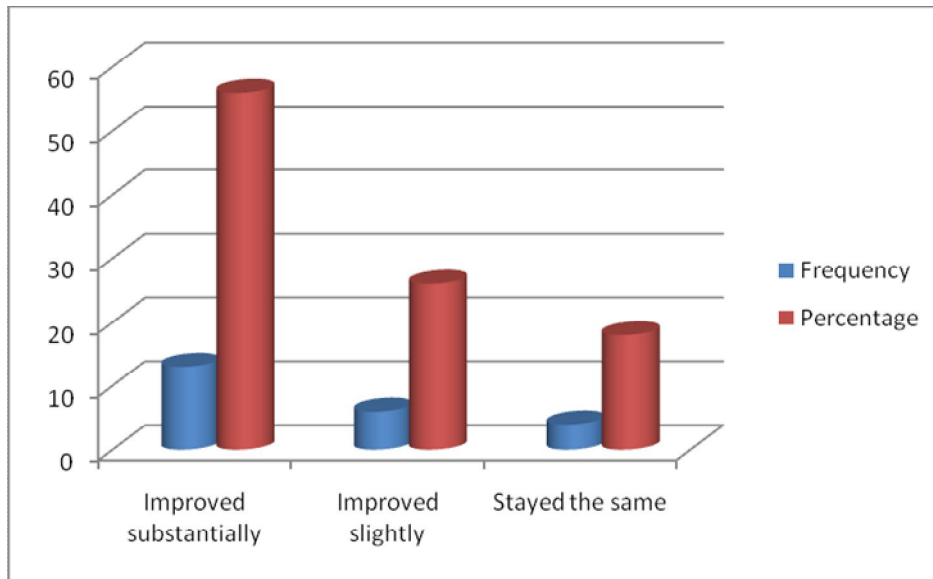
Source: Survey data 2010. **Figure 12:   Perceptions of respondents regarding living standards**
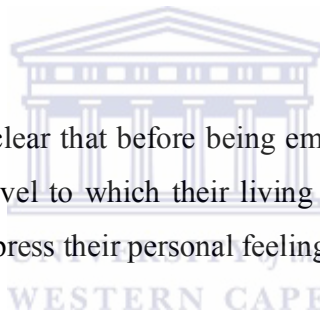
Some of the respondents made it clear that before being employed at Spier, they were living in poor conditions. To express the level to which their living conditions have improved, some of them in their own voices had to express their personal feelings. One of the respondents said;

My life has improved tremendously since I joined Spier. By working at Spier now
for five years, I have gotten a better life compared to when I was unemployed.

Some of the respondents remarked how Spier has helped to shape their lives as they can now afford to pay their rents, buy basic necessities such as food, clothes and settle their electricity and water bills. One respondent declared:

Now that I work for Spier, I can put food on the table; pay my children's
school fees, give them what they want. I bought my assets like fridge, beds,
cupboard and two television sets with Spier money.

Some of the respondents remarked that Spier has made a huge difference in their lives. Some of the workers can now afford to go to school in order to improve their educational level. One of the respondent testified*;*

> *I can now feed my family, open a bank account, attend school*
> *by correspondence and pay my children's school fees.*

Another respondent went further to say that:

> *Because of Spier, I have moved from my previous accommodation to a much better*
> *place now, I've obtained a car of my own and I have a better living condition now.*

Another respondent explained that she was able to buy a house in Mthatha (Eastern Cape) with money saved from working at Spier. She also said she has bought some durable assets such as a television, a radio and sofas and could send some money back home regularly to cater for her parents.
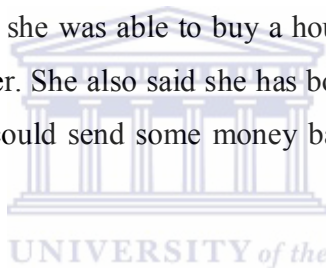
Focus-group discussions with some of the women working in Khayelitsha Cookies – a project which is supported and funded by Spier shows a positive ripple-down effect of the enterprise towards its surrounding communities. The women expressed optimism as to the fact that the project has changed their lives for the better. One of the participants in the focus group commented that:

> *I am a single mother with two kids and struggled to get a job to provide for my*
> *family. Khayelitsha Cookies (KCC) have changed my life a lot...I can now afford*
> *to put food on the table and give my children a better life. I can now send them to*
> *school. They are clothed and properly fed. KCC did not just give me a job, they*
> *also sent me to do a computer course so I can better my own life. They also taught*
> *us how to spend our money wisely...they taught us about eating habits, how to work*
> *as a team and look after ourselves and our future. KCC has done just a lot for me*
> *and my children (Participant, focus-group discussion)*

This overwhelmingly positive result is indeed an encouraging finding – one that unequivocally shows that a tourism enterprise such as Spier's with a strong pro-poor inclination can indeed be successful in touching or reaching the poor.

In a follow-up and related question respondents had to compare their previous living conditions with their present. Figure 13 below, tells a positive story – 91% of the respondents strongly agreed that their present living conditions were better compared to before working at Spier. Only 4% of respondents stated that their living conditions have stayed the same. The reasons for this included a higher level satisfaction with their material security, i.e. (housing and domestic commodities/furniture). They were satisfied with their employment and the security that this brings to the livelihood and they expressed a generalized level of satisfaction that this brings to their present life and that of their household members.

Figure 13: Level of satisfaction of respondents with living standards
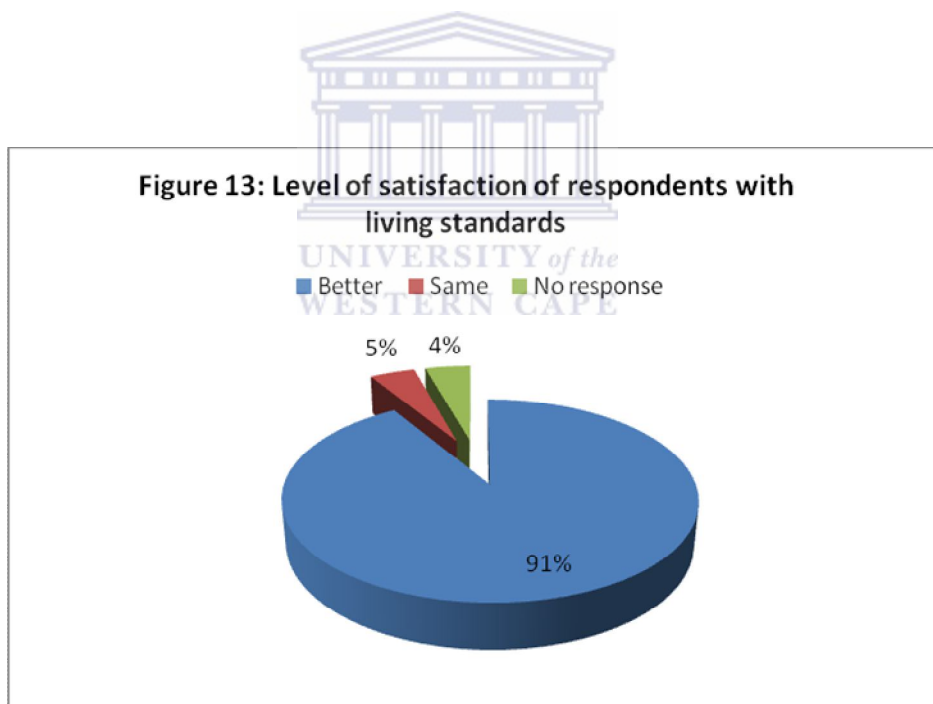
Source: Survey data 2010

A focus-group discussion with some of the women working in the Kibwe Kids project funded by Spier in the community of Kayamandi reveals that with the help of the project, these women can now provide breakfast, lunch and dinner for their families – a luxury not possible before being

employed in the project. This meant that through this developmental initiative by a strong measure of food security was established –something very significant that Spier has achieved. One of the participants in the focus group discussion testified that:

> *I am a single mom of two children. Kibwe Kids to me is like a life wire. Earning a salary now, I can afford to put bread on the table for breakfast, lunch and super...before, I was not able to provide three square meals for my family, but now, I'm a proud mother. I can now afford school fees for my kids to better their education   I was even sent on a computer training course. We also have lot of trainings here in the project that helps us in our individual personal lives .I enjoy working at Kibwe Kids and I also love   all my fellow sisters – colleagues. We are like a big family now*

This testimony further confirms that the projects supported and funded by Spier in the local communities are playing a tremendous role towards poverty alleviation amongst the beneficiaries of these projects.
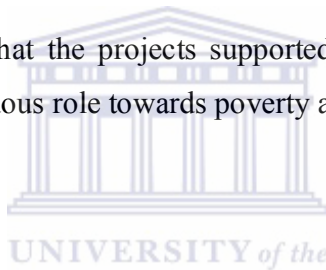
4.3.3 Education, training and skill development of respondents

Respondents were asked to establish whether their educational level had improved since they started working at Spier or for Spier-funded projects. Educational improvement, be it in a formal or non-formal context is critical for work advancement in employment in a meritocracy like South Africa. Employers with a strong social responsibility inclination and pro-poor focus as part of their company ethos tend to be (more) concerned about assisting in the educational advancement of their workforce. The study probed this issue and wanted to establish to what extent Spier committed itself to the further education and training of their employees.

Respondents first were asked to state their educational status before joining Spier. Figure 14 suggests a wide range of formal education from below Grade 8 to postgraduate studies. A relatively high percentage had a modest educational status – nearly a third had a qualification, of

Grade 10 or less, while 43%[2] had completed Grade 12. Another 17% of the respondents had completed a certificate/diploma course, 4% of the respondents had a bachelor's degree, and another 4% had a postgraduate degree. The analysis therefore suggests that the respondents' educational level were split in half – with one half possessing a qualification that can be described as weak and modest and the other half as fair to very good.

Figure 14: Educational status of respondents before being employed at Spier
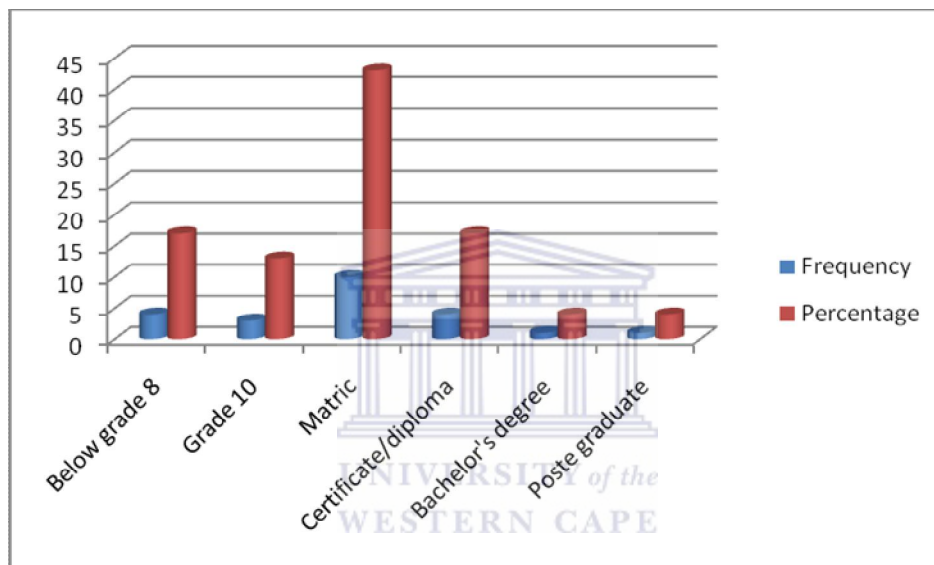
Source: Survey data 2010

Figure 15 below shows a substantial improvement (52%) in respondent's educational level since being employed at Spier. Forty eight percent of respondents did not experience any improvement in their educational levels. Four per cent of the respondents did not answer the question. Improvement in education of workers is beneficial for a company like Spier as the workers become more effective, efficient and productive.

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Figure 15: Level of improvement in education of respondents
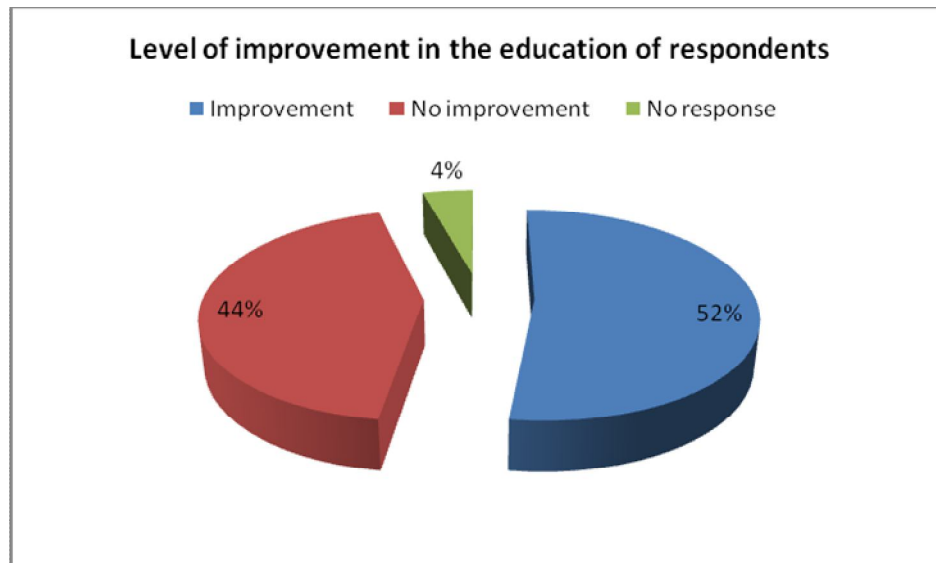
Source: Survey data 2010

 Respondents were subsequently asked to state if Spier had assisted them or was still contributing towards their educational advancement. Figure 16 below shows the contribution made by Spier towards employees' education. Twenty six percent of the respondents confirmed Spier paid fully for their academic expenses, 17% of the workers said Spier paid a small percentage of their study cost, and another 22% indicated Spier gave them a loan to study and the money was to be deducted from their wages. Thirty-one of the workers did not receive any financial assistance from Spier to further their education.

Figure 16: contribution of Spier to education of workers

- Spier paid completely/fully
- Spie paid a small % of the cost
- Spier gave a loan that needed to be funded
- Spier contributed nothing
- No response

4% 26%
31%
17%
22%
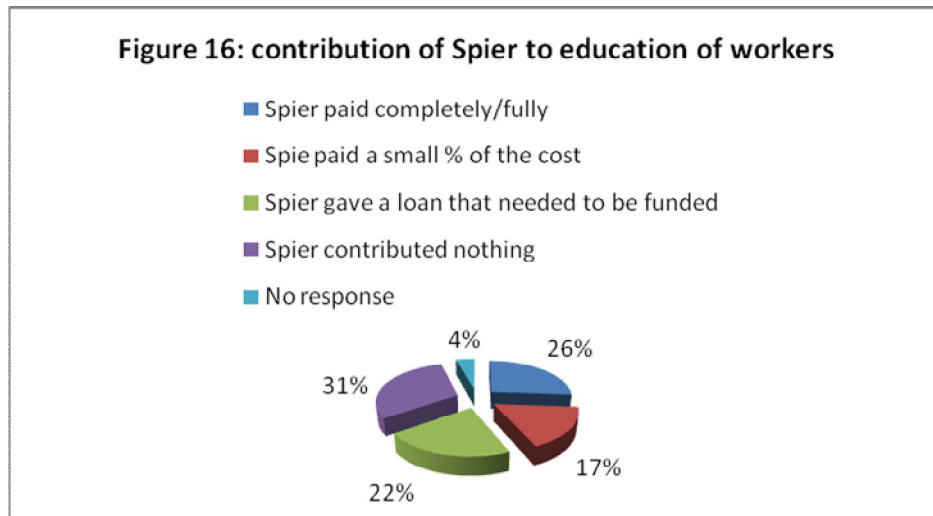
Source: Survey data 2010

From the above analysis, it can be concluded that even though 31% of respondent stated that Spier contributed nothing towards their educational improvement, at least 26% indicated Spier paid their fees fully, paid a small amount of the cost of part of 17% and offered a loan to 22% of the respondents who were studying while paying back the loan.

The research set out to establish to what extent Spier workers and beneficiaries of projects were exposed to training and skill development that could foster their career development at Spier and beyond. A hundred percent of all the 23 employees who participated in the study indicated that they have acquired new skills since they started working at Spier. These included work related or formal skills in management, hospitality, wellness, information technology, specifically computer-based and guest interaction. Very interestingly and more encouraging, respondents also received skills that can be described as personal and/or living skills. These include enhancing the ability of employees in problem solving and the development of interpersonal skills and others.

The importance of skill training and development of workers at Spier was reiterated by top management (both the chief operating officer and the skills and development manager) who mentioned that there is a hospitality-training institute on the estate for the training of hotel and restaurant staff. Management further confirmed that Spier, in collaboration with the University of Stellenbosch Business School, has designed a programme aimed specifically at training team

members who have the potential to develop into senior/executive personnel in the company. It should be noted here that most of these employees started working at Spier without prior skills but over the years, they have been trained and empowered with various skills needed for their career development.

It can therefore be concluded that workers who are employed in Spier and in projects funded by Spier with little or no skills end up acquiring professional and personal or living skills and capacity. This is done mostly through in-service-training, also referred to as on-the-job training. Creating and maintaining customer satisfaction are directly proportionate to the competency and quality of the workers. This can only be achieved through quality training of employees which Spier is carrying out. It is also true that as Spier employees are increasingly being empowered and capacitated by these skills development programmes, they become infinitely more marketable and mobile to seek lucrative employment in competing business enterprises. This is very encouraging finding indeed.

4.3.4 Healthcare, wellness and safety

The health and well-being of workers is crucial in fostering the progress of any enterprise. Where employees are healthy and in a good physical and psychological state, they will, in all probability be less absent, thus more productive. This will translate into higher levels of efficiency and profitability; something also is to the advantage of the employees. It can further be argued that it shows that an employer has a caring and welfarist approach to its workforce and values and respects its workforce if access to some measure of medical care is offered.

Respondents were thus asked whether they had any form of medical or healthcare scheme or cover before as well as after being employed by Spier. Results show that Spier clearly puts a high premium on the good health of its employees. In order to promote the health and well-being of its work force, Spier complies with the Occupational Healthcare and Safety Act (OHSA). This programme does not only encourage Spier employees to look after themselves by making use of

its clinic but actively encourages workers to take preventative wellness measures (Spier's Sustainability Report, 2007) .The wellness programme comprises the following:

- Provide four one-hour HIV/AIDS training modules to all staff members within the Spier group.

- Voluntarily test as many staff members as possible, with the goal of eventually testing 100% of the workforce.

- Provide access to HIV prevention and referral for treatment when necessary.

- Refine Spier's current HIV/AIDS policy to incorporate best practice and stakeholders.

- Create the capacity for outreach amongst the Spier workforce, so that the benefit accrued by employees as they participate in the programme can be shared by communities.

- Evaluate the impact of the wellness programme has had on Spier employees and their families (Spier Sustainability Report, 2008/2009).

On the question of whether respondents had medical cover before being employed at Spier, the results show that only 4% had access to a medical health cover. The majority of respondents (96%) indicated they did not belong to any medical healthcare scheme before being employed at Spier. The results were not surprising given the fact that 30% of the respondents were unemployed before joining Spier. Figure 17 below shows the medical situation of Spier workers before they were employed at Spier.
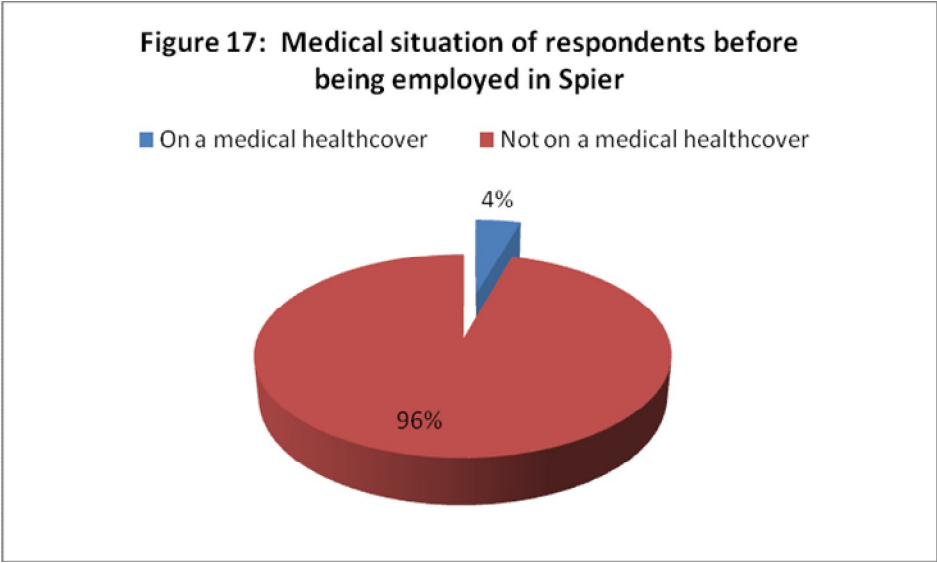
Figure 17: Medical situation of respondents before being employed in Spier

Source: Survey data: 2010: **Medical Cover Status of respondents before being employed at Spier.**

In a follow-up question, respondents were asked to indicate their medical cover status since being employed at Spier. Figure 18 shows that 22% of the respondents had medical health cover, while 74% did not. The results therefore show an improvement of 18% in medical health coverage of respondents after being employed at Spier. It is thus clear that the majority of employees do not enjoy health or medical cover.

Figure 18: Medical situation of respondents after joining Spier
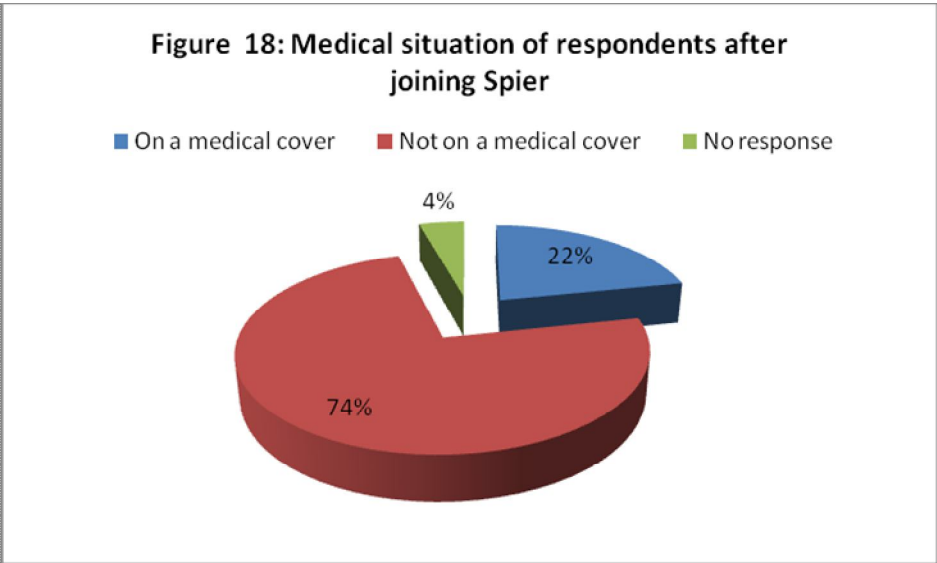
Source: Survey data 2010: **Medical Cover Status of respondents after being employed at Spier**

Respondents that were ordinary workers were asked why only 22% of workers presently enjoyed medical health cover. It was pointed out that only top management staff and a few supervisors had medical healthcare cover. The high expense of medical cover was offered as the main reason. Medical premiums are simply unaffordable to the majority of ordinary employees, given their income. Some explained that they do not need to belong to a medical scheme because there is a clinic facility on the estate. This clinic is available to all workers and its services are totally free and of excellent quality. Its thus clear that as far as the medical well being of their employees are concerned, the pro-poor approach of Spier has made a significant positive impact on its workers by an enhancing access to a crucially important basic service.

The section that follows is aimed at discussing the second objective of the study which is to undertake an assessment of pro-poor tourism practices as implemented by Spier in relation to Rogerson's Pro-Poor Approach. These practices include empowerment of the previously disadvantaged and marginalized livelihoods, development of effective and sustainable corporate social investment initiatives, local enterprise development, and sustainable environmental management.

4.4 Assessment of Rogerson's pro-poor approach as implemented by Spier

4.4.1 Empowerment

One of the features of Rogerson's tourism – poverty approach is empowerment. Empowerment in this sense implies financial (cash payment in the form of wages) and skills development through in-service training. It should be recalled here that Spier has helped to provide skills to its employees through the different training workshops carried out on the estate and beyond. Interviews conducted with management revealed that almost all the workers employed by Spier have undergone one or more training sessions to ensure duty acquaintance and effective customer-service delivery. Management also indicated that before workers are employed on full-time bases, they are capacited with diverse skills such as hospitality management, wine training,

guest-relation training, Microsoft Word training and education and training in the principles and practices of sustainability.

Focus-group discussion with women benefitting from the two projects included for this study revealed that the women involved in these projects have been empowered in one way or the other. For example, the women employed in the Kibwe Kids and Khayelitsha Cookies projects have been empowered with skills such as HIV/AIDS counselling skills, childcare, gardening skills, baking skills and administrative skills. With the acquisition of the different skills, these individuals, mostly from the impoverished backgrounds, are hopeful and confident that even if their contracts are terminated with Spier Leisure, they will not struggle to find jobs elsewhere because they have been capacitated financially, materially and psychologically. There is a growing self confidence and improved self-esteem amongst the workers and beneficiaries simply because they have been empowered with diverse skills. The development of these intangible personal qualities in previously marginalized and poor individuals and communities is extremely important and cannot be over – emphasized.
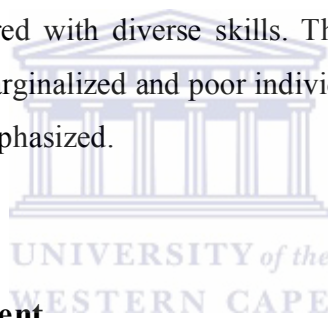
4.4.2 Corporate social investment

As mentioned earlier, Rogerson's model makes mention of Corporate Social Investment (CSI) as one of the pillars that can be used to alleviate poverty by tourism enterprises. According to Spier's Sustainability Report (2008/2009: 45) CSI is "an integral component of Spier's approach to business. It provides an important tool to address the social and environmental issues that cannot be addressed through an ongoing business operation". Spier's approach to CSI has three elements or dimensions. These are the Social Investment Committee, education, and creating a platform for dialogue between the company and the surrounding communities. In an interview the Chief Operating Officer (COO) of Spier, mentioned that the Social Investment Committee of Spier was set up to fulfil the following objectives:

- To create and nurture a sense of giving within the Spier community of employees;
- To encourage staff and enable them to volunteer their resources;

- To harvest and transfer the skills and talents of the employees of Spier to improve the living conditions of the less privileged in the surrounding communities.

According to the Chief Executive Officer (CEO[3]) of Spier, the company sets aside annually an amount for investment programmes directed towards philanthropic (charity) projects. These projects are focused principally on HIV/AIDS education and supporting orphanages, child-headed households, as well as on initiating and supporting economic and social development programmes within communities where Spier staff reside. Charity projects directly benefitting from Spier's initiative include Little Angels (Tokai), Etafeni (Nyanga East), Ekwezi (Paarl), Kids with HIV Foundation (Kayamandi, Stellenbosch).

Another focus of Spier's corporate social investment programme entails educational initiatives. An interview conducted with the skills and development manager revealed that over the years, the spending of Spier on education was mostly focused on the Lynedoch precinct, which incorporates a primary school, eco-village and the Sustainability Institute in Lynedoch[4]. The Sustainability Institute focuses on teaching for sustainable living and combines practice with theory in a way that integrates ecology and equity in support of a sustainable South Africa.

The COO made mention of the fact that in 2002, Spier contributed to the building of an ecologically-designed pre-primary and primary school in the Lynedoch village. She remarked that almost 500 children attend this school mainly from the families of farm workers. Spier pays the salary of one of the teachers. Spier also contributed substantially to the founding of the Sustainability Institute in the Lynedoch village[5].

The goals of the Lynedoch Eco-Village, as part of Spier's CSI initiative, are to establish a socially and economically viable mixed community which is focused on a child-centred precinct.

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[3] The CEO of Spier oversees the operations and the functioning of the entire business.

[4] Lynedoch is a small emerging hamlet located in the heart of the Cape Winelands, some 15kms south of the historic town of Stellenbosch. It is a disconnected amalgamation of small holdings, large wine estates, farm workers housing clusters, and a crossroad with a petrol station, shop and a post office.
http://www.sustainabilityinstitute.net/index.php?option=com_content&task=view&id=14&Itemid=20

[5] Within the Lynedoch hamlet is the Lynedoch Eco-Village development that has been approved by the local provincial government. It is situated on the 7 hectare property. It is owned by a non-profit company called the Lynedoch Development Company (LDC)
http://www.sustainabilityinstitute.net/index.php?option=com_content&task=view&id=14&Itemid=20

It strives to be a working example of a liveable ecologically-designed urban system, which is financially and ecologically viable and independent of external funding. Another goal of the Lynedoch Eco-Village is to provide a space where South Africans from all backgrounds can live in peace and harmony with each other. The third goal of the Lynedoch Eco-Village is that the Eco-Village must be a place where people from all over the world can come and share in the life of a community while they learn, think, and create works of art and knowledge that will contribute to the making of a better world, or better still a place where all life is celebrated in all its forms, treasured for the present and future generations.

(http://.sustainabilityinstitute.net/lynedoch-ecovilage-mainmenu-20/detailed-story-mainmenu-22).

Spier is an active member of the Sustainability Institute's board and shares a long-term partnership with both the Institute and the Eco-Village through funding arrangements. The CEO affirmed that Spier's Social Investment spending in 2008 was R1, 297, 783, 00, – calculated as a fixed percentage of their turnover of R41,000,000. This amount was confirmed with the beneficiaries of the respective programs. The amount is allocated as follows:

Social Investment =   R 74,593

        Arts   =   R 25,832

Economic Development:

Lynedoch Development =   R 96,950

 Education:

 Sustainability Institute =   R 60,000

 Lynedoch Eco Village =   R 24,000

 Lynedoch Primary School =   R 243,948

Nursery School Teacher =   R 1600

Salvzione School =   R 50,000

Africa Leadership Initiative = R 156,000

Sub total   =   **R 535,760**

Miscellaneous   =   **R 564,646**

Total = R 1,297,783[6]

The researcher interviewed the banqueting manager[7] to find out more about Spier's CSI mission. The manager indicated that on an average, Spier spends at least R50, 000 per month on food and other philanthropic projects operating in the local communities. The large amount of money spent by Spier to support and fund community development projects especially those in the disadvantaged communities is helping to reduce poverty through employment and capacity building especially for blacks and the coloured people who were previously disadvantaged. The various activities and projects funded by Spier above clearly demonstrate that Spier is spending a substantial amount of money to support Corporate Social Investment initiatives in the surrounding local communities and schools. This spending leads to inter alia more employment opportunities and advanced skills and education amongst impoverished people thus contributing to poverty reduction.

4.4.3 Local enterprise development

From Spier's perspective, local enterprise development involves helping to set up and support small enterprises especially black-owned one through its supply chain initiative complying with South Africa's black economic empowerment policy (Spier's Sustainability Report, 2008/09). The Enterprise Development Policy of Spier is focused on previously disadvantaged communities. Information obtained from management shows that Spier has invested time, effort and financial resources to establish a number of new small black and local supplier enterprises to give substance to Spier's policy of supply-chain transformation. An example of such an enterprise operating on the estate is the Klein Begin laundry, which was established in 2004. Spier assisted this enterprise with some operational capital and space on the estate for its establishment. Spier was also instrumental in helping the operator to meet the service standards. The enterprise started with three staff in 2007, and since then it has employed nine more workers. Another enterprise that was established at Spier in 2007 is called Alien Vegetation

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[6] 1,297,783 is the Social Investment spent by Spier in 2008 according to Spier's Sustainability Report for 2007/2008: 46. This amount was confirmed by top management and the recipients in the course of the interviews

[7] The respondents instructed the researcher not to mention their names in the course of the research. For that reason no names will be mentioned throughout this study.

Clearing. This enterprise was contracted to clear invasive alien vegetation woodlots from the estate to meet the company's Environmental Management Plan (EMP) policy. The contractor has since the start in 2007 carried on with vegetation maintenance. Other enterprises operating on the estate include Adobe Brick Construction as well as a paper manufacturing enterprise for the recycling of waste paper from all over the estate.

What is important about these enterprises is that they have led to the creation of new employment opportunities which are taken up mostly by the previously unemployed coloured and black individuals. According to management, in 2004 almost 33 new jobs were created as a result of the establishment of these enterprises. In 2007 a total of 99 new jobs were created at Spier through its supply-chain business. Of the 99 jobs, 59 were held by previously unemployed individuals and the rest were taken up mostly by women. Enterprise-development initiatives of Spier have therefore contributed very positively to the socio-economic improvement of the livelihood of those employed in these enterprises. As stated above these enterprises are predominantly black owned. They form part of the Black Economic Empowerment (BEE) initiative of Spier. The creation of substantial number of work by Spier's pro poor approach to tourism enterprise is in line with the evidence from relevant literature that shows that the creation of work in the tourism industry is part of its nature and one of its positive attributes.

4.4.4 Sustainable environmental management

Spier as a tourism enterprise has adopted the Earth Charter as an approach to environmental sustainable development (Spier Annual Report, 2006). The Earth Charter seeks to inspire a new sense of global interdependence and shared responsibility for the well-being of the human family and the larger living world. Spier's environmental approach according to the COO is based on a key ecological principle of creating a cyclical, rather than a linear flow of resources:

> ...*we have developed both an environmental management plan and a land development*
> *policy to ensure an orderly and consistent approach to addressing environmental*
> *issues in relation to our business activities...clarify issues of environmental concern*
> *and define specific goals and objectives to address them, comply with all environmental*

legal requirements...align our approach with local, provincial and national environmental policies; and support international environmental aims and objectives...[8]

According to the COO Spier has undertaken measures to ensure that its environment is conducive for its visitors, as well as its workers This is manifested through energy conservation, wastewater recycling, the safeguarding of its biodiversity and ecosystems, ecological building, environmental education and responsible land use management. Spier has in addition undertaken a number of initiatives to conserve energy use. These interventions include the following:

- Installation of hot water geyser blankets;
- Installation of energy efficient bulbs;
- Installation of 30 electrical meters across the estate to ensure that each business unit is charged directly for its respective consumption rate (Spier Annual Report, 2006: 69). All these attempts are to ensure efficient and economical energy consumption rates.

In the domain of water conservation mechanisms, Spier has initiated a range of water conservation initiatives namely:

- As mentioned above, the installation of 22 water meters across the estate to ensure that each business unit would be held accountable for its water consumption and individually for its respective consumption;
- Installation of over 400 water-saving devices on showers, sinks and toilets across the estate.

According to management, Spier uses a combination of septic tanks and rotating biological contactors. The bulk of wastewater is treated using Biolytix filter systems. This is an Australian waste-management system that converts wastewater and solid organic waste into a re-usable water resource. Management also highlighted that Spier has an on-site waste recycling enterprise which collects solid waste – including food waste, paper, plastic, metal, glass and other rubbish which is sorted into separate bins for recycling. Items which cannot be recycled such as food-based waste are given to a local, black-empowered, pig-farming cooperative as feed. All other recyclable material which Spier is not able to recycle is sold to commercial recycling companies.

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[8] Interview with the Chief Operating Officer of Spier in April 2010. She was highlighting the issue of Spier's sustainable environmental management policy.

Management also explained that some of the waste papers from the estate are recycled and used to manufacture Spier user-friendly pens.

In addition, Spier has put in place environmental educational programmes to create awareness amongst its workers and tourists. These programmes include, among others, fire fighting/preventive equipment, waste recycling, nature conservation, alien-vegetation clearing, and an environmental conservation communication campaigns aimed at stressing the importance of preserve and to safeguard the environment. Apart from the obvious environmental benefits that these measures and innovative systems represent, they have an added benefit in that many work opportunities are created through these initiatives as well. It is thus clear that Spier has embarked on a twin-blessed policy, taking care of the environment and addressing unemployment in the local communities.

In the area of biodiversity and ecosystems, management explained that Spier takes all measures possible to ensure that their operations do not impact negatively on any highly sensitive, biological diverse environments such as the Cape Floral Kingdom[9] to which it belongs. Spier also ensures its sustainable environmental management principle through the design and construction of ecologically friendly and sensitive buildings. In 2006, Spier established a construction policy which requires that when new project are undertaken by any business within the Spier group that it will be done with ecologically sensitive material, renewable energy and will maximize the re-use of any waste material created by human habitation.

In a bid to promote environmental awareness, Spier is hosting the Cheetah Outreach project and the Eagle Encounters – a raptor rehabilitation programme. Spier supported these two project hosted on the estate with free land tenure and electricity. These projects aim to educate and encourage conservation through a participatory approach or model. According to the coordinators of the two projects, the animals and the birds are acting as huge touristism

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[9] Spier is located within the Cape Floral Kingdom which is one of the six floral kingdoms in the world. The Cape Floristic Kingdom is the smallest in the world but the richest with high proportion of endemic and endangered species. The Cape Floral Kingdom "represents less than 0.5% of the area of Africa, but is home to almost 20% of the continent's flora. It has 9,600 plant species and has been identified as one of the world's 18 biodiversity hot spot.

attractions. The two projects have created employment for almost 10 people, mostly from a disadvantaged background, according to information obtained from the project coordinators.

4.4.5 Access to the markets for the poor

According to WTO (2002: 39) "local involvement in the tourism industry depends to a large extent on access to the market". Those benefiting from local tourism, in many cases, are greatest in the informal sector where local skills and services are maximized with low-scale capital investment. This aspect is often neglected in tourism planning where access to tourists from the informal sector is often restricted. Local people especially in the rural areas are more often than not denied any significant opportunity to participate in the tourism market. Tourists, when in their hotels, coaches, safari vehicles or inside historical or nature sites and museums are often not aware and /or do not have access to local communities (ibid, 2002).

Tourism can however be organised in ways that enable the local people to have access to tourists. In the case of Spier, a local craft market has been constructed on the estate for members of the surrounding communities to exhibit their craft works to visitors and tourists to buy as souvenirs. When visitors and tourists purchase craft items from these underprivileged cohorts of the society, the money helps crafters and stall owners to sustain their livelihood, often making it possible to buy daily requirements. The craft market operating on the estate has created employment to more than twenty members of the local communities according to information obtained from management. The craft-market initiative of Spier was focused on poverty alleviation through the creation of self-employment and subsequent income for the previously unemployed from the surrounding communities. This was a poverty-alleviation strategy initiative geared towards the local black population. Findings from this research suggest that it is hugely successful and has the potential to be expanded – a step that will benefit all stakeholders.

The section that follows examines the challenges faced by Spier Leisure in meeting its poverty alleviation initiatives within its pro-poor tourism approach. Spier Leisure consists of the four star

hotel, the restaurant, the house-keeping department and the banqueting or conferencing department. This section relates to the third objective of the study as discussed in chapter two.

4.5 Challenges faced by the Spier Leisure

Respondents (management and workers) were asked about the difficulties or challenges Spier is facing in pursuit of it poverty alleviation goal and initiatives. Based on interviews conducted with respondents from both management and some workers (blacks[i]), the following challenges were established:

- The interview with the public relations manager revealed that Spier Leisure is still facing employment equity challenges. The manager explained that some of the departments are still dominated by whites and coloured staff. For example the marketing, human resource and sales departments are predominantly staffed by these racial groups.

- Another challenge mentioned by respondents is that of racial tension and disputes between the coloured and the black African employees. Some of the workers who were interviewed confessed that in some departments such as Housekeeping and Banqueting, there is a growing tension between the blacks and the coloured staff. This tension is usually attributed to the supervisor of a certain race that is exerting power subordinates from another race group. They find it difficult to accept this authority.

- A potentially sensitive issue that Spier will have to face is that of establishing acceptable wages for its employees. Most of the workers excluding management interviewed complained that their wages were not sufficient to meet their basic household needs. This is an important finding and can develop into serious labour discontent and instability. Another wage-related challenge concerns the non-payment of a full salary or wage equivalent as an annual bonus. Respondents were highly discontented by this situation that arose in 2009 and resulted in labour action in the form of a strike. During the interviews, respondents voiced concern that the same situation could repeat itself at the end of 2010.

- Spier Leisure also faces the challenge of the qualifications of its employees. Despite the fact that the quantitative analysis shows that 52% of respondents' educational standards have improved since being employed at Spier, a substantial percentage (44%, figure 15) of employees have not experienced any improvement in their educational levels. Seventeen percent of the workers have a very modest qualifications of below grade 8, while 13% hold a grade twelve/ten qualification. Only a minority 4% are holders of a Bachelor's degree and a postgraduate certificate. This is a challenge because most of the workers especially people of colour do not easily move up the management "ladder" as a result of low educational qualifications. For example in the reporting year 2005, 50% of white males and 50% of white females made up the Executive Management, while in 2006, 33% of white males and 67% of White Females constituted the Executive Management (Spier Annual Report, 2006: 37). According to the 2006 Spier Annual Report, both black males and Black females constituted zero percent of the Executive Management level. Issues of employment and qualification of workers can be reviewed through labour union representation at Spier. All Spier employees have the right to freely associate and become part of a union should they collectively choose to do so. Spier formally consult with unions to discuss and negotiate terms and conditions of employment contracts and annual increases (Spier Annual Report, 2006).

- Spier Leisure is still facing problems with its sustainability approach to the environment. An interview with some of the management staff revealed that Spier is still using some out-of-date and ecologically harmful mechanical equipment to cut and sweep the lawns on the estate. These machines cause fumes and very toxic carbon emissions. Another environmentally unfriendly measure is the use of plastic bottles instead of glass bottles.

- The very fact that Spier is treating its employees as a family also somewhat surprisingly has its downside. Some employees are using this inclusive treatment to the detriment of the profit margin of the company. For instance some workers do not execute their functions in the way they ought to. This has caused some service delivery problems from employees lacking the passion and the motivation to carrying out their duties properly.

Having critically analyzed the challenges that the Spier pro-poor tourism initiative is facing, the question remains as to how these challenges can be addressed? The fourth objective of this study seeks to provide recommendations as to how the above-mentioned challenges can be handled most effective. The attempted solutions to these challenges will be discussed in chapter five. This will constitute part of the recommendations for the study.

CHAPTER FIVE

SUMMARY, RECOMMENDATION AND CONCLUSION

5.1 Introduction

This chapter presents the summary of the major research findings of the study. It also makes a number of recommendations, based on findings and insights generated by the data on how Spier can pursue its sustainable poverty alleviation strategy amongst its workers and the local population living within the sphere of its operation. The chapter ends with some concluding remarks.

The chapter starts with a discussion of the sustainability of poverty reduction strategy as employed by Spier.

5.2 Sustainability of poverty reduction strategy employed by Spier

The main objective of this study was to establish whether tourism as evident in the Spier tourism model is a sustainable poverty-reduction strategy. This section will undertake this objective by evaluating the summarized poverty-reduction strategy framework in 2.6.6 and the findings in 4.7 Before analysing the sustainability poverty-reduction strategy framework employed by Spier, it should be recalled that one way of investigating the causes of poverty is to examine poverty dimensions such as lack of income and assets to attain basic necessities (food, shelter, clothing and acceptable levels of health and education as well as a sense of voicelessness and powerlessness in the institution of state and society and a vulnerability to adverse shocks, linked with inability to cope with them). In order to understand the determinants of poverty in all its forms, people's assets such as human capital (capacity for basic labour, skills and good health), natural assets (arable land, healthy soils, biodiversity and a well functioning ecosystem), physical assets (access to infrastructure such as roads, power, water, telecommunication systems); financial assets (savings and access to credit); social capital (network of contacts, group membership, and relationship of trust, mutual support and leadership), need to be taken into consideration (World Bank, 2000).

The sustainability of poverty-reduction strategy analyzed in 2.6.6 has three major pillars namely: promoting opportunities, facilitating empowerment and enhancing security. These pillars are subdivided into some basic components as explained below.

5.2.1 Promoting opportunities

As discussed in section 2.6.6 promoting opportunities have the following components: creation of employment opportunities, as well as in the field of education, establishing quality healthcare and building the asset-base of the poor which will lead to sustained income growth. An analysis of Spier's alignment to this pillar would therefore entail examining these components.

5.2.1.1 Creation of employment

The sustainable poverty-reduction strategy in 2.6.6 stipulates that for poverty to be effectively reduced amongst the poor, employment needs to be created. Applying this poverty reduction strategy to Spier, the study found that Spier has created employment for almost 30%[ii] (sample population), previously unemployed individuals mostly from the surrounding local communities within its sphere of operation. It can therefore be concluded that Spier is using job creation as poverty reduction strategy.

5.2.1.2 Education

As already discussed in the sustainability poverty-reduction strategy framework in 2.6.6, Sachs (2005) explains that investing in education is one of the social pillars that can radically reduce poverty amongst the poor. Sachs reiterated that investing in education will entail constructing affordable public and private schools especially primary school that are built, financed and staffed by the state. This will stimulate the net enrolment rate, and thus contribute to good literacy levels leading to skill acquisition, employment and subsequently poverty alleviation.

Applying this concept to Spier, the study found that 52% (figure 15) of the employees have experienced a substantial improvement in their educational levels since being employed at Spier. It is thus clear that Spier is implementing education as one of its sustainable poverty-reduction strategies.

5.2.1.3 Healthcare

Access to good quality healthcare is another human development indicator used in promoting opportunities for sustainable poverty reduction. According to the sustainable poverty-reduction strategy framework (see part 2.6.6.1), the improvement in the healthcare of the population of a country can be achieved if there is a consistent emphasis on preventive and basic curative health measures, the provision of safe drinking water, improved sewage disposal and other sanitation measures such as campaigns against parasitic diseases (Sachs, 2005). Healthcare, according to him, can therefore be a sustainable poverty-reduction strategy, "a healthy nation is a productive nation" (Sachs, 2005:7). Applying this strategy to Spier, the study found that prior to being employed at Spier, only 4% of employees had access to medical cover. This percentage improved to about 22% (figure 18) of Spier employees enjoying medical health cover. The research also found that close adherence to the Occupational Healthcare and Safety Act (OHSA) of Spier ensures the well-being and safety of its workers. There is therefore empirical evidence that Spier is using healthcare as one of its sustainable poverty-reduction strategies. Access to the clinic makes Spier workers feel assured that their health is being looked after.

5.2.1.4 Building the assets of the poor

In part 2.6.6 issues around asset creation of the workers at Spier were discussed – specifically with relation to creating human, natural, physical and financial assets. Creating these assets is according to the World Bank one way of reducing poverty in a sustainable manner. This is achieved through an increased focus on public spending on the poor, in particular by expanding the supply of basic social and economic services to ensure good quality service delivery and to ensure the participation of poor communities and households in choosing and implementing services and monitoring them to keep providers accountable. Programmes to build the assets of

the poor include broad-based expansion of schooling with parental and community involvement, stay-in-school programmes, nutrition programmes, mother and child health programmes (World Bank, 2000: 8). Applying this to to Spier, the study found that Spier is investing significant financial resources through its Corporate Social Investment mission in the socio-economic and educational development of the local surrounding communities. Spier is supporting and funding community projects and NGOs in and around Stellenbosch, distributing food parcels to orphanages and old people's home, and supporting school programmes. It can thus be concluded that Spier is using assets building as a sustainability poverty reduction strategy

5.2.1.5 Income growth

As discussed earlier in the sustainability poverty-reduction framework in 2.6.6, a country's economic growth is essential for expanding economic opportunities for the poor. As a country grows richer, there is the expansion of social and economic activities. This will lead to sustained increase in per capita Gross Domestic income (GDP), with the main mechanism being better-paid jobs. With economic growth, income poverty will fall leading to improvement in living standards, health and education (World Bank, 2000). Expansion of economic activities will stimulate investment and growth in businesses leading to job creation. Previously unemployed individuals will gain employment and poverty will be greatly reduced. From the Spier's perspective, the result of data analysis based on income shows that 30% of Spier workers earn between R 3000 and R 4000. Despite the fact that the majority of the respondents were not satisfied with their incomes, 56% (figure 12) have experienced an improvement in their living standards. This therefore means that wages earned by Spier workers are substantially reducing their poverty levels and increasing their living standards. Spier is therefore using income growth to create jobs and reduce poverty amongst its workforce and surrounding local communities.

5.2.2 Empowerment

As earlier discussed in 2.6.6.2, facilitating empowerment is one of the pillars in reducing poverty in a sustainable manner. Empowerment at a macro level entails laying the political and legal basis for inclusive development, creating public administration that fosters growth and equity,

promoting inclusive decentralization and community development, promoting equity, tackling social barriers, supporting poor people's social capital, encouraging the participation of the poor in decision making, granting access to markets for the poor and giving them skills (World Bank, 2000). Of all the aforementioned components of empowerment, Spier is mostly implementing two – access to the market and skills development. As we have seen, Spier gives access to the market for the poor by permitting the opening of a craft market on the estate to attract visitors to purchase locally made crafts as souvenirs when they come to the estate. Information obtained from management shows that the craft market has created employment for almost 20 members of the local community who own stands in this market. The money earned from selling craft products helps in sustaining the lives of stand owners and their households. The craft market which is an initiative of Spier is helping to benefit particularly the disadvantaged cohorts occupying the stands in the craft market.

Training and skill development forms part of the sustainability poverty reduction strategy. Almost 100% of the study respondents have undergone training and acquired new skills. Spier is therefore empowering and capacitating their workers through training and skill development. For example, through the projects supported and financed by Spier in the local communities such as Kibwe Kids and Khayelitsha Cookies, beneficiaries who are mostly women are empowered with new and dynamic skills such as management skills, childcare skills and First Aid training skills.. The acquisition of skills according to these women has given them a kind of self reliance, self-esteem and self fulfillment. It is thus clear that through training and skill development employees and beneficiaries of Spier projects are empowered leading to poverty alleviation.

5.2.3 Enhancing security

Enhancing security as one of the pillars for reducing poverty in a sustainable manner as already discussed in 2.6.6.3 entails reducing vulnerability – economic shocks, natural disasters, ill health, disability and personal violence. Achieving security according to World Bank (2000) requires a heightened focus on how insecurity affects the lives and prospects of poor people. Tackling poverty through security enhancement means designing national systems of social risk management that are pro-growth. This involves such measures as tackling HIV/AIDS and

developing national programmes to prevent, prepare for, and respond to macro shocks. These include financial and natural shocks and the addressing of civil conflicts (World Bank, 2000). Looking at the Sustainability Livelihood Framework used in this study in relation to Spier, the livelihood outcome shows that as jobs are being created by Spier (direct and indirect employment), people are employed leading to increased income, which guarantees their financial security and well-being. The money earned by these employees is used to purchase basic needs such as food, clothing, shelter, and education. Security of basic needs leads to improvement in the living conditions and thus reduces vulnerability. This study found that a great improvement is evident in the living standards of Spier workers (contribution to livelihood – increased income, enhanced health and food status). The analysis shows that 56% (figure 12), of respondents had experienced improvement in living standards and that 91% (figure 13) affirmed their living conditions were better compared to their previous state of well being before being employed at Spier.

5.3 Conclusion

The focus of this chapter is on quantitative and qualitative analysis of field data. The analysis is centred on the socio-economic impact of Spier tourism initiative. The chapter also assesses Rogerson's pro-poor tourism approach as implemented by Spier.

5.4 Summary of the major research findings

The main aim of this study was to establish whether tourism as evident in the Spier model is an initiative that represents a sustainable poverty-reduction strategy. The study sought to examine to what extent Spier's model of sustainable tourism is contributing towards alleviating poverty amongst its workers and the surrounding local communities within its sphere of operation. In other words this research sought to answer the question as to how Spier is helping to improve the living conditions of its employees, especially those from the previously disadvantaged backgrounds, as well as those living in the surrounding local communities, and benefitting from Spier developmental initiatives, i.e. its projects. The focus of this study is on Spier Leisure, not the entire company.

In general, the research findings show that Spier is playing a positive role in alleviating poverty amongst its employees, and amongst the beneficiaries of the different Spier-funded projects in the surrounding local communities whose backgrounds can be termed previously disadvantaged. Spier, through its sustainable tourism initiative has proved to be a source of livelihood strategy to most of its employees as well as to community members touched by and benefiting from its initiatives. The research findings show that Spier has positively contributed to the improvement in the living standards of its workforce as well as the beneficiaries of Spier - funded projects. This is discussed in more details below.

5.4.1 Employment creation

Both the quantitative and qualitative data analysis in chapter four show that Spier has created employment for almost 30% of the sample of previously unemployed individuals mostly from the surrounding local communities. Direct and indirect employment has been created in the various departments ranging from the housekeeping department, the four-star hotel, the restaurant, the banqueting/conferencing department as well as the warehouse. Through the projects supported and funded by Spier in the local communities, employment has been created for 18 women working in the Khayelitsha Cookies project. The Kibwe Kids project in Kayamandi has created employment for 27 women in the community. Through the establishment and promotion of local enterprise development in the form of small, black local enterprises, Spier has helped to create employment for 99 previously unemployed individuals through local businesses such as Klein Begin Laundry, the Alien Vegetation Clearing Project, the staff canteen and Adobe Works at Spier. Employment has also been created for individuals involved in a number of charity projects directly benefitting from Spier's initiatives such as Little Angels (Tokai), Etafeni (Nyanga East) and Ekwezi (Paarl).

5.4.2 Improvement in living standards

The study established that a tremendous improvement is evident in the living standards of Spier workers in the form of increased income and enhanced health and food status compared to when they were not yet employed at Spier. The analysis shows that 56% (figure 12), of respondents have experienced improvement in their living standards, 91% (figure 13) affirmed that their

living conditions had improved compared to their previous state of well-being before being employed at Spier. The perception of an increase in the level of living standards of employees is also attributed to the respondents' improved housing situation. The study found that nearly half of the respondents now live in a brick-built plastered dwellings with electricity, running water and flushed toilets compared to the majority of respondents living in shacks prior to being employed in Spier. Some of the respondents however, were at the time the study was conducted, still living in block-built, shacks and Wendy houses. This shows that the type and by default the quality of dwelling still differ substantially amongst Spier workers. Also linked to improved living conditions is the fact that some of respondents were satisfied with the fact that they had acquired some durable assets such as television and radio sets, sofas, fridges, comfortable beds – all commodities that substantially contribute a more comfortable and dignified standard of living.

5.4.3 Income satisfaction of respondents

The study found that 30% of the sample was satisfied with their incomes as opposed to 52% who were hardly satisfied. The majority of respondents complained that their net monthly incomes were insufficient to satisfy their basic needs. However, despite the fact that majority of the respondents complained of insufficient income, the study shows that 56% (figure 12) have experienced an improvement in their living standards. This shows that income is not the only measurement for living standards. Income satisfaction is also manifested in the number of household members that each worker supports. The study found that an average Spier worker supports at least three to four household members who depend on him or her for food, clothes and shelter, and on average, each employee supports two family members at school.

5.4.4 Access to medical healthcare

The physical and mental well-being of employees is vital for a company – it relates to a motivated and productive workforce. The results suggest that prior to being employed at Spier, only a minimal 4% (figure 17) of the sample had access to medical cover. After being employed at Spier respondents experienced an improvement with 22% (figure 17) now enjoying medical cover. The research also found that close adherence to the Occupational Healthcare and Safety Act by Spier ensures the well-being of its workers. The majority of the respondents had no

medical cover except the executive management and the management staff, including some of the supervisors. In order to ensure the well-being of its workforce, Spier has established a day-care clinic on the estate to cater for the healthcare of it workers. Respondents expressed their satisfaction with the quality of service rendered by this clinic.

5.4.5 Access to education, training and skill development

The study established that 52% (figure 15) of research respondents have experienced a substantial improvement in their educational level since being employed at Spier, while another 44% (figure 15) have not experienced an improvement in their educational level, and 4% (figure15) of respondents remained neutral. However, the overall results show a substantial improvement in their educational levels since being employed at Spier.

Regarding the question of how Spier contributed to the educational improvement of its workforce, the study shows that Spier paid fully for 26% (figure 16) for the academic expenses of the workers. A small percentage of the workers said Spier contributed a small percentage (17%, figure 17) of their study cost. Twenty two percent (figure 15) of the respondents affirmed that Spier gave them a loan to study for the amount that was then deducted from their wages. A higher percentages of the workers said Spier contributed nothing to improve their educational standards. Even though the findings show a substantial improvement in workers' educational level, 31% of the respondents indicated Spier contributed nothing to improve their education standards.

With regards to training and skill development, the study found that Spier workers have acquired new skills – both professional and interpersonal. Professional skills include management, hospitality, information technology as well as skills in self enrichment and in interpersonal relations like guest interaction and conflict and problem solving. From the focus-group discussion with some of the women who are benefitting from Spier-funded projects such as Kibwe Kids and Khayelitsha Cookies there was a clear indication that the women have been empowered with diverse skills from their involvement in a Spier-initiated project. These included training in childcare and HIV/AIDS counselling, baking and computer-based skills, as well as administrative and food preparation and gardening skills, to mention a few. Some of the

respondents however told the researcher that some of these skills mentioned above are not sustainable but meet the needs of their employer (Spier enterprise). Some of them were very disappointed that upon the successful completion of their training, they are not issued accredited certificates which can assist them to become more marketable and enable them to seek employment elsewhere.

5.4.6 Corporate Social Investment (CSI) mission of Spier

The study found that Spier in terms of its Corporate Social Investment mission is investing substantial financial resources in community projects and in non-governmental organisations (NGOs). For example Spier is supporting and funding the Lynedoch Sustainability Institute, the Kibwe Kids project in Kayamandi, the Khayelitsha Cookies Project in Maitland, and NGOs such as Little Angels (Tokai), Etafeni (Nyanga East), Ekwezi (Paarl). The Chief Operating Officer revealed that in 2006, Spier spent a total amount of R10, 282, 552, 00 on art and culture, education, economic development and environment. In the 2008/2009 fiscal year, Spier spend R 1, 297, 783, 00 on social investment, arts, economic development and education. This amount was confirmed with the beneficiaries of the respective programmes. Through the CSI initiatives, Spier is helping to reduce poverty especially through the impact of the different projects operating in the local communities. Although the budget allocated for CSI initiatives varies each year, it is apparent that Spier is doing much good through its investment in its surrounding communities.

5.5 Recommendations

The last part of this thesis contains a number of recommendations. These are based on the findings as well as experiences and impressions gained during the two months that the researcher spent conducting interviews and reviewing literature about Spier. Spending a significant period at Spier allowed him to develop a deeper insight into issues that present challenges and are inhibiting the operations at Spier and also by default, the potential beneficial impact of this large enterprise on its workers and previously marginalized communities.

The following recommendations are made:

- Concerning the issue of insufficient wages raised by workers during the process of data collection, the researcher recommends that Spier should do more to attract business opportunities and tourists to the estate. When more tourists visit Spier, more money is spent. This can be ploughed back into the business, expanding the operations. This will lead to higher income levels and possibly also profit maximization. Part of the increased profit, can be used to increase the wages of workers and pay bonuses more fully and regularly. The expansion of the business operations however, must be governed by sensitivity towards ecological and environmental sustainability – issues that are fortunately high on the agenda of Spier.

- Spier is still causing some environmental harm through its use of carbon-generating equipment to clear and sweep the lawns on the estate. Ecologically friendly equipment should be used instead of those causing carbon emissions. More labour-intensive alternatives that are more eco-friendly should be considered. This will reduce environmental pollution and safeguard the natural environment.

- Since Spier has a good pro-poor tourism model as the research findings show, the company should be flexible and willing to share its best practices with other tourism enterprises wishing to replicate its model. The sustainability practices of Spier are worthy of being emulated because of the increasing need to "green" the tourism sector. Most tourism companies nowadays are strongly recommended to include environmental best practices into their programmes. Indeed this is one of the core values of Spier enterprise.

- Spier should be willing to expand the craft market beyond its confines. It should be noted here that Spier is running a craft market on the estate whose personnel are mostly black. In order for Spier to promote and expand this potentially very lucrative business which creates an income for black people, Spier should be willing to look for a permanent market for these people to produce crafts in larger quantities. Although the craft market is operating daily from Mondays to Saturday, Spier should be willing to appoint a dedicated staff to drive this initiative – somebody with business experience. Spier should be willing to assist these crafters with training in arts and craft making in order to add value to their products. This will in turn increase market demand thus boasting sales and more money at the disposal of these crafters. More money in the hands of the crafters will lead to the improvement of their living conditions and those of their households.

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- In order for Spier to provide ways of improving the qualification of its workforce, the company should organize a once-off awareness campaign informing its employees on the advantages that further education and training can bring to both the individual's personal and professional life as well as to the internal efficiency of the company. Spier should also encourage its employees to study by offering study leave and scholarships, subsiding tuition fees, as well as offering study loans to deserving workers who are keen to further their education.

- Currently, the top management positions are occupied mostly by white staff. It is recommended that a deliberate effort is made as a matter of urgency to identify and groom people of colour who have the appropriate qualifications and the necessary managerial skills and show overall capacity, to be given an opportunity in an executive position. Such a step will in all probability enhance the overall legitimacy of the management at Spier and in addition improve the level of social cohesion within the Spier family.

- Regarding the issue of racial disputes and conflict existing amongst the blacks and the coloured staff as mentioned in the challenges facing the company in chapter four, Spier should set up a conflict-management body to resolve sensitive issues amongst the different races and amongst top management and ordinary workers. This team should consist of experts in the field of conflict resolution and mediation, peace building and reconciliation. The team should be capable of handling sensitive racial issues existing between the different racial groups at Spier.

5.6 CONCLUSION

For centuries, poverty has been a vast problem throughout the world and there is little indication of the problem being solved in this 21st century. The political and historical roots of South Africa make poverty endemic and woven into the very fabric of the South African economy.

Since the dawning of the new democratic dispensation, the Government of South Africa has as part of its efforts to reduce poverty developed policies towards its reduction. First were the Reconstruction and Development Policy (RDP), followed by a new macroeconomic strategy – the Growth, Employment and Redistribution Policy (GEAR), and the Accelerated and Shared Growth Initiative for South Africa (ASGISA). Despite all these efforts made by the Government and other stakeholders, modest progress is visible and widespread poverty is still evident. Inequality levels in South Africa remains unacceptably high and are reported to be amongst the highest in the world. Amongst all concerned there is a growing acknowledgement that poverty is a multi-dimensional and multi-faceted approach that needs a many pronged effort by a range of stakeholders including the government and the private sector to reduce it. The case study of Spier as a private sector stakeholder, confirms that a well-designed and executed, sustainable tourism development can become a sustainable poverty-reduction strategy. Indeed, this study has shown that Spier through its sustainable tourism has helped to improve the livelihoods of its employees because local populations are benefitting from its funded projects. The study noted however that despite the positive socio-economic impact, Spier is still grappling with some challenges ranging from insufficient income of employees, low educational qualification of workers, healthcare related issues to name a few needs.

Overall it is observed that sustainable tourism using Spier's pro-poor tourism initiative can be used as a tool in alleviating poverty. The study found that Spier has contributed to the socio-economic improvement in the living standards (contribution to livelihood – increased income, enhanced health and food status), through employment creation, improved education/healthcare, empowerment through training and skill development.

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Annexure 1: Map of Spier

Annexure 2: Guideline Questionnaire for Beneficiaries of Spier Projects

Questionnaire for Beneficiaries of Spier projects (Kibwe Kids and Kayalitsha Cookies)

Good morning/afternoon. My name is Chifon Godlove Ngek, a student from the Institute for Social development (ISD), University of the Western Cape, Cape Town, South Africa. I am carrying out a study on the role of sustainable tourism in reducing poverty in South Africa. The aim of this research is to see whether Spier's model of sustainable tourism in poverty reduction can be used as model to follow for other organizations and businesses. I also want to see whether Spier's model of sustainable tourism is contributing towards reducing poverty amongst its workers and surrounding communities, and if so how.

I am interested to find out how is Spier helping to improve the living conditions of its workers especially those from historically disadvantaged background as well as those surrounding local communities. The question I want to answer with this research is to know whether worker from Spier and communities surrounding Spier are benefitting from the Spier business initiatives.

The information that I am collecting is purely for research purposes and would be grateful if you spare some of your precious time to answer the questions. The interview will not take a long time. The information you supply will be highly confidential - nobody will be able to link anything they read with a specific person. This research is interested in people's opinions and knowledge and not interested in who they are!

Identifying Information regarding the Project and Respondent

1.1 Name of Project………………………………………………………………………………..

1.2 Location of the Project……………………………………………………………………………

1.3 Position of Respondent…………………………………………………………………………...

1.4 Job description of Respondent………………………………………………………………………..

1.5 Date of interview……………………………………………………………………………………

Questionnaire for Beneficiaries

2.0 Demographic Information

This section asks for details of yourself just for clarification purposes and nothing else

2.1 Sex

Male [ ]

Female [ ]

2.2 Age

Below 20 [ ]

21-30 [ ]

31 - 40 [ ]

41- 50 [ ]

51+ [ ]

2.3 Marital status:

Single [ ]

Married/living together in common marriage [ ]

Divorced [ ]

Widowed [ ]

3. Background information of the project

3.1 What is the name of this project?

………

………

3.2 How long is this project been in operation

3.3 What are the goals of this project?

………

3.4 How successful has the project been in achieving these goals…………………………….......

………

3.5 In what ways has the community of Kayamandi been benefiting from this project?

………

Community did not benefit at all [ ]

Please explain

3.6 How many people are working in this project?

Permanent………………………………………………………………………………………………..

Part time………………………………………………………………………………………………………

4. Material well - being & Income

4.1 Did you have a job before joining this project?

Yes [ ]

No [ ]

4.1b If not what was your main source of income before joining the project?

……

4.2 Before joining this project could you usually pay for household goods that you needed every day

a) Always [ ]   b) most time [ ]   c) nearly never [ ]   d) never [ ]

4.3 In what ways/how has this project benefited you?

   a) Gave me Employment [ ]

   b)   Training [ ]

   c)   Other   [ ]

      Please

      specify………………………………………………………………………………………

……

4.4 Has your live become easier since you joined the project?

Yes [ ]   No [ ]

If yes explain how…………………………………………………………………………………

……

4.5 Has the project make it possible for you to buy things for your house that you could not buy in the past?

Yes [ ]

No [ ]

If yes please give examples……………………………………………………………………………

4.6) How many of your family members depend on the income you earn from this project?

………………………………………………………………………………………………………

5. Education

5.1 What is your highest level of education (what is the highest standard that you passed)?

....

5.2 Do you want to attend adult education/ school again?

Yes [ ]   No [ ]   Uncertain [ ]

If yes why.

……

………………………………………………………………………………………………………

5.3 Does your income from this project help you to send children to school?

....

6. Food Security

6.1 **Before becoming involved** in the project was there enough food in your house to feed all the members?

Yes always [ ]   Yes, mostly [ ]   Very seldom [ ]   nearly never [ ]

Please explain fully …………………………………………………………………………………....

……

………

6.2 **Since you have become involved** in the project is there more food in this household to feed all its members?

Yes nearly always [ ]   Yes, mostly [ ]   Very seldom [ ]   Never [ ]

In which way

………

6.3 Does your family have now **more** meals daily (breakfast, lunch and supper) compared to *the time before* the project started?

6.3a Before the Project started:

	Had it always	Had it very often	Had it now and then	Nearly never
Breakfast				
Lunch				
Diner				

6.3b
Since joining the Project**:**

	Have it always	**Have it very often**	**Have it now and then**	**Nearly never**
Breakfast				
Lunch				
Diner				

7. Healthcare

7.1 Before joining this project could you pay for the doctor when you were sick?

Yes always [ ]   Yes, mostly [ ]   Very seldom [ ]   nearly never [ ]

7.2 Does the project offer any form of medical/ health help?

Yes [ ]   No [ ]

If yes explain in detail……………………………………………………………………………………………

………

7.3 Since joining the project can you pay to go to the doctor

Yes [ ]

No [ ]

If Yes

 Nearly always able to pay [ ]   mostly able to pay [ ]

If no

Very seldom able to pay [ ]   nearly never [ ]

………..

8. Skills and training

8.1 Have you receive any form of training from this project?

Yes [ ]   No [ ]

If yes, what form of training (skills acquired)?

………

8.2 Did your training had a good effect on your life

Yes [ ]

No [ ]

If yes, please explain how

………

8.3 Do you think the skills you have learned in this project are going to help you in future to live a better life?

Yes [ ]   No [ ]   Uncertain [ ]

If yes please explain how

………

9. Valuing the Project (To see how good or unsuccessful the project is)

9.1 Did this project changed your life

 Yes [ ]

No [ ]

If yes

How did the project change your life?

9.2 Would you say this project is a success or not a success?

a) A Success [ ]

b) Not a success [ ]

If Successful

Please explain your answer

………

Not successful

 If not successful, how do you think this project can be made successful?

………

9.3 Do you feel good about your role in the project?

Yes [ ]   No [ ]   Mixed Feelings [ ]

 Please explain your answer

………

10. What are the biggest problems this project is facing?

………

11. What do you think can be done to solve these problems?

12. Poverty Reduction

12.1 Do you think that Spier is helping to reduce poverty in its local communities around Stellenbosch?

Yes [ ]   No [ ]

If yes please explain how this is happening

………

12.2 Do you think Spier could do more to reduce poverty in the local communities around Stellenbosch?

Yes [ ]   No [ ]   Uncertain/don't know [ ]

What more can Spier do to reduce poverty in the poor communities?

………

13 What are the good effects of this project on this community?

Social Impact

   a) Bringing people together [ ]

   b) Caring for children in need

Others [ ]
Please specify
…………………………………………………………………………………………………
Economic Impact
   a) Giving Training to its workers   [ ]

   b) Creating Jobs

   c) Bring income for community members [ ]

   d) Others, please specify

Thanks a lot for your precious time you have spent answering these questions.
The information obtained from you will be solely/only used for academic reasons towards obtaining my degree. It may also help to make the project more successful!!!
Once Again, The Information You Give Will Be Treated Absolutely Confidentially.
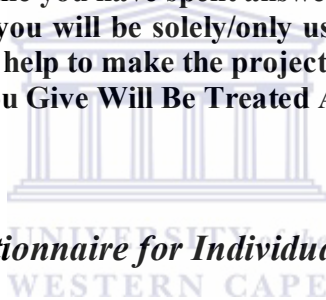
Annexure 3: Guideline Questionnaire for Individual Spier Employees

QUESTIONNAIRE SCHEDULE FOR INDIVIDUAL SPIER EMPLOYEES

Good morning/afternoon. My name is Chifon Godlove Ngek, a student from the Institute for Social development (ISD), University of the Western Cape, Cape Town, South Africa. I am carrying out a study on the role of sustainable tourism in alleviating or reducing poverty in South Africa. I am using Spier tourism initiative as a case study. The central aim of this research is to establish whether Spier's model of sustainable tourism in poverty reduction can be used as a model that can be used in other places.

I also want to research to what extent Spier's model of sustainable tourism is contributing towards poverty alleviation amongst its workers and surrounding communities. I want to find out how Spier is helping to improve the living conditions of its workers especially those from historically disadvantaged background as well as those surrounding local communities benefitting from Spier projects.

The information that will be collected is purely for academic purposes. The information you supply will be highly confidential and restricted only to this study. I will be very grateful if you will spare some of your precious time to answer the questions. The interview will take only 30 minutes of your time

1.6 Position of Respondent in Spier ………………………………………………………………

1.7 Job description of Respondent…………………………………………………………………………

……………………………………………………………………………………………………..........
1.8 Date of interview…………………………………………………………………………………….

2.0 Demographic Information

This section asks for details of you just for clarification purpose.
2.1 Sex
  Male [ ]
  Female [ ]
2.2 Age
Below 20 [ ]
  21-30 [ ]
31-40 [ ]
  41-50 [ ]
51 + [ ]
2.3 Place of birth…………………………………………………………………………………….
2.4 Marital status:
  Single [ ]
Married/living together [ ]
Divorced [ ]   Widowed [ ]

3. Source of livelihood

3.1 What was your previous job status before being employed in Spier?
Unemployed [ ]   Self-employed [ ]   working in industry [   ]   working for the government [ ]   working for an NGO [ ]
Other, Please specify
………
3.2 How long have you been working at Spier?
Months.........   Years...........
3.3 Why have you decided to apply to work at Spier?
………
3.4 State your present type of employment at Spier?
a. full time/permanent [ ]   b. casual/temporary [ ]

c.other..
3.5 In which department(s) are you working?
Hotel [ ]   Restaurant [ ] Conferencing [ ] housekeeping [ ]
Others, please specify
………
………
Briefly describe what your job entails (what you do)
....

4. Income

4.1 Indicate your monthly household income earned at Spier
 Less than R 2000 [ ]   R 6001 – 7000 [ ]

R 2001 – R 3000 [ ] R7001 - 8000 [ ]
R3001 – R 4000 [ ] R8001 – 9000 [ ]
R4001 – R 5000 [ ] R9001 – 10000 [ ]
R5001   R 6000 + [ ] R10001 + [ ]

4.2 On average how sufficient is your monthly income from Spier to meet basic expenses.
Very sufficient [ ] sufficient [ ] hardly sufficient [ ] never sufficient [ ]

4.3 Do you have an extra income other than that from Spier?
Yes [ ]
No [ ]

4.4 If yes please state the other source of income from the list.
a. government grants/ pension (child old age, disability, other). [ ]
b. income from other household members working. [ ]
c. income from other business ventures [ ]

4.5 State the number of people depending on your income for a living.
1 [ ]   2 [ ]   3 [ ]   4 [ ] 5 [ ]   6 [ ] 7 + [ ]

4.6 How many of the people that depend on you for a living are attending school?
1 [ ]   2 [ ]   3 [ ]   4 [ ]   none [ ]

5. Standard of Living

5.1 Describe the type of your home/dwelling.
a. Brick built, plastered/painted dwelling [ ]
b. self-built unplastered/unpainted block built [ ]
c. traditional hut/ block built [ ]
d. Flat in a block of flats
e. shack [ ]
f. Wendy house on another person's plot [ ]
Other, please specify
………………………………………………………………………………………………………
………………………………………………………………………………………………………

5.2 Is your house being subsidized by Spier?
Yes [ ]   No [ ]
If yes to what measure/extent..
………………………………………………………………………………………………….

5.3 Since you started working at Spier what happened to the standard of living of your household?
a. It improved a lot [ ]   b. it improved slightly [ ]   c. stayed the same [ ]   d. got worse [ ]
e. got very much worse [ ]
Please explain……………………………………………………………………………………….
……………………………………………………………………………………………………..
……

5.4 Do you think that the living standard of people living in your community that work for Spier is better, the same, worse than **those not** working for Spier?
Better [ ]   Same [ ]   Worse [ ]
Please explain your answer above …………………………………………………………………...

5.5 Compared to when you started working for Spier, how would you describe your present situation regarding the following:

	Better	Same	Worse
Material security (Housing and domestic commodities/furniture etc			
Satisfaction with my work			
Security about my work			
Satisfaction with my life at present			
Positive about my future			
Positive about my family's future			

6. Education, training and skill development

6.1 Highest Educational Level

Below grade 8 [ ] grade 10 [ ]   Matric [ ]   Certificate/Diploma [ ]   Bachelor Degree [ ]
Postgraduate [ ]

6.2 Have you improved your educational level since you started working for Spier?

Yes [ ]   No [ ]

 If yes, please describe in what way

………………………………………………………………………………………………………

6.2b. If yes, did Spier help you to pay for your studies?

Yes Spier paid completely/fully [ ]
Yes Spier paid a big percentage of the cost [ ]
Yes Spier paid a small percentage of the cost [ ]
Yes Spier gave me a loan that I need to pay back [ ]
No Spier, did not contribute [ ]
Other sources, please explain

………………………………………………………………………………………………………

6.3 In which way does Spier improve the education of the children of its Staff?

	Yes	No
Through Scholarship		
Through study grant		
Book donation		
Transport to school		
None of the above		

Others, please specify

………………………………………………………………………………………………………

6.4 Have you received any training offered by Spier since you started working for Spier?

Yes [ ]   No [ ]

If yes specify what type of training

………………………………………………………………………………………………………

6.5 Briefly explain why you did the training

………

6.6 At what period of the day was the training offered?

During working hours [ ]

After working hours [ ]

Over weekends   [ ]

6.7 What has been the impact of this training on your working conditions? (Mark as many as necessary)

	Yes	**No**
I got promoted to a higher paid job		
Increase salary/wages		
I feel more confident in doing my work		
I am a more efficient worker – take less time to do my work right		
I feel better about myself – increased my self-worth		
The training had no impact at all		

Other, please specify………………………………………………………………………………………

6.8 If you have not been trained yet by Spier, would you like to receive training?

Yes [ ]

No [ ]

If yes, please specify

………

6.9 Does Spier have any programme that teaches its workers about environmental awareness?

Yes [ ]   No [ ]   Unsure [ ]

If yes please describe……………………………………………………………………………………….

6.10 What new skills have you learned from Spier that can further your career?

Formal skills…………………………………………………………………………………………

……………………………………………………………………………………………………….

Informal skills…………………………………………………………………………………………..

………

7. Healthcare

7.1 Before you were employed at Spier, did you have any medical cover?

Yes [ ] No [ ]

7.2 As a Spier worker, are you and your family currently under any medical health cover?

   Yes [ ]   No [ ]

Worker   [ ]

Family [ ]

8. Poverty eradication programs

8.1 How serious do you rate the problem of poverty in the community in which **you live**

Very serious [ ]   Serious [ ]   Not serious [ ]

8.2 In your opinion should an organization like Spier be involved in helping to reduce poverty in disadvantaged local communities around Stellenbosch?

Yes [ ]   No [ ]   Unsure [ ]

If yes, please explain

…………………………………………………………………………………………………

8.3 Do you know of any poverty reduction programs run by Spier in the surrounding local communities?

Yes [ ]   No [ ]

If yes specify the type of programme……………………………………………………………

8.4 If yes, in your opinion how successful is Spier generally in reducing poverty in the surrounding local communities?

Very successful [ ] Successful [ ]   don't know [ ]

8.5 What, if anything do you suggest Spier should be doing in reducing poverty in the surrounding disadvantaged communities

 Do not know [ ]

8.6 What, if any in your opinion are the impacts of Spier's pro-poor tourism initiatives in the surrounding local communities?

Do not know [ ]

…………………………………………………………………………………………………

8.7 What, if any are the difficulties you think Spier is facing in a bid to reduce poverty in the surrounding disadvantaged communities?

Do not know [ ]

……

8.8 In your opinion, what can you suggest Spier should be doing to increase the standard of living of the people in the surrounding disadvantaged communities?

…………………………………………………………………………………………………

8.9 How can Spier change its present tourism strategy to make the workers of Spier get a bigger share in the benefits of the tourists visiting Spier

…………………………………………………………………………………………………

Thanks a lot for your precious time you have spent answering these questions. Everything you said will be treated confidentially. It will only be used for academic purposes to obtain my degree.

Annexure 4. Guideline Questionnaire for Spier Management

Questionnaire to Spier Management
1. INTRODUCTION

Good morning/afternoon. My name is Godlove Ngek Chifon, a student from the Institute for

Social Development (ISD) from the University of the Western Cape. I am conducting a study

into the role of (sustainable) tourism in alleviating poverty in South Africa. I decided to use the Spier tourism initiative as a case study.

The central aim of this research is to establish whether Spier's model of sustainable tourism in poverty reduction can be used as a replicable model. I am also interested in examining to what extent Spier's model of sustainable tourism is contributing towards alleviating poverty amongst its workers and surrounding local communities. In other words, how is Spier helping to improve the living conditions of its workers, especially those from historically disadvantaged backgrounds as well as the surrounding local communities benefitting from Spier initiatives (programmes)

The information that will be collected is purely for academic purposes. The interview will not take long and the information you supply will **be highly confidential**. It will be used for academic purposes only towards obtaining a Masters degree. The University of the Western Cape has given me an authorization letter to conduct this research

Thank you very much for your willingness to assist me!!

1.1 Position of Respondent……………………………………………………………………………

1.2 Job description of Respondent…………………………………………………………………..

1.3 Date of interview………………………………………………………………………………..

Questionnaire to Spier Management

Demographic Information

This section asks for details of yourself just for clarification purposes and nothing else

2.1 Sex

Male [ ]

Female [ ]

2.2 Age

Below 20 [ ]

21-30 [ ]

31-40 [ ]

41-50 [ ]

51 + [ ]

Educational Level of Respondent

....

Promotion of Sustainable Tourism

3) In what ways are Spier promoting sustainable tourism in its overall business operations?

………………………………………………………………………………………………………

………………………………………………………………………………………………………

3b) How successful do you rate this promotion of sustainable tourism

Very successful [ ]   Successful [ ]   Not successful [ ]

If successful, please motivate

....

....

Poverty alleviation activities

4) What are the most important poverty alleviation activities at the moment being carried out by Spier in the local communities?

………………………………………………………………………………………………………

………………………………………………………………………………………………………

5) In what ways is Spier combining tourism and poverty alleviation in its business model?

………………………………………………………………………………………………………

………………………………………………………………………………………………………

6) How would you evaluate the success of Spier's pro-poor tourism model?

Very successful [ ]   modestly successfully [ ]   not successful [ ]

If Successful, how is it evident/ noticeable in your organization? (Mark all if applicable)

1. More jobs [ ]

2. New opportunities for informal sector [ ]

3. New opportunities for small businesses in formal sector [ ]

4. Improved infrastructure in disadvantaged communities (water, electricity, roads, telephone) [ ]

5 Increased community pride/empowerment amongst the previously disadvantaged surrounding communities.[ ]

6. Other [ ], please specify

………………………………………………………………………………………………………

7) What, if any, initiatives is Spier pursuing to benefit the previously disadvantaged individuals in the local communities (Mark as many as relevant)
   1.   Employing poor people in tourism jobs [ ]

2. Buying from previously disadvantaged small scale producers and suppliers [ ]
3. Employing casual labour from previously disadvantaged communities [ ]
4. Engaging in business partnership with the previously disadvantaged [ ]
5. Others [ ], please specify……………………………………………………………….
………………………………………………………………………………………………..

8) How many permanently and non permanent (seasonal) jobs has Spier created over the last 5

years

A) Permanent jobs…………………………………………………………………………..

B) Non permanent …………………………………………………………………………….

Education and Training

9). In what ways if any is Spier encouraging the pursue of further educational development

amongst its **workers** from previously disadvantaged communities?

1. By giving scholarships [ ]
2. Through study grants [ ]
3. By subsidizing their studies [ ]
4. Others [ ] please specify…………………………………………………………………
…………………………………………………………………………………………………

In what ways, if any, is Spier encouraging the further educational development amongst the
wives or husbands and children of its workers from previously disadvantaged communities?

	Spouse		Children	
	Yes	No	Yes	No
By giving scholarships				
Through study grants				
By subsidizing their studies				

Others, please specify
…………………………………………………………………………………………………

Training and Support

10) Does Spier offer training programs to its employees?
    Yes [ ]   No [ ]
    If yes briefly explain the type and nature of the programs.
    …………………………………………………………………………………………..

11) Does Spier offer any support to its employees and their families from previously
disadvantaged communities regarding

	Spouse		Children	
	Yes	No	Yes	No
Medical aid				
Housing subsidy				
Preference with employment opportunities at Spier				

Other, please indicate

………

If Spier offers no support, please indicate reason(s)

………

Enterprise Development

12) What are the core elements of the Enterprise Development Policy of Spier that is focused on the previously disadvantaged communities?

……....

………

12b) How successfully would you rate this initiative?

Very Successful [ ]   Successful [ ]   Not successful [ ]

Please explain…………………………………………………………………………………………….

………

13) What is the corporate social mission of Spier with reference to its tourism business model?

13b) Please discuss how Spier pursues this mission (steps being taken to realize it)

……

14) What is the ultimate goal or vision that Spier is trying to reach or achieve with its corporate social investment mission?

15) What are the most important challenges (difficulties) Spier is facing with respect to its poverty eradication activities?

………

………

Any further/additional comment

……

Thanks very much for your time!!

Annexure 5. Authorisation letter from the university to conduct the research

25 09 2009

To Whom It Concerns

Mr. Godlove Ngek Chifon (2707763) is a registered Masters at ISD. As part of the course requirements he is required to do a mini thesis. This involves the execution of empirical research in a topic of interest to him and of value to the community in which the research is done. The research is carried out under strict supervision of his Supervisor, in this case the undersigned.

Mr. Chifon has chosen to do his research about your area, i.e. the Spier Enterprise. He intends making an analysis of the social and economic impact on the worker and their livelihoods of your organization, with special attention to the potential of Spier's tourism activities on the abovementioned groups. The main aim of this research is to ascertain the impact of the tourism sector on poverty reduction.

In order to do the research he will have to conduct a limited number of individual interviews and focus groups sessions with both Management and Staff staff/Workers. For this purpose a questionnaire will be constructed to assist him to ask the right questions thus making the process focussed and efficient. These questionnaires will be available to the management to view before said interviews are conducted, should it wishes too.

The research will in no way impact on the smooth operation of Spier. Interviews session will be structured in such a way to ensure this. The research results will be of great value to Spier as it will undoubtedly illuminate both strengths and weaknesses of some of your company's programmes in terms of the socio economic empowerment of your workforce and their families

It is very important to state that all information and opinions expressed during these interviews and discussions will be totally confidential. He is not interested in the names of the people, but only in factual information and their opinions. Nowhere will any name be mentioned.

I trust Spier will accommodate Mr. Chifon to complete this research. The research is very valuable because it will potentially show what the effect of tourism in general and Tourist and development initiatives initiated by Spier have on previously disadvantaged households. This student comes from a challenging domestic environment. He had to support himself for most of his academic career. The fact that he has persisted speaks volumes of his inner motivation and determination is.

Godlove is a soft spoken and gentle mature individual with impeccable manners.

Should you need any additional information please do not hesitate to contact me.

Wynand Louw
Supervisor

wlouw@uwc.ac.za
jwl@netactive.co.za

082 202 3381

UNIVERSITY of the
WESTERN CAPE

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[i] Blacks throughout this research mean the black African people and the coloured.
[ii] 30% represent the sample population of the 23 workers who were interviewed.