**THE PRESIDENCY: REPUBLIC OF SOUTH AFRICA**

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**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

Question No : 4068

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**Mr M G P Lekota (Cope) to ask the President of the Republic:**

Whether the promise he made in his reply on 20 February 2014 in the debate on the State of the Nation Address that after the elections the country will enter a new radical phase in which the Government shall implement socioeconomic transformation, policies and programmes that will meaningfully address poverty, unemployment and inequality, was being fulfilled; if not, why not; if so, (a) where and (b) to what extent has the Government implemented socioeconomic transformation policies and programmes that has meaningfully addressed poverty, unemployment and inequality?                                                                                                            NW4939E

**REPLY:**

The country has entered a new radical phase to implement socioeconomic transformation. The National Development Plan (NDP) is South Africa’s plan to address poverty, unemployment and inequality.

The MTSF (Medium Term Strategic Framework) is government’s first five year implementation plan of the NDP, covering the financial years 2014/15 to 2018/2019. At the heart of the MTSF is the need for the radical transformation of our economy to ensure that it is more inclusive and its benefits are shared more widely. The MTSF sets out the priorities and actions that need to be undertaken. The MTSF is being implemented in line with already existing activities and programmes of different government departments and various other government agencies.

Faster economic growth is both a key objective of the NDP and a necessary condition to raise the resources needed to support social and economic transformation. As indicated in my State of Nation Addresses to overcome the difficulties we are currently experiencing, South Africa needs to reconstruct a social consensus behind a path of accelerated economic growth. This is the opportunity presented by the NDP.

Given current global and domestic economic conditions I further announced the Nine-Point Plan in my State of the Nation Address (SoNA) on 11 February 2015. The purpose is to ignite growth and create jobs. The nine point plan is about alleviating the most binding constraint to growth – inadequate electricity supply – and sets out a series of urgent economic reforms to build a more competitive economy. These include:

* Continuing to invest in economic infrastructure, especially in the transport, logistics and energy sectors (over R800 billion will be invested by government in the current MTSF period)
* Reforming the governance of state-owned entities, rationalising state holdings and encouraging private-sector participation.
* Effecting labour-market reforms that can help avoid protracted strikes.
* Expanding the independent power producer programme.
* Encouraging affordable, reliable and accessible broadband access.
* Promoting black ownership of productive industrial assets.
* Finalising amendments to the Mineral and Petroleum Resources Development Act (2002), and continuing dialogue with the industry.
* Reviewing business incentive programmes in all economic sectors to ensure that resources support labour-intensive, job-creating outcomes

Efforts to reduce the electricity constraint and improve labour relations are priorities in the short term. Alongside the structural reforms set out in the National Development Plan, this will lay the foundation for faster growth and economic transformation.