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| Budget Vote Speech: Trade and Industry and Economic Development, Deputy Minister Nomalungelo Gina, 24 July 2019, NCOP |
| House Chairperson Minister Patel Minister Ntshavheni Deputy Minister Majola Deputy Minister Capa Chairperson of the Select Committee Members of the Select Committee Honorable Members  DG’s and **the dti** and EDD Team  Our Guests   Honourable Chairperson, let me quote Amilcar Cabral, when he says “Always bear in mind that the people are not fighting for ideas, for things in anyone’s head. They are fighting to win material benefit, to live better and in peace, to see their lives go forward, to guarantee the future of their children”.  It is along these lines that our government through **the dti** must respond to the fresh mandate given by people of South Africa during the May 2019 national and provincial elections to defeat unemployment, poverty and inequality. They trusted us to transform the economy and grow the township and village economies amongst others as we committed in our manifesto.   We cannot disappoint, we have to implement our Industrial Strategy including the implementation of the Industrial Parks revitalisation programme; the implementation of the Special Economic Zones programme; digital hubs, and the Black Industrialist Programme amongst others. Through these interventions, we are undoing the injustices of Apartheid-era spatial planning.  The Industrial Parks revitalisation programme is one of the programmes introduced by government in an effort to revive township and rural economies by attracting investment and creating jobs. Government invests in upgrading security and building infrastructure to make these Industrial Parks safe and more conducive for business activities to attract investors. As we are all aware, security is a critical factor that investors consider when making their investment decisions  To demonstrate the importance of the revitalisation programme, I would like to share with the house the impact of this programme in one of the areas where we completed phase 1 namely the Botshabelo industrial park in Bloemfontein. Upon completion of the phase 1 in June 2016, the occupancy rate improved reaching from 75% in 2015 to 81% in 2018. The park provides employment to over 10,000 people who live in the adjacent townships and opportunities for township entrepreneurs to access services and production space.    Lebohang is one of the employees working for a company called Manhood Clothing. When interviewed he said: “I am so glad that I can be working closer to home, I save a lot on transport costs and I get home to the family earlier”. He further stated that he is grateful for a safer working environment.  The parks further serve as a critical anchor for SMME development, **the dti**is planning to revitalise 15 Industrial Parks this financial year.   Honourable members, this government took a long-term view on the future prospects of the South African economy and decided to introduce the special economic zones programme. This programme is designed to accelerate industrialisation in the country; attract foreign direct investments; facilitate the creation of decent jobs; facilitate the development and improvement of existing infrastructure; promote exports; and spread economic activity to under-developed parts of our country.    Some of the investment pledges that were made during the Presidential Investment Summit in October 2018 have started putting the actual investments on the ground. These investments include MaraPhone, which is investing R1.3 billion at Dube TradePort in KwaZulu Natal. The investment is estimated to create more or less 1000  jobs over 5 years. It is expected that MaraPhone will start its cell phone manufacturing (the first of its kind in South Africa) in September 2019. As highlighted by the President in his SONA, our focus will be on expanding the programme to reach other provinces. Our aim is to establish at least one SEZ per province.   President Ramaphosa highlighted in his State of the Nation Address, that Government will prioritise amongst other things the creation of Digital hubs. Youth unemployment remains high and requires concerted efforts. The Digital hubs seeks to provide young people with skills and access to e-Learning opportunities, basic business development support and business intelligence to encourage them to pursue entrepreneurship. The development of business plans for 10 Digital Hubs is at an advanced stage and will be finalised by the end of the third quarter so that implementation can commence before the end of the financial year.    We have set ourselves an objective to create fair regulatory environment that enables investment, trade and enterprise development. In this regard, we developed various legislations and policies such as B-BBEE Act, Consumer Protection, Gambling and Liquor Act amongst others.  We will extend our efforts to educate and raise awareness; our citizens have to know and understand their policies. To achieve this, we are rolling out over 90 advocacies, consumer protection and B-BBEE educational campaigns across all provinces. We will collaborate with the provincial departments and corporates, to showcase business opportunities, access to finance and consumer rights. Honourable members, as I speak, the department is in the Free State sharing information with the communities of the Setsoto, Matjhabeng and Mangaung municipalities. This information sharing campaign seeks to educate the public about the Liquor Act and the socio-economic impact of alcohol abuse, legal and illegal gambling activities, how copyright can assist creative persons, debt relief measures to reduce the impact of high levels of over-indebtedness, credit affordability and fundamental consumer rights.   We are pleased with the work of the B-BBEE Commission in confronting non-compliance with the B-BBEE Act whether by private or State Owned Entities. The Commission’s findings on Eskom for non-compliance with the Act are a clear indication of our commitment to zero tolerance on this type of behaviour. All organs of state and public entities are required by Section 10 of the Act to implement the B-BBEE Act, not only when they choose to do so.  We have since referred the findings in this matter to the Minister of Public Enterprises and the Director-General of National Treasury for further consideration in line with the Commission’s recommendations. In conclusion, despite important achievements, the challenges facing the domestic economy are immense. Low levels of economic growth and investment; high levels of inequality; and high rates of unemployment continue to hold back our vision of an inclusive South Africa.                We acknowledge these structural weaknesses and know that the magnitude of the economic challenges we face requires a new and stronger approach. We need to take extraordinary measures in order to realise the lofty aspirations outlined in the National Development Plan. It is for these reasons that the new approach and the implementation of the Industrial Strategy Minister Patel spoke about at length, needs to be prioritised by all government agencies supported by all social partners.   I thank you. |