

Closing Address by Gauteng Premier David Makhura to the Gauteng Economic Indaba. Cedarwoods Conference Centre

Director of the Programme, Executive Mayor Kgosientsho Ramokgopa;
MECs and Executive Mayors;
Distinguished delegates from Business, Labour and Civil Society;
Members of the Diplomatic corps, Academics and Leaders of SOEs;
Ladies and Gentlemen;
Fellow South Africans:

We have to the end of what is truly a historic Economic Indaba in our province. We know there have been many national, provincial and municipal summits to discuss growth and development strategies.

However, there has never been an economic summit where such a great deal of attention and efforts has been dedicated to understand the dynamics, size and potential of sectors and industries that are the key drivers of the Gauteng economy. Never before, has such a galaxy of business and Labour leaders as well as scholars and experts been brought together under one roof to help us dissect the anatomy and future prospects of the economy of the Gauteng City Region.

In some sense, this Economic Indaba was a political school for government, business and Labour leaders who often operate in silos different sectors and industries of our provincial economy.

Through the many illuminating inputs and thought-provoking presentations made by different speakers, we have all gained a more comprehensive overview of the state the national, continental and global economy and the potential of Gauteng in driving a more sustainable and inclusive growth trajectory in our country and continent.

Having deliberated on the Draft Gauteng Economic Plan (GEDP, 2030), we have agreed on the priority sectors and industries that will shape and drive the growth and economic development path of our province over the next decade and half.

We have a deeply shared commitment to build transformative and enduring partnership for a transformed, modernised, re-industrialised, sustainable and inclusive economy.

We spent a significant amount of time examining the state, size and potential of every sector and industry of our economy, to contribute massively and radically to employment and empowerment. This has helped us to identify those sectors that have greater potential to drive our vision of a transformative, sustainable, smart and inclusive growth trajectory.

We have learnt from our own experience that GDP growth is not enough. A jobless growth is undesirable. A growth path that does not contribute to tackling poverty and inequality is also unsustainable.

We have agreed that the Gauteng economy needs to be re-ignited to a growth path that will create at least 5 million jobs, over the next decade and half, as part of meeting the NDP target of 11 million jobs.

We also need the growth that brings millions of black people, women, youth and people with disability into productive economic activity and ownership of the wealth of our nation so that all our citizens enjoy a decent and sustainable livelihoods.

One of the focal points of this Economic Indaba was the deep concern about the increasing scourge of youth unemployment and the resultant loss of hope among our young people. We have agreed youth unemployment has become an emergency around which all social partners and stakeholders require decisive and urgent combined effort in order to restore hope among our youth.

We call on more businesses, big or small, to introduce initiatives that will give young people opportunities to enter the Labour market as well as to make it easy to establish start-up businesses. Existing partnerships between government and business on Tshepo 500 000 and other skills development and youth entrepreneurship initiatives in municipalities must be up-scaled. The time to act decisively and urgently is now.

We have also had the opportunity to share experiences with businesses that have established other potentially transformative partnerships with government on infrastructure investment; revitalisation and mainstreaming of the township economy; women empowerment and boosting manufacturing and local production especially in the automotive industry and clothing and textile sector. Again, we call on big business to demonstrate enough good by undertaking more partnerships that will create a bigger momentum for a more sustainable and inclusive economy.

The Economic Indaba has welcomed the Premier's decision to appoint the Task Team led by MEC Paul Mashatile which will focus on cutting red tape and improve the ease of doing business in the Gauteng City Region. Business and Labour will second their own representatives to work with MEC Mashatile on this critically important task that significantly enhance the competitiveness of Gauteng as an attractive destination for investment.

We have also agreed that to drive industrial policy effectively, government needs to have mission-specific capabilities. Accordingly, the provincial government and municipalities will take steps to strengthen build a competent and ethical economic bureaucracy that has intimate knowledge and understanding of the dynamics of every sector of our provincial and city economies, while upholding the principle of "embedded autonomy".

This includes strengthening collaboration and tight coordination between the Gauteng City Region economic initiatives and those driven by the Department of Trade and Industry in order to optimize the impact and outcomes of industrial policy action plans and programmes in Gauteng.

Further, provincial and local government will continue to strengthen measures to eradicate corruption and promote good governance along the lines of the already acclaimed open tender system. Business will work with government to expose officials who are extracting bribes.

We have agreed that government will use public procurement policy to decisively promote employment, empowerment and local manufacturing.

As Government, we will ensure that service providers are paid on time. Failure to pay service providers on time has destroyed many businesses, especially small businesses. The Indaba welcomed the decision by the Gauteng provincial government to pay service providers within 15 Days, which is way above the 30 Days national requirement.

The Indaba has also agreed on the need to increase trade and investment activities in the SADC region and the entire continent. We have identified areas in which South Africa is already very competitive such as mining equipment manufacturing, food and beverages, chemicals, plastics and pharmaceuticals and automobile manufacturing. South Africa is also very competitive in financial services, retail, tourism and hospitality (Gauteng is particularly strong in business tourism and hosting conventions) professional services, ICT services and business process outsourcing.

Given the inputs of all sectors and social partners at this Indaba, the Gauteng provincial government will finalise the Gauteng Economic Plan by the end of June. In early July, the GEDP will then be launched publicly at a ceremony attended by leaders of Government, Business, Labour and Civil Society.

I have been in discussion with MEC Lebogang Maile about finalizing the appointment of the Premier's Economic Advisory Panel (PEAP) whose main task will be to help the Premier and the Gauteng City Region authorities to provide advice with regard to the implementation of the Plan.

We will also establish a Consultative Economic Forum through which all stakeholders will work together to boost the execution of the Plan.

While I remain the preeminent Champion of the Economic Plan, MEC Maile will ensure that he drives the implementation through more aligned institutions and strengthening the economic capability of the Department of Economic Development.

Director of the Programme, starting from this month, we will be taking our highly acclaimed Ntirhisano Outreach programme to individual firms that are key to the economy of our City Region. It is the first time that we will be engaging

directly with individual firms to understand more intimately their unique needs and to work with them to address the problems they are facing in order to unlock their potential to contribute to our economy.

We will also be engaging with workers at a firm level, once again, to understand their problems and work with them towards their resolution.

We are doing all of this as part of our laser focused and active industrial policy.

I would like to conclude by thanking all leaders of business, trade unions and civil society as well as the universities (University of Johannesburg, Wits University and University of Pretoria's Graduate Institute of Business Science), research institutes and individuals experts and speakers who worked tirelessly with us to ensure we put a credible and sound plan that will move our province forward in a cursive and sustainable way in the next decade and half.

I would like to profusely thank MEC Maile and the team from the Office of the Premier led by DG Phindile Baleni and HOD of the Department of Economic Development for having tolerated my insistence on evidence-based policy making and meeting tough timelines. Well done.

Lastly, I want to heartily convey my gratitude to Team Gauteng, a formidable and fearsome team of MECs and Executive Mayors. Team Gauteng, I am very proud and deeply honoured to be a Captain of a team so dedicated, skillful and dynamic that you inspire enormous confidence, admiration and pride among the citizens of our province. You are an awesome team to lead.

Ladies and gentlemen, we merge from the Economic Indaba with a solid and unshaken determination to take a lead in lifting our national economy out of its stubborn structural problems of persistent unemployment, inequality and poverty.

We are also ready to answer to the challenge posed by and call made by both Deputy President Cyril Ramaphosa and AU Commission Chairperson, Dr Nkosazana Dlamini Zuma, for Gauteng to take a lead in driving Africa's industrialisation and integration as the industrial, technological and financial hub of Sub-Saharan African.

God Bless Africa.
Thank you.