

**WAY-FORWARD BY THE MEC FOR ECONOMIC DEVELOPMENT, ENVIRONMENT AND TOURISM, MR J.L (JABU) MAHLANGU, MPL DURING THE CLOSURE OF THE MPUMALANGA ECONOMIC SUMMIT AT THE EMNOTWENI ARENA, NELSPRUIT, MBOMBELA LOCAL MUNICIPALITY.**

**Friday, 16 October 2009**

Programme Director, Mr J.S Mgidi;

Honourable Deputy Minister of Trade and Industry, Ms Bongzi Ntuli;

Representative of the Mozambiquean Government, Consular Verissimo;

Political Leaders, MECs, Executive Mayors;

Our social partners, representatives of the civil society; organised labour; organised business and big businesses;

Government Officials from all spheres;

Distinguished guests;

Members of the media;

Ladies and gentlemen;

When we converged here yesterday morning, we had one priority in mind; **that is to craft strategies to reverse the impact of the economic meltdown in the province.** To be precise, our objectives were:

- To establish and align provincial economic interventions with the national “Framework for South Africa’s Response to the International Economic Crisis” as adopted at *Nedlac*, but taking into account the unique features of the province and challenges it faces;
- To defend jobs and create an environment for the generation of many more decent work opportunities in the province;
- To respond to the specific needs of the most affected sectors and individuals such as the youth, women and people with disabilities.

Our interaction as government, big business, organised labour, organised business and the civil society over the past one-and-a-half-day, has been very fruitful and finally culminated into the signing of a declaration of commitment between all parties. The agreement that we've just signed, contains very tangible projects which we must collectively ensure that they happen. As we indicated during the opening of this summit, we value you most as significant partners towards continuing to realise **a better life for all** our people. As government, we cannot do it on our own, without your contribution. The signing of the agreement therefore symbolise our zeal **to work together**, for fear that if we attempt to work in silos like the Premier warned, we may perish. **Working together, we can do more** to protect jobs and create opportunities for individuals and communities through a diversified, growing, competitive and inclusive regional economy.

Our expected outcome from the summit was to come up and **collectively** agree on a set of priority initiatives that will be implemented by social partners in the short, medium and longer term, intended to create jobs, promote investment, accelerate service delivery and build social partnership. You might have realised that I continue to use the word "**collectively**," to indicate our commitment as government on partnership and collectivism.

Singling out a few major projects agreed upon collectively; and what we collectively agree to be significant economic multipliers, we have committed to realise the construction of a **University for Mpumalanga**. This is long overdue, and we are further encouraged because the Ministry of Higher Education and Training support the initiative. We believe the project will assist in job creation, thereby contributing towards redressing some job losses experienced as a result of the economic meltdown. Once completed, the institution will produce the necessary skills base required by the province to propel economic growth in the province.

We also believe the **establishment of a tertiary hospital** in the province will enable us to continue to provide quality and efficient health care to our people. Like the Premier indicated, it will reduce the traffic of ambulances going to Gauteng to seek health assistance for our people. When this happens, we will be able to retain money and skills in the province.

Through partnership with public entities like Eskom, we have committed to continue to **maintain and upgrade the coal haulage network roads** in the province. The construction of the much-awaited **International Convention Centre** in the province, will boost our tourism industry and lead to further *creation of decent jobs and sustainable livelihood*.

As the summit have mandated me in my capacity as the MEC for Economic Development, Environment and Tourism in the province to assume the role of “political champion” to ensure the fulfilment of the contents of the our agreement, I commit that we will convene all social partners within two (2) months to pave the way for the creation and launch of the Provincial Development Council. The structure which will include all social partners will be a vehicle that will coordinate development activities in the province.

We further commit that we will collectively ensure that this summit does not become just a talk-shop, but a vehicle towards economic recovery and growth. We appreciate the overwhelming interest shown by all social partners in the welfare of their province and people hence the huge turn up. If we had predicted that this will have such interest, we would have arranged the summit to last for three (3) days. It only shows your unwavering believe in partnership **for a better life for all** the people of this province. We appreciate Anglo-Coal’s commitment towards sustainable development through the Emalahleni Water Reclamation Project, which seeks to recycle water from their operations to become drinkable (for human consumption).

They are committed to never compromise on safety and sustainable development; skills development; and on growth. BUSA (Business Unity SA) talked about the significance of PPPs (Public Private Partnerships), calling for a need to mobilise them on a much bigger scale to achieve our goals. We appreciate the statement from BUSA that the private sector “stands ready to join hands with all levels of government to facilitate a more effective use of public-private sector partnerships.” Through its Corporate Social Investment programme in the province, small contractors have benefitted from the Mondi Zimele. We appreciate their contribution in the past and in future, including amongst others, a R52 million investment through the Mondi Mkhondo Development Project in the form of integrated settlement development from this year until 2013.

We appreciate that Sasol continues to procure goods and services in Mpumalanga, contributing to about 16 per cent of the province’s gross value add. Through its Corporate Social Investment programme, the company, working in close partnership with the Govan Mbeki Municipality, intends to develop residential units and a new mall in Secunda. It is also partnering with us to ensure the creation of an Industrial Development Zone in Secunda.

As I conclude, may I on behalf of the Premier, Mr D.D Mabuza and the Executive Council of the Province, pass our greatest gratitude to all interested stakeholders who took part in this summit. Our appreciation goes to BHB Billiton, Anglo Coal, Mondi, Sappi; Columbus Steel; Xtrata; Eskom; Sasol; York Timber, financial institutions such as banks and development institutions such as IDC and the DBSA. We further would like to appreciate the contribution made by the organised labour and business, Cosatu, Nactu and Fabcos, Agri-Mpumalanga and die Afrikaans Handel Institeit. We appreciate the contribution made by Nedlac, IDT, the Presidency and the Chamber of Mines.

We have collectively changed our direction, and I am certain that as the Chinese proverb warns, we are not headed for misfortune.

**Working together, we can do more** to protect jobs and create opportunities for individuals and communities through a diversified, growing, competitive and inclusive regional economy.

*I thank you!*