

19 OCTOBER 2016 MEDIA STATEMENT

PREMIER MABUZA COMMENDED FOR "WELL-RUN" FINANCES IN MPUMALANGA

The Finance Minister Pravin Gordhan has commended Mpumalanga Premier David Mabuza for handling the finances of the provincial government well.

Speaking at a media briefing yesterday [Tuesday, 18 October 2016] after his meeting with Premier Mabuza and the executive council, Minister Gordhan said the finances in Mpumalanga were "well-run" although the province still needed to pay attention on certain issues such as the coal haulage.

Minister Gordhan said Mpumalanga province had a huge economic potential especially on tourism.

He commended Premier Mabuza for his "pro-active approach" in undertaking as many savings for the provincial government.

"What is commendable, is the Premier's pro-active approach that says we are now living in challenging economic environment, with no abundance of fiscal resources available, therefore we must live within our means, as a provincial government, we must undertake as many savings as we can. We must not put an unnecessary pressure on the national fiscal," said Minister Gordhan.

During his meetings with the Premier and the executive council, the minister shared a perspective on global and on the country's economy saying it is not certain and the situation is very volatile.

He said the country's economy was definitely not gong into recession but it was not doing extremely well neither. This, he said, required both the national and provincial governments to work together to improve growth prospects by making it an inclusive economy.

On the other hand, Premier Mabuza said since the economic environment was not in good shape, there was a need for the provincial government to be creative with its finances, such as avoiding wastages.

He acknowledged that the province's fiscal allocation would be cut and such would have a negative impact rendering the services.

"We must be alive to this and act responsibly, all of us must live within our sizes, cut a bit of our dresses and trousers according to our size, eat less, it is possible," he said.

ENDS...

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