

KEYNOTE ADDRESS BY PREMIER MANDLA NDLOVU  
POST BUDGET BREAKFAST MEETING  
NELSPRUITB19 MARCH 2025

Programme director

Honourable members of the Executive Council

Our Host MEC Bonakele Majuba

Members of the Legislature

Leaders of Business and our Social Partners

Esteemed Guests

Ladies and Gentlemen

Good morning

1. We are indeed very grateful and more knowledgeable by the presentations that we received this morning.
2. We are happy that today in our midst we have business people that heeded a call from Reno

Omokri when he said “If you really love your children, get a business, not a job, because when you die your children cannot inherit your job, but they can definitely inherit your business”

3. Yesterday we tabled a budget that presents opportunities that you may want to explore and even partner with us to continue with the message that we packaged for the first time in 1994 “a better life for all”.
4. Today MEC Bonakele Majuba, has further given more flesh to the budget he outlined at the Provincial Legislature yesterday, indeed, a people’s, budget, pro-poor budget.
5. Our people are poor here in Mpumalanga, more than 50% of the people of this province are living below the datum line. 34,7% of our people are unemployed, what is worse is when youth unemployment is exponentially increasing. It is a ticking time bomb.

6. Our youth graduates are unable to be absorbed by our industries while the cost of living is extremely high.
7. Our budget has to address these challenges. If you scrutinize the allocations to departments, you will realize that the biggest allocation of the budget goes to social spending which include the Department of Education with the biggest share, followed by the Department of Health and all Departments that deal with social welfare and social infrastructure.
8. The budget focusses on allocating resources and implementing policies that directly benefit the poor and address poverty, inequality and unemployment whilst aiming to improve their living standards.
9. It promotes social justice by ensuring that the poor have access to essential basic services like clean water, refuse removal, quality sewer systems and accessible road infrastructure.

10. This morning we benefitted from your teachings on how tight fiscal and monetary policy environment is and has become in recent times, making it very difficult for the national government to manoeuvre.

11. We all know our national debt situation, we are struggling to service this debt every month, instead it is increasing. We want to repeat the call we made in 1996, that we must tighten the belt and reduce the fiscal deficit without reducing the capacity of government departments to deliver services.

12. Over the last financial year, debt service costs amounted to R389.6 billion, which translates to 22 cents of every rand the country raises in revenue. This is an interest payment before paying our principal debt. The situation is indeed unsustainable and it has to be addressed.

13. We acknowledge the intention of the Minister of Finance to raise VAT in order to close the gap between what we are able to raise in revenue and what we intend spending to take care of the most vulnerable members of our society. This has sparked a dialogue in the country and as usual in South Africa dialogue is a solution.
  
14. Of course we would have preferred other methods of revenue enhancement if such methods were available and not detrimental to the broader economy.
  
15. There are various options available to address this debt. Firstly, we can drastically cut on government spending by evaluating every aspect of our programmes and projects, reduce unnecessary costs, reduce or limit overpricing by service providers.

16. Secondly we need to strengthen both our manufacturing sector and our agro-processing so that we don't sell our raw materials to other countries but we add value to all our products including minerals.

17. We should minimize the dependency on the container economy where everything that we consume is imported including things like tooth picks, protective clothing, t-shirts etc.

18. We need to rebuild our industrial sector by building industrial parks where our people live, partner with the private sector in identifying techno parks that are more relevant to our industries and give us competitive advantage like mining, engineering, chemical, forestry and agro-processing.

19. Thirdly we need to invest massively on infrastructural development. Infrastructure is a catalyst for economic growth. The Provincial targets

makes it clear that we need to facilitate large scale infrastructure investment to achieve our socio-economic objectives of 35% poverty rate, 25% unemployment rate and drastically reduce inequality by 2029.

20. Last but not least we need to invest on skills development taking into consideration the evolving nature of the working environment that is now driven by emerging technologies.

21. In today's fast evolving business and work related landscape, the importance of skilling, reskilling and upskilling cannot be over emphasized. As technology advances, government and companies must ensure that workers have the necessary skills to remain competitive.

**22.** Our province faces several economic challenges amongst them are:

- **High unemployment rate especially youth unemployment,**
- **Dependency on mining especially coal mining which suffers from supply and demand instability largely caused by poor logistics and international markets price fluctuations,**
- **High rates of poverty and inequality are more prevalent among township and rural communities,**
- **Skills mismatch which is a legacy of our past but also our own shortcomings in addressing this challenge,**
- **Inadequate infrastructure whether transport or energy and lastly environmental concerns.**

23. During the State of the Province Address I assured the people of this province that in order to

address some of these challenges we will be embarking on amongst others;

- Diversify our economy and strengthen industries like tourism manufacturing and agro-processing
- Prioritize local businesses and suppliers in government contracts to stimulate the local economy and create jobs
- Strengthen local production and local demand by making goods and services more accessible and affordable
- Support local supplier development by investing in skills development, infrastructure and resources to help local businesses grow and become competitive
- Identify industries with export potential and provide support for businesses to access international markets specifically the Africa Free Trade Agreement leveraging on our Mpumalanga International Fresh Produce Market

- Agri-hubs that we have built will be used to champion the revitalisation of the Rural Infrastructure Agri-Parks Programme and facilities to support access to fresh produce and other markets.
- Invest in infrastructure that supports industrial growth such as roads, water, sewer, power, and ICT
- Invest in training and skills development to ensure that workforce has the requisite skills needed for industries of the future.
- And fully prepare and embrace the digital technologies and innovation to improve efficiency and competitiveness.

24. Programme director, we can only achieve these goals if we prioritize access to ICT and we foster innovation and research. It is against this backdrop that we are preparing our high school learners to be masters of ICT whilst using every opportunity available to reskill our workers so that they are not left behind.

25. Before the end of this year our Research Institute will be operational, giving us an opportunity to make decisions that are based on scientific facts.

26. As government we have long acknowledged that government alone cannot meet the demands of our social and economic infrastructure.

**27.** To help close the gap between available public resources and the growing infrastructure need, government's economic recovery plan includes immediate measures to boost investor confidence and longer-term reforms that promote sustained economic growth. Higher and more effective infrastructure spending is central to our plan.

**28. KUZOBHUNYA LUTHULI WE ARE TURNING MPUMALANGA INTO A CONSTRUCTION SITE.**

29. We have demonstrated through the construction of Road P171/1 between Mashishing and Roosenekal in the Limpopo border which is a collaborative effort

between Department of Public works, Roads and Transport and the Mining houses that public private partnership is the model for the future where government and the private sector jointly make a contribution towards building an infrastructure project.

30. This is District Development Model in practice and in reality. The partnership include the following private sector companies

- Northam Platinum Limited
- Dwarsrivier Chrome Mines
- Glencore
- Rustenburg Platinum Mines
- Two Rivers Platinum
- Samancor Chrome

31. We are imagining a future where government will mobilize private-sector financing and technical expertise to upscale and strengthen public investment management and the associated value chain.

32. Many of these programmes will involve pooling resources with the private sector in blended finance

initiatives aimed at funding and implementing infrastructure projects more effectively. Nkomazi SEZ is one such projects.

33. For this to happen smoothly we need to improve the PPP regulatory framework, reviewing the institutional arrangements to fast-track delivery of strategic infrastructure, enhancing infrastructure monitoring, reporting and building a strong project pipeline.

34. Without the involvement of the private sector, this will remain a pipe dream. Let us hold hands together, as a symbol of striving for a shared vision and a promise of supporting one another in times of difficulty and uncertainty.

35. We must improve the lives of all our people in this province. The word together is a lodestar of the ANC manifesto.

- Together we have won the right for all South Africans to vote,

- Together we can hasten service delivery,
- Working together we can do more,
- Let's do more together.

36. We invite all of you to join hand with us and work together. Here in Mpumalanga when the sun rises we work very hard to improve the lives of our people. Mpumalanga the place of the rising sun.

37. I thank you.