

Address by Cllr. Ngangelizwe In a District Growth and Development Strategy Summit

21 February 2007, Ferdi Meyer Hall, Welkom

Master of ceremonies
Mayors/Speakers
Municipal Managers
Representatives of business
Trade union leaders
Leaders of civil society
Distinguished guests
Ladies and gentlemen

In January this year we converged as municipalities in the district, business, labour and other stakeholders for a District Growth and Development Pre-Summit to put our heads together and to agree on a broad framework for growth and development for our district.

Arising from this successful pre-summit we were able to invite inputs from all stakeholders to enrich the Growth and Development Strategy, which we are today finalizing.

In the process of development of this strategy we are mindful of the challenges facing the district. As we debate these issues I know that we will come out here with a clear long term strategy that seeks to develop and grow the economy of this district. However the economic challenges we may have, there are more economic prospects and these challenges can be turned into opportunities.

The economy we inherited from apartheid in 1994 was characterized by negative growth rates, rising unemployment and racial inequality. Over the past few years our area has been negatively influenced by the declining mining industry as per findings in the Free State Growth and Development Strategy (FSGDS) document. To this end, our focus will have to shift from concentrating on one sector but to diversify our economy. But let me hasten to say that positive indications are pointing towards other sectors as well Tourism being part of those sectors. Lets make tourism a continued growth driver and drive it to consolidate our position. Our diversity must be buzzing with creativity.

We will also have to emerge with strategic infrastructure plan to back up growth: roads to open up tourism, transform public transport to enable the people of this region to access all public places. Infrastructural development will make this region the second biggest from Motheo and will invite the outsiders to come and invest in this region. This region lacks areas of entertainment and shopping complexes where people from outside would come and spend their monies as they pass through our areas. Why can't we have Waterfronts of this world here? There is visible potential on economic activity, dramatic urban development and expansion and an increase in the social assets of our people. Spatial Development Framework will help in this regard in terms of bringing predictability to decision making.

For this district's economy to develop and grow, it is imperative to also concentrate on the skills base of the district. By that we will see economic sectors beginning to yield fruits. We want to see struggling industries/sectors to turn the corner, recovering and finding a new path through value addition. Our proportional contribution to the Free State's economy between 1996 and 2004 has shown a decline as per the findings of the Centre for Development Support at the University of

the Free State. We must turn this situation into acceptable levels. Our economy must be seen reducing joblessness.

Too many of our people still remain trapped in poverty. While we have seen improved income distribution to black people, too many of our people remain jobless and lack sustainable livelihoods and access to economic opportunities.

To address these challenges and to fulfill the overwhelming mandate we received from the people in Local Government Elections 2006, we need to do the following:

- Stimulate growth and development by identifying major economic development initiatives and projects
- Empowering and developing SMME's through provision of support and training
- Empowering and developing Small Farmers and Farming in general
- Deepen democracy and nation building and realise the constitutional rights of all the people and
- The implementation of this framework will enable the continued restructuring of our economy and guide the actions and programmes of government and our social partners in achieving our growth and development objectives.

Our strategy should place a particular emphasis on economic growth and development as this is a necessity if we are to address underdevelopment and achieve our broader development objectives and in particular, contribute to meeting the national objective of halving unemployment and poverty by 2014.

Our experience over many years has shown that we cannot simply leave this to the market. Government has to play an assertive and leadership role in working with the private sector and other stakeholders to ensure socio-economic development and transformation and to stimulate economic growth.

However, it is important to note that our objective is not simply to increase the rate of economic growth. We need to also ensure that the benefits of this economic growth translate into broad-based income redistribution and a reduction in poverty and inequality

We also need to address the marginalisation and exclusion from the economy of, in particular, black people, women, people with disabilities, and the poorest of the poor. Our Growth and Development Strategy therefore has to talk about growing and developing the economy for all.

The GDS must seek to underpin our strategy to position and develop our district as a competitive region which harnesses the strengths and advantages of the different municipalities and other public and private stakeholders towards greater internal coherence, in order to compete more effectively.

We must also make a firm commitment to the implementation of this Growth and Development Strategy. However, its success depends on the active participation of all sectors, particularly business. One of our key challenges in ensuring the successful implementation of the strategy will be our ability to catalyze resources from our partners.

To drive the effective involvement of all sectors in the implementation of the Growth and Development Strategy, a multi-sectoral Forum will have to be established. This will spread the responsibility for its implementation to all sectors of society, while strengthening the partnership between the various sectors, for greater coordination and impact.

We all have the responsibility to work together as government, the private sector and other civil society sectors to make this place a better place.

I thank you