

**CLOSING REMARKS PRESENTED BY THE MEC FOR
ECONOMIC DEVELOPMENT, ENVIROMENT AND
TOURISM, MR MN MOKOENA, MPL, ON THE OCCASION
OF THE DEPARTMENTAL STRATEGIC PLANNING
SESSION HELD IN THE COGTA DISASTER
MANAGEMENT CENTRE, NELSPRUIT**

Tuesday, 25th September 2012

- **The Head of Department, Dr Vusanani Dlamini;**
- **Chairpersons of the Boards of MTPA, MEGA, & MGB;**
- **CEO's of the MTPA, MEGA & MGB;**
- **Programme Mangers and all officials from the Department and our Agencies;**
- **All other DFI Officials in attendance;**

Good Afternoon Colleagues

Please be advised that the Exco Lekgotla has now been moved from 2-4 October to 16-18 October 2012.

The key challenges facing South Africa remain the mass army of unemployed, mass joblessness, deep seated poverty and inequalities.

Inequalities and joblessness can be traced back and also associated with the legacy of apartheid spatial development, where the majority of our people were forced into former Bantustan/homeland system.

The position is worse for young people, largely because too few jobs were created to absorb the large numbers of new entrants to the labour market. In short, the economy has not created sufficient employment opportunities for many of our people over time. Therefore creating more and better jobs must lie at the heart of any strategy to fight poverty, reduce inequalities and address rural under development to respond to the clarion call made by President JG Zuma in his inaugural State of the Nation Address when he said and I quote:

“The creation of decent work will be at the centre of our economic policies and will influence our investment attraction and job creation initiatives. In line with our undertakings, we have to forge ahead to promote a more inclusive economy” Close Quote

The growing consensus that creating decent work, reducing inequality and defeating poverty can only happen through a new growth path founded on the restructuring of the South

African Economy, to improve its performance in terms of labour absorption as well as the composition and rate of growth.

The New Growth Path provides for bold, imaginative and effective strategies to create millions of new jobs South Africa so desperately needs. It lays out a dynamic vision for how we can collectively achieve a more developed, democratic, cohesive and inequitable economy and society over a medium term in the context of sustained growth.

This new Growth Path will require the creative and collective efforts of all sections of SA's Society. It will require strong Leadership and Governance.

It is about developing a collective National will and embarking on joint action to change the character of the SA economy and ensure that benefits are shared more equitably by all our people, particularly the poor.

The world economy faces far reaching changes as a result of efforts to reduce global warming. While efforts to control emissions will come at a higher cost to economies like that one of ours – these initiatives also lay the basics for major NEW industries.

More broadly, accelerating the technological changes promises to transform the world economy in the coming years, with new opportunities in areas of the Green Economy and ICT. **We MUST seize the moment!**

Ladies and Gentlemen Tourism remains a key sector and an important player in the Provincial and National Economy if the Stats are anything to go by. Despite the recession and turbulences in the Global Economy, this sector has contributed 8.6% or R251 billion to the country's GDP in 2011.

The Sector is an important employer providing an estimated 513 000 direct jobs and almost 1,2 million indirect jobs Nationally and 20 213 direct jobs and 146 318 indirect jobs in the Province.

Tourism, just like infrastructure development for the Province can serve as a catalyst for economic growth and the much needed jobs – however what we need, together with the industry is to start planning well ahead in anticipation of a rebound.

The SA Tourism quarterly report shows significant increases in the number of domestic tourists, which grew by 15%.

This should be welcomed, and we must do more work in this area focusing on the growth of our middle class. The second area of focus should be tourists from the Continent and the BRICS countries.

SA Tourism figures show that last year the number of visitors from India and China to South Africa grew by 26% and 24% respectively. On the other hand, China's tourism industry grew by a staggering 67.7% over the same period.

The purpose of their visit is fairly / evenly split between leisure and business for Chinese visitors while 75% of Indian visitors were here on business.

Brazil also presents growth potential since it recorded an increase in visitors of almost 72% in the Q1 2012, majority of them being holiday travellers.

Overall, Ladies and Gentlemen our solution will lie in the comprehensive support of small business and co-ops.

In this regard, SMME's will largely be the engines of growth and job creation given that millions of our people are unemployed and under-employed.

We will have no option but to give full attention to the fundamental task of job creation and generating sustainable and equitable growth.

It is therefore evident that, SMME's and co-ops represent an important vehicle to address the challenges I have mentioned earlier. The stimulation therefore, of SMME's must be seen as part of an integrated strategy to take our economy on a high road in which our economy is diversified, inclusive, productivity is enhanced, and investment is stimulated and entrepreneurship flourishes.

The promotion of entrepreneurship and small business support remains an essential priority for us. What it means is that we must build skills in the area of SMME, provide targeted support as Government, and invite and encourage or even regulate the involvement and support by big business.

The implication therefore, is that we need a paradigm shift in the Province starting in our schooling system. Both FETs and Colleges must teach Entrepreneurial Skills so that we change the mind-set from that of being job seekers to job creators and learn from the Zimbabwean experience.

In that respect I hope you have sufficiently dealt with the following:

- Comprehensive support to SMME's and Co-ops;
- Revitalisation of the dying towns;
- Economic strategies on all CRDP sites;
- Co-ordination function in respect of POA, including all your support plans (co-op strategy, Industrial Plan, Trade & Investment Strategy)

Colleagues in closing, I would like to delve into the role we all play as leaders in addition to the comments I made this morning regarding our Organisational Culture. Underlying most criticisms of the leadership concept is a common and fundamental assumption: that the significance of leadership for organizational life is best assessed by the direct impact of leadership on organizational performance. Put more simply, if leadership does not directly impact or significantly impact organizational performance, then leadership does not matter to organizational life.

I would like to request everyone gathered here that, as good as you see yourselves as managers in your respective work stations, you perhaps need to start acknowledging that you do more than

managing (planning, organizing, HR and, controlling (monitoring & evaluation)) There is an aspect of **leading** that is significant in the roles you are expected to be playing. Thus, you have those **management skills** but, you must also ensure that you also employ **leadership qualities** in your day-to-day tasks. Leadership is about giving Direction, Alignment and Motivation.

The increasing complexity of directing the complex modern organizational spawned a vast literature on the functions of the manager, including strategy; organizational structure; incentives; culture; resource allocation and; management selection.

Ladies and gentleman, performing the totality of these functions and making associated decisions is the collective responsibility of all managers in the organization. Although the HOD is ultimately responsible for this collective managerial performance, the HOD cannot humanly be personally involved in every function and every decision.

The HOD and I and do not always have the best information or the technical ability to make every decision. People who are closer to the situation and have the appropriate expertise or specialization may be better suited to making many decisions. Moreover, departments often innovate, evolve, and adapt based on the initiative of individuals in them.

We as leaders, always rely on your input and implementation for decision-making. Therefore, what needs to be better understood is the allocation of responsibility for these organization, and, in particular, the specific roles of the managers and leaders if any distinction.

The leaders' main job ***“is to do, or get done”***, whatever is not being adequately handled for group needs according to Joseph McGrath. Now good people, if a leader managers, by whatever means, to ensure that all functions critical to performance are taken care of, then the leader has done well. So what I am saying here is that, anyone here that helps get critical functions accomplished in any way they can is exercising leadership.

So I implore with you, tomorrow when you go back to your Offices, let us commit ourselves to do things differently, let us be inspirational leaders not just managers going through the motions. Let us keep in mind all those people suffering from the triple challenges of poverty, unemployment and inequality in all the things we do and in all our plans.

According to Martin Luther King Jr - The ultimate measure of a man is not where he stands in moments of comfort, but where he stands at times of challenge and controversy.

As I eluded to this morning our Department is in a precarious position, let us rise up to the challenge and do more to make a difference in the lives of our people...

My final thought is from Harold R Mcalindon when he said: Do not follow where the path may lead. Go instead where there is no path and leave a trail. Let us do more to make a difference in the lives of our people and leave not just a trail but a legacy that will live beyond us all.

I Thank you