

**SPEECH BY THE MEC FOR ECONOMIC DEVELOPMENT, ENVIRONMENT AND TOURISM, MR M.N MOKOENA, MPL, DURING A DEBATE ON THE DEPARTMENTAL 2010-2011 ANNUAL REPORT AT THE MPUMALANGA PROVINCIAL LEGISLATURE.**

**Tuesday, 15 November 2011**

Honourable Speaker, Mr Siphso Lubisi;

Honourable Premier, Mr David Mabuza;

Honourable Deputy Speaker, Ms Thandi Shongwe;

Colleagues in the Executive Council;

Honourable Chairperson of the Portfolio Committee, Ms Refiloe Mahlobogoane;

The Head of Department of Economic Development, Environment and Tourism,

Dr Vusanani Dlamini;

Other Heads of Departments present;

CEOs of our Public Entities;

Members of the Media;

Distinguished guests;

Ladies and gentlemen;

*Good Afternoon!*

***POLITICAL INTRODUCTION BY JOHN SIKHOSANA!***

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Honourable Members;

When we stood before this august House on the occasion of tabling the Departmental Policy and Budget Speech on 27 May 2010, we requested the House to appropriate an amount of R643 million to fund the requirements of **Vote 6 - the : Department of Economic Development, Environment and Tourism**. The said budget was subsequently approved by the House, hence we come back to report on what we've done with the money it allocated to us.

The budget requested was meant to carry out the mandate given to us by the Honourable Premier, when he delivered the State of the Province Address 19 February 2010. He amongst others, mandated our Department to focus on:

- (1) Measures that must be undertaken to mitigate the impact of the economic recession;**
- (2) Measures to cushion job losses; and**
- (3) Placing the provincial economy on a shared and sustainable growth trajectory.**

In a nutshell, the Honourable Premier instructed us to continue:

- To provide comprehensive support to SMMEs and co-operatives;
- To grow sectors of the economy with special attention given to Broad Based Economic Empowerment;
- To ensure that Youth, women and people with disabilities benefit from economic activities;
- To promote trade and investment;
- To promote transformation of the tourism industry; and
- To ensure the development of strategic massive socio-economic infrastructure, such as the coal haulage network; establishment of a university, a tertiary hospital, and an International Convention Centre.

These clear directives were premised on President Jacob Zuma's declaration of 2011 as the year of job creation, which has been answered by the *New Growth Path* for our country. The New Growth Path is a national strategy, which is aimed at creating the much needed jobs in order to undo the impact of the past global economic meltdown.

What was critical therefore, was the need come up with a strategy which will assist us to implement all these imperatives. The development of the proposed *Mpumalanga Economic Growth and Development Path (MEGDP)* is therefore a response to the ruling party's call for government to focus on identifying areas where employment creation is possible on a large scale, in order to mitigate the impact of the recent global economic meltdown. Our challenge over the next ten (10) years, is to reduce unemployment, poverty and inequality, hence our province needs to facilitate the creation of at least 719 000 new jobs by 2020.

Our target is to reduce the current unemployment rate which is just over 30 percent to at least 15 percent by 2020. However, for this to become a reality, the provincial economy needs to grow by a rate of between 5 and 7 percent per annum.

This strategy, the *MEGDP*, was developed through a rigorous review of past economic and sector strategies, and is well informed by the current socio-economic outlook and future scenario. It focuses on a number of job drivers, which are seen as being critical in creating the much needed job opportunities.

Our Department has thus been charged with this mammoth task of leading economic recovery of the province, which will be done through the implementation of the *MEGDP*. In fulfilling our mandate as per our strategic plan and annual performance plan submitted to the Mpumalanga Provincial

Legislature, I am proud to announce that through the leadership of the Accounting Officer of the Department, we continued to, amongst others:

- Empower and grow SMMEs and co-operatives;
- Regulate businesses in terms of the applicable laws and prescripts;
- Regulate the gambling and betting industry;
- Protect consumers from unscrupulous business practices;
- Regulate the tourism industry and bio-diversity management;
- Promote sustainable environmental management;
- Promote trade and investment opportunities in the province;

### **MEGA**

The merger of our three (3) Public Entities, that is, the old MEGA, the MADDC and the MHFCo continued, albeit at a slow pace, and was marred with challenges ranging from a Board which was unable to give leadership in the merger process. We, in consultation with the Executive Council, removed the Board Members from office. This did not go well, as the former Board Members took us to court. We've now finally managed to appoint an interim Board, which will function for a maximum period of six (6) months. We also appointed an acting Chief Executive for the entity, who has given the merger process a boost. We are now seeing serious progress and believe that the merger would come to a close by the end of the current financial year.

### **MTPA**

The Mpumalanga Tourism and Parks Agency was also marred by financial constraints and industrial actions by demoralised staff members. This resulted in the resignation of the entity's CEO and five (5) Board members, including the Chairperson. We have now stabilised the entity and appointed an acting CEO, We will soon fill the five (5) vacancies in the Board.

## **MGB**

The Mpumalanga Gambling Board continues to be a shining star in carrying its mandate. It is under excellent leadership and management, hence there is control in our gambling industry. It continued to option a clean audit report, and we congratulate the board and the management under the leadership of Mr Bheki Mlambo.

Honourable Speaker, Honourable Members;

We acknowledge the Report of the Portfolio Committee on Agriculture, Rural Development and Land Administration; Economic Development, Environment and Tourism on the 2010-2011 Annual Report of our Department. We have gone through the all their findings and recommendations, and promise to follow up on them.

As recommended by the Portfolio Committee, we will:

- Re-table the revised Departmental Strategic Plan once approved;
- I will ensure that the Accounting Officer chairs the Departmental Budget and Finance Committee meetings, and duly performs his duties as required by the PFMA;
- Submit the revised Departmental Organogram to the House, once approved;
- Complete the implementation of the water bottling project at Donkerhoek in the Mkhondo Municipality, and further submit all the required documentation required by the Portfolio Committee, relating to the project.
- Finally, we commit that the Mpumalanga Liquor Authority will be operational in the 2012-2013 financial year, and is adequately funded to carry out its mandate.

I will further ensure that the Accounting Officer, through my office, submit the first progress report to this august House by the 15<sup>th</sup> of February 2012, as directed. All the required quarterly reports will also be submitted by the prescribed time-frames moving forward.

***CLOSING REMARKS BY JOHN SIKHOSANA!***