

The Mpumalanga Provincial Government, through the leadership of the Department of Economic Development, Environment and Tourism (*the dedet*) has crafted the *Mpumalanga Economic Growth and Development Plan (the MEGDP)*, commonly known as the Provincial Growth Path. This plan forms the basis for the provincial government's agenda to create jobs as well as fighting poverty and inequality.

The *MEGDP* is a strategic plan that is derived from the National Growth Path (NGP) framework and is adopted to focus on the Mpumalanga's economic growth and development agenda for the next ten years, as a base for longer term growth and development. The *MEGDP's* focus, as with the NGP, is towards the creation of decent jobs and reducing poverty and inequalities.

The draft of the said document, amongst others, identifies challenges in the **labour market** which are exacerbated by the **low levels of skills** and the high concentrations of unemployment amongst the **youth and women**. It however recognises the strides made by government towards the provision of basic services, but also identifies the growing income inequality and **low infrastructure investment in rural areas** which is the legacy of apartheid.

To this end, the Province has set itself a target of reducing unemployment which is recorded at 30.8% (as at the first quarter of 2011), to 15% in 2020. This is a massive undertaking which will require the mobilisation of resources by all stakeholders towards a common vision of a more equitable and inclusive economy. It is recognised that jobs will be created mainly through private enterprise activities, but it is essential that government takes a more assertive role in directing, as well as enabling the economy to grow in a manner that creates jobs on a large scale for the benefit of all.

Our focus will therefore be on the development of **priority sectors** in a manner that is inclusive and shared; the re-dressing of imbalances between urban and rural areas with respect to spatial development, sustainable human development in skills, regional co-operation and environmental sustainability.

Programme Director;

We will focus on **mining and mineral beneficiation** since it is one of the strategic sectors which the Province has prioritised as key job drivers. The mining sector has historically been the engine to the provincial as well as the national economy. It has been the catalyst to industrialisation of our country, thus propelling us to be the largest economy on the African continent. Realising the extent to which our economy needs to grow, the cheapest energy source which we currently rely on is fossil fuel based in the form of coal. We indeed are still compelled to maintain the momentum of growth, and therefore this form of energy source will still play an important role in the coming decades.

This has however come with its own unintended consequences on both our social structures, as well as the environment. The degradation of the environmental, together with the social ills associated with labour migration, are real issues which we need to tackle together. We acknowledge that Anglo has a rich history that is strongly intertwined with that of the country. It is therefore important that we should continue on a journey along this path towards economic growth and development, in a manner which creates decent employment not only in mining, but through support activities such as in mining supplies as well as beneficiation downstream.

Let us also commit further towards turning previous challenges such as mine dumps, into opportunities through rehabilitation exercises. Substantial amounts of land which mines have used over decades, and are no longer deemed profitable, can be turned

around for economic gain for local communities. This is an area which local communities may be supported by the mining houses together with government, in an effort to see them ultimately reaping benefits. The scarcity of water remains a challenge and with the growth of mining activities, water reclamation becomes more imperative as a means of preserving this vital resource. Constant development of technologies should enable us to reach a stage where we can reclaim water to a level that makes it safe for human consumption. Let us increase our efforts in this endeavour.

This also gives us an opportunity to grow our active involvement into initiatives that promote alternative forms of energy. The use of by-products such as fly-ash should be explored as an opportunity for the manufacturing of bricks as well as manufacturing of components for the construction of durable low cost housing units.

In this sector, we seek to advance on the principles of BBBEE, Youth empowerment, the development of co-operatives and SMMEs. For this to be realized, one of the key components will be in the area of skills and capacity building. It is in this area that we need to grow a strong cadre of suppliers in the mining industry, made up of SMMEs and co-operatives that emanate from the local areas where the mines operate. We do however recognize that due to practical considerations, it will not be feasible to set up separate supply centres for each mine.

We thus believe that a strategically located Entrepreneurial Development Centre where the major mining houses will set up capacity and skills development for local SMMEs and Co-operatives, will go a long way in empowering our people on a larger scale whilst creating the much needed jobs. The Mashishing – Steelport area is an area where much future development is anticipated in the long term.

The Steve Tshwete – Emalahleni area is however going to remain an important mining region for the foreseeable future, as long as the country relies primarily on coal fired power generation.

Ladies and gentlemen;

The gap in practical artisan and trade skills, especially amongst our youth, as well as project management and engineering capacities within our municipalities lead us to seek partnership with mining houses in building capacity in these skills. We view the maximum use of the training facilities for coal training as an opportunity to increase our pool of trained youth.

The commissioning of this new mine therefore brings hope for community development through the community social investment. We anticipate that the social labour plans will make a significant impact in laying a foundation for a turn-around in the social conditions of the local communities. It is our wish to walk this path together with Anglo, so that we may not only be monitoring progress, but also play a positive role in advising and participating in the betterment of the lives of the local communities.

We therefore call upon Anglo, together with the chamber of mines, to engage with the provincial government towards turning these opportunities into reality.

Working together, we can do more to create the much needed jobs in order to half unemployment, poverty and inequality.

I thank You!