

KEYNOTE ADDRESS BY THE MEC FOR ECONOMIC DEVELOPMENT, ENVIRONMENT AND TOURISM, MR NORMAN MOKOENA, MPL, DURING THE THABA CHWEU YOUTH DEVELOPMENT SUMMIT FOR CHANGE AT FLOREAT RIVER LODGE IN SABIE, THABA CHWEU LOCAL MUNICIPALITY.

Friday, 16 November 2012

Programme Director;

Thaba Chweu Executive Mayor, Councillor B.M Ngcongwane;

The Chief Whip of the municipality;

Members of the Mayoral Committee and other Councillors present;

Thaba Chweu Municipal Manager, Mr Burton Koma;

Representatives of the Business Chambers;

Renowned motivational speaker, Dr John Tibane;

Members of the media;

Distinguished guests;

Ladies and gentlemen;

Good Afternoon

I am deeply honoured and humbled by your gesture, Executive Mayor, for giving us this platform to address the youth of this municipality. We are honoured because the audience here this afternoon, are the force to be reckoned with, giving that they are the future of this country. We must acknowledge that the youth are in the majority across South Africa, and in particular in our province, hence we must do everything possible to empower them for the benefit of our economy.

I am therefore thrilled that the objective of this summit, “is to develop a comprehensive Youth Development Strategy that will assist the Municipality and relevant stakeholders to have a co-ordinated intervention on youth development matters.”

Executive Mayor, I am also impressed by your aim intended to achieve amongst others:

- Better financial management and financial viability, including debt management in order to receive a clean audit;
- Good corporate governance and service delivery

As the provincial government, we continue to strive to assist municipalities to achieve clean audits and good governance. This we do because we know that once they can achieve that, they (the municipalities), would be better placed to ensure effective service delivery to our people.

Ladies and gentlemen;

We must first start by acknowledging that whatever economic interventions we can come up with, will be influenced by world economic trends, giving that we are living in a borderless global economic village. As we are gathered here to deal with issues of youth development, the global economy continues to slow down and downside risks are now judged to be more elevated. I must indicate that the European situation does not inspire confidence at all.

The International Monetary Fund projects the world economy will grow by 3.3% and 3.6% in 2012, and 2013 respectively, after recording a growth rate of 3.8% in 2011. Emerging markets continues to drive the world economy, while the advanced economies lack behind. As we know a small open economy like ours is highly integrated with the world economy, our economy is therefore not immune to the negative developments in the world economy.

Economic growth in South Africa has slowed to just 2.6% this year, held back by both global uncertainty and disruptions to domestic production. The local economy is expected to expand by 3.0% in 2013, following a growth rate of 3.1% in 2011. The Provincial economy is also projected to grow by 2.3% in 2012, and 3.1% in 2013, while that of the Thaba Chweu Local Municipality is expected to grow at 3.6% and 3.2% in 2012, and 2013 respectively. The implication is that, the triple challenges of **unemployment poverty and inequality** may be further worsened, if appropriate actions are taken.

South Africa's unemployment rate remained high at 25.5%, while that of our province stands at 31.1% - according to the third quarter figures of 2012 released by Statistics South Africa. As indicated earlier, South Africa is indeed a youthful nation. According to the Census 2011 results released recently by Statistics South Africa, the median age in South Africa is 25, while that of Mpumalanga Province is 23.

The implication therefore is that the majority of our population is youth, and unfortunately they are the hardest hit in terms of unemployment.

South Africa's poverty rate stood at 40.6% in 1996, compared with 39.9% in 2010, while the provincial poverty rate declined from 44.8% in 1996, compared with 43.9% in 2010. In the case of income inequality as measured by the Gini-Coefficient, it was 0.62 in 1996 and 0.64 in 2010 for the country, while for the province it measured 0.61 in 1996 and 0.64 in 2010.

Although substantial progress has been made since 1994 in terms of the standard of living for the majority of South Africans, clearly more work need to be done in order to deal effectively with the triple challenges of **unemployment, poverty and inequality**.

As a response to tackle these triple challenges, our National government launched the *New Growth Path* in 2010 under the political leadership of Economic Development Minister, Ibrahim Patel. We have, as a province, also followed suit and crafted the *Mpumalanga Economic Growth and Development Path (the MEGDP)* – taking a cue from the New Growth Path.

This strategy – *the MEGDP*, was well consulted with all social partners including organised business and labour, and their inputs assisted in focusing and improving the quality and the relevance of the framework, which has since been endorsed by the Provincial Executive Council under the capable leadership of Premier DD Mabuza.

Let me point out that *the MEGDP* is based on six strategic sectors, which are Agriculture and Forestry; Manufacturing, Mining; Tourism, Energy and Green Economy; and Information and Communication Technology (ICT). In order to actualize the implementation of *the MEGDP*, we have also developed a Programme of Action which cuts across the identified sectors and encompasses **skills development and capacity building; rural development; infrastructure and beneficiation**, as the important pillars for the success and sustainability of the framework.

Furthermore, given that Mpumalanga is largely rural, the Provincial Government has accordingly placed rural development as one of its key priorities. To this end, the Provincial Executive Council under the leadership of the Honourable Premier, Mr D.D Mabuza, has adopted the *Comprehensive Rural Development Programme (the CRDP)* as a vehicle that the Provincial Government will utilize to execute its developmental state role of intervening, to turn the rural economy around through the empowerment SMMEs and cooperatives.

I must also indicate that across all the sectors, a specific and deliberate emphasis is placed on youth, SMMEs and co-operatives. We must therefore adopt *the MEGDP* as the hymn book, from which all of us, provincial government, local government, organized business, organized labour and civil society, must sing from, if we are to achieve improved economic growth, development and sustainable employment creation. Once this happens, we are quite confident that we will effectively and efficiently deal with the problems of the day - mainly unemployment, poverty, and inequality- which continue to bedevil our society, especially youth.

Executive Mayor; Ladies and gentlemen;

Another huge challenge facing our country and the world, is the advent of climate change. We must encourage the youth to be part of our climate change mitigation strategies.

We collectively have a Constitution mandate, to *“prevent pollution and ecological degradation; promote conservation; and to secure ecologically sustainable development and the use of natural resources while promoting justifiable economic and social development.”*

To this end, as indicated earlier, we have prioritised the **Green Economy** in *the MEGDP*, as one of the key drivers for economic development and growth in Mpumalanga. This emerging sector – the Green Economy, has a potential to create the much needed jobs which could propel our economy further. A lot of jobs could be created through adopting the **three (3) 'R's' – Reducing/Re-using/Recycling!**

If we all apply our minds to practice the three (3) **“Rs,”** we will help conserve energy, reduce pollution and greenhouse gases from resource extraction, manufacturing and disposal, and subsequently help to fight global climate change, or at least minimize the rate of the change.

We therefore urge the youth to join us in this crusade our saving our planet, which will in turn provide them with 'green jobs.' We further encourage them to take part in tree-planting campaigns, which are intended to green our province, whilst at the same time assisting with mitigating the impact of climate change. It is said that trees can moderate climate change since they have the ability to trap greenhouse gases; improve air quality, and conserve water, amongst others.

Ladies and gentlemen;

As you enter into discussions and strategise over the next two (2) days, I urge you to ponder on the significant role which could be played by the youth of this municipality, in shaping their future. We must plan with them – and not for them.

As I close, I take this time to wish you well as you plan for a brighter tomorrow – A brighter South Africa.

Remember that it is only through collective determination, that we can address the issues and challenges being faced by the youth of this municipality.

Executive Mayor;

Working together, we can do more to reduce poverty, unemployment and inequality for the benefit of the youth of Thaba Chweu and Mpumalanga in general.

I thank you!