

REMARKS BY THE MEC FOR ECONOMIC DEVELOPMENT, ENVIRONMENT AND TOURISM, MRS YN PHOSA, MPL, DURING THE EXECUTIVE COUNCIL BUSINESS AND FARMERS FORUM MEETING AT THULAMAHASHE, BUSHBUCKRIDGE LOCAL MUNICIPALITY.

Tuesday, 11 June 2013

Programme Director;

MEC for Finance, Mr Madala Masuku;

MEC for Agriculture, Rural Development and Land Administration, Ms Violet Siwela;

Heads of government Departments in our midst;

CEOs of our public entities;

Representative of our Development Finance Institutions;

Business people and farmers;

Distinguished guests;

Members of the Media;

Ladies and gentlemen;

Absheni! Menjani?

It gives me great pleasure to stand in front of you to address this all important gathering. As government, we are humbled by your response of honouring our invitation. This is part of our Programme as government, under the leadership of the Honourable Premier, Mr DD Mabuza, to go to the people, to listen to and respond to their cries. This we do because we are caring, and because we acknowledge that partnerships are critical towards government realising its promises to the people. We are visiting this municipality, on a three-day Programme to meet councillors and all stakeholders, through an ongoing Executive Council Outreach Programme.

It is through this programme, that we get to understand where our people live; how they live; and the conditions they live under. You will recall that we last visited this municipality exactly two (2) years ago – in June 2011, and we are coming back with a response to the issues you raised then.

Programme Director; ladies and gentlemen;

As the Honourable Premier indicated in the *State of the Province Address* earlier this year, our people are still faced with the triple challenges of **poverty, unemployment and inequality**. It is our intention therefore to continue to partner with business in creating the much needed job opportunities in order to improve the living conditions of our people.

According to the Census 2011 results, the Bushbuckridge Local Municipality has a **population of 541 248** people, which represents 32.1% of the population of the Ehlanzeni District. Indications are that the population grew by only 8.2% for the past 10 years, that is, between 2001 and 2011, and the average population growth rate was measured at only 0.8% per annum. There are more females than males at a percentage of 54.5% and 45.5% respectively. The majority of people in this municipality are black at 99.5% of the population. The youth constitutes 74% of the population up to the age of 34 years.

We remain concerned that the **unemployment rate in the municipality remains high at 52.1%** (strict definition). The most unemployed is the youth at 64.6%. The **poverty level of the municipality is recorded at 42.2%**. Indications are that the poverty rate has however improved as compared to the last 10 years, due to the government intervention programmes on poverty.

The economy of Bushbuckridge Municipality is dominated by the community sector, with 49.8% share contribution. This indicates that the municipality is much more dependent on government.

This includes government investment on infrastructure development, employment for service provision and social security grants. Trade contributes 17.4% of the economy. This may be because of the strong tourism sector surrounding this municipality, with Kruger National Park in the East, and Blyde River Canyon in the West. The high population has increased demand on trade such that there are three shopping complexes established in Acornhoek, Bushbuckridge and Mkhuhlu. This has increased the contribution of financial sector to 12.4%, which is the third largest contributor to the economy.

The agricultural sector is contributing 5.8% to the local economy. Most of agriculture is still through subsistence farming, and may need to be commercialized. Agriculture becomes strategic in rural areas as it is a labour intensive and easy of entry by business.

As the ANC-led government, we have therefore listened to the cries of our people regarding poverty, unemployment and inequality. In this regard, we have in line with the National Development Plan and the New Growth Path, developed a blue print to foster economic growth and development in the province, known as the Mpumalanga Economic Growth and Development Path (*the MEGDP*). This blue print has identified sectors which have a huge potential to create the much needed job opportunities.