

WESTERN CAPE

Infrastructure investment vital to economic recovery

TSHEGO LEPULE

tshego.lepule@inl.co.za

INVESTMENT in infrastructure has been punted as a key driver to economic growth and job creation in the Western Cape.

In his State of the Province Address, Premier Alan Winde highlighted the importance of infrastructure development as a means of stimulating the economy and creating jobs that will lead to a recovery for the province.

"The bottom line is that we are not currently investing enough in infrastructure and this needs to change. The challenge we face, however, is that we have very little fiscal room to manoeuvre. We have already experienced R1.6 billion in cuts this financial year and almost all our current funding comes via the provincial equitable share," he said.

"Unless more money is allocated to provinces by the national government to stimulate infrastructure-led growth, we simply can't afford it currently. It is for this reason that we have taken the decision to build a portfolio of investment projects that can attract private finance where appropriate."

Winde said borrowing to fund infrastructure development was workable that would see the appointment of experts to see it through.

"It is our plan for this process to work hand-in-hand with a dedicated infrastructure agency that can contract and borrow money as a 3D entity under the PFMA. We will therefore shortly be appointing a panel of infrastructure finance experts, who will take forward the technical work in establishing this infrastructure financing entity. This is not a quick process, but our objective is to get it done in this current term of office," he added.

During the debate, however, Winde was criticised for not specifying the progress of the infrastructure agency, announced last year.

"The premier failed to address the progress of this agency in any real detail and its passing



PREMIER Alan Winde in his State of the Province Address punted infrastructure development as a means to reviving the Western Cape economy. | **AYANDA NDAMANE** African News Agency (ANA)

mention raises questions as to whether this is not another of this government's grand sounding announcements without the substance," said Good Party's Brett Herron.

"What we needed to hear was how the agency will work, what infrastructure will be built and prioritised, and a real plan that the people of this province, and businesses in the construction sector, can rely on."

This week head of the presidency's investment and infrastructure unit, Dr Kgosientsho Ramokgopa visited the Western Cape to check in on various infrastructure projects in the energy sector as well as upgrades to several small harbours across the province.

Winde said his meeting with Ramokgopa was more on a technical front but he looked forward to further discussions on plans for development in the province. "What we need to see are more projects reflected at a national level with funding made available," he added.

"But as a province we need to reflect on what are the bigger, bolder projects that we can work on. We also need to get our small harbour upgrades where in most communities they are an economic hub and key drivers for economic growth."