

President Jacob Zuma 's 2014 SONA and its Public Works connection

In his State of the Nation Address (SONA) on 13 February 2014, President Jacob Zuma touched on job creation, infrastructure development, fighting corruption and the introduction of the National Development Plan, which all link perfectly to the focus areas of the Department of Public Works, especially during its turnaround phase.

The President outlined the pillars of democracy which includes gender equality, representation and extension of services, which he said were holding the country together. He said all these attributes has made South Africa a much better place to live in now than it has ever been. Although he hailed the country for having made great strides in the past years, the President was quick to point out problematic areas "which poses a challenge to our hard-earned democracy and freedom".

"Our country still faces the triple challenge of poverty, inequality and unemployment, which we continue to grapple with. Dealing with these challenges has become a central focus of all democratic administrations," he noted.

Five priorities

The President said that in an effort to reverse these adversities, the country has elected to focus on five priorities which include **education, health, the fight against crime and corruption, rural development and land reform** as well as **creating decent work**.

National Development Plan

"We also established the National Planning Commission which produced the landmark National Development Plan, the country's socio-economic blueprint and one of the major achievements of this fourth administration."

The Plan outlines what the country should do to eradicate poverty, increase employment and reduce inequality by 2030.

Economic growth

According to the President, on average, the economy has grown at 3,2 percent a year from 1994 to 2012 despite the global recession which claimed a million jobs. He said working together as government, business, labour and the community sector, the country nursed the economy to a recovery.

"The national wealth, measured in terms of GDP, has grown to more than 3.5 trillion rand. Jobs are now being created again. There are now 15 million people with jobs in the country, the highest ever in our history, and over 650 thousand jobs were created last year, according to Stats SA.

"This is still not good enough. The unemployment rate still remains high. Youth unemployment in South Africa continues to be of concern, as it is the case throughout the world. We are taking a number of measures, including the Employment Tax Incentive Act which encourages employers to hire younger workers. Regulations will be passed to ensure that this does not affect unsubsidized or older workers adversely."

The President said further measures were contained in the National Youth Accord that was signed in Soweto last April, adding that the Expanded Public Works Programme and the Community Work Programme continued to be an effective cushion for the poor and the youth.

“We have created 3,7 million work opportunities over the past five years. Our people obtain an income and skills from the public works programme, which they use to seek formal employment. Cabinet has set a target of 6 million work opportunities from this year to 2019, targeting the youth.”

He said that the weaker exchange rate posed a significant risk to inflation and would also make the government’s infrastructure programme more expensive.

However, he added that export companies, particularly in the manufacturing sector, should take advantage of the weaker rand and the stronger global recovery. “While we have these difficulties, we know that we can cope with this period of turbulence. We have done so before in the past five years. We will, in fact, emerge stronger if we do the right things. We have to work together as government, business and labour to grow our economy at rates that are above 5 per cent to be able to create the jobs we need.”

Job drivers

President Zuma said that other than mining, the country had identified five other job drivers in 2009 which include tourism, agriculture, the green economy, infrastructure development and manufacturing.

The tourism industry has grown dramatically. In 1993, South Africa received a mere 3 million foreign visitors. By 2012, the figure had grown to 13 million visitors. He committed the country to continuing to grow this industry, given its potential for job creation.

“In 2012 we unveiled the National Infrastructure Plan, led by the President through the Presidential Infrastructure Coordinating Commission. We have subsequently invested one trillion rand in public infrastructure over the past five years. Many of the projects are completed or are nearing completion. Among others we have the Rea Vaya system in Joburg which is now used by more than 100 000 Gauteng residents. Similar systems are being built in Cape Town, Tshwane, Nelson Mandela Bay, Buffalo City, eThekweni and Rustenburg.

“As part of the job creation drive, the country’s harbours and ports have been improved. Close to 1500 kilometres of new roads or lanes have been built. The construction of new rail lines has started in Mpumalanga, to ease the pressure off the roads. To realise the economic potential of the Western Cape and the West Coast, we launched the Saldanha Industrial Development Zone and opened two new factories in Atlantis. Construction is continuing at the new power stations, Medupi in Limpopo, Kusile in Mpumalanga and Ingula near Ladysmith, employing more than 30 000 workers.”

The President remarked that the incentives to boost manufacturing have yielded returns. The Automotive Investment Scheme that was launched in 2009 had approved a total of 3.8 billion rand worth of incentives for about 160 investment projects. “These sustain more than 50 thousand jobs,” he said.

“We have stabilised the clothing, textile, leather and footwear sector, which had been shedding jobs. Agriculture is a key job driver and a provider of opportunities for entrepreneurship. Our agricultural support programme, Fetsa Tlala, is producing brand new exporters. We will continue to promote our fisheries sector as well, which contributes an estimated 6 billion rand to the economy and provides 27 000 jobs.”

Land reform

On the land reform the President noted, “We have made good progress in the land reform programme. Since 1994, nearly 5,000 farms, comprising 4.2 million hectares, have been transferred to black people, benefiting over 200,000 families. Nearly 80,000 land claims, totalling 3.4 million hectares, have been settled and 1.8 million people have benefited. The next administration will need to take forward a number of policy, legislative and practical interventions, to further redress the dispossession of our people of their land.”

The President said that the country has made strides in the eradication of mud schools. “To produce a decent learning environment, we have delivered 370 new schools replacing mud schools and other unsuitable structures around the country. The programme continues.”

Fighting fraud and corruption

On fighting corruption, President Jacob Zuma said South Africans were united in wanting a corruption free society. “Fighting corruption within the public service is yielding results. Since the launch of the National Anti-Corruption Hotline by the Public Service Commission, over 13 000 cases of corruption and maladministration have been referred to government departments for further handling and investigation. Government has recovered more than 320-million rand from perpetrators through the National Anti-Corruption Hotline.

Some of the successes of the National Anti-Corruption Hotline include the following:

- 1 542 officials were dismissed from the Public Service; 140 officials were fined their three month salary; 20 officials were demoted; 355 officials were given final written warnings; 204 officials were prosecuted.

He said the Special Investigating Unit was investigating maladministration or alleged corruption in a number of government departments and state entities, through 40 proclamations signed by the President during this administration. “We will keep the public informed of the outcome of the investigations,” he said.

“In the first six months of last year, the Asset Forfeiture Unit paid a total of 149 million rand into the Criminal Assets Recovery Account and to the victims of crime. This is 170% above its target of 55 million rand and is higher than it has ever achieved in a full year. Last year, the competition authorities investigated large-scale price fixing in the construction industry and fined guilty companies 1.4 billion rand. Further steps against those involved are now underway,” he remarked.

“As a country we have scored many successes,” he sighed.