



PARLIAMENT
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NATIONAL COUNCIL OF PROVINCES
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OPENING REMARKS BY THE CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES, HONOURABLE N. A. MASONDO, ON THE OCCASION OF THE MINISTERIAL BRIEFING SESSION ON INFRASTRUCTURE DEVELOPMENT

DATE: 07 SEPTEMBER 2021 **VENUE:** VIRTUAL **TIME:** 10H00

Greetings!

Programme Director, Deputy Chairperson of the National Council of Provinces, Honourable Sylvia Lucas

Minister of Public Works and Infrastructure, Honourable Patricia De Lille

Deputy Minister of Public Works and Infrastructure, Honourable Noxolo Kiviet

NCOP House Chairpersons, Honourable Jomo Nyambi and Honourable Winnie Ngwenya

NCOP Chief Whip, Honourable Seiso Mohai

Honourable Permanent and Special Delegates

Honourable Members of Provincial Executive Councils

Representatives of the South African Local Government Association

Ladies and gentlemen

Programme Director, allow me to thank you for the opportunity to make the opening remarks on this occasion of the Ministerial Briefing on Infrastructure Development, which will focus on accelerating the implementation of the National Infrastructure Plan for employment creation and development.

Our economy has for some time now been struggling to address the increasing levels of poverty, unemployment and inequality. And the Covid-19 pandemic has made the situation much more critical. The recent data on unemployment released by Statistics South Africa last month is further evidence of the urgent need to intervene to create the necessary conditions for citizens to participate in economic activities.

The 2011 Diagnostics Report of the National Planning Commission found that our infrastructure was poorly located, inadequate and under-maintained. This informed the need, as outlined in the National Development Plan (NDP), to improve infrastructure for faster economic growth and higher employment, as well as to provide citizens with the means to improve their own lives and boost their incomes.

According to the NDP, this would be achieved through public investment, at 10 percent of gross domestic product, which is financed through tariffs, public-private partnerships, taxes and loans and focused on transport, energy and water.

Last month, the National Council of Provinces hosted Ministers, Premiers, MECs and the South African Local Government Association to outline interventions across the spheres of government to deal with youth poverty and unemployment. This was in light of the economic stagnation that has worsened, amongst others, as a result of the impact of the Covid-19 pandemic.

As Members are aware, the country's economic crisis led to the government unveiling the Economic Reconstruction and Recovery Plan (ERRP). Outlining the Plan to the Joint Sitting of Parliament in October last year, the President of the Republic, His Excellency Cyril Ramaphosa, said that it was intended to drive growth that is inclusive and transformative. He cited the following objectives:

- 1) To create jobs, primarily through aggressive infrastructure investment and mass employment programmes;
- 2) To re-industrialise our economy, focusing on growing small businesses;
- 3) To accelerate economic reforms to unlock investment and growth;
- 4) To fight crime and corruption; and,
- 5) To improve the capability of the state.

Further, that in order to unleash the potential of the economy, we will require:

- 1) The implementation of necessary reforms,

- 2) Removing regulatory barriers that increase costs and create inefficiencies in the economy,
- 3) Securing our energy supply, and
- 4) Freeing up digital infrastructure.

He sketched some specific key interventions, which include:

- 1) Unlocking more than R1 trillion in infrastructure investment over the next 4 years;
- 2) Achieving sufficient, secure and reliable energy supply within two years;
- 3) Creating and supporting over 800 000 work opportunities in the immediate term to respond to job losses;
- 4) Reducing data costs for every South African and expanding broadband access to low-income households; and
- 5) Reversing the decline of the local manufacturing sector and promoting re-industrialisation through deeper levels of localisation and exports.

Programme Director, one has noted the gazetting of the National Infrastructure Plan 2050 by the Department of Public Works and Infrastructure for public comments last month. Amongst others, the document identifies four mission-critical infrastructure areas, which align with the areas of growth identified in the ERRP. These are:

- 1) Energy infrastructure;

- 2) Freight transport infrastructure;
- 3) Water infrastructure; and
- 4) Digital Communications Infrastructure

During one of our recent engagements, the Premier of KwaZulu-Natal, Honourable Sihle Zikalala, raised once again the issue of the need for the construction of the rail link between KwaZulu-Natal and Gauteng. This was in the context of the impact on traffic volumes, and the squeeze in the movement of goods, caused by the closure of the N3 as a consequence of the acts of violence and looting in July this year.

The Minister of Transport has confirmed that the resultant closure of the N3 for a period of four days meant that R12 billion worth of goods did not arrive at their intended destinations. This is a big setback for an economy that seeks to unlock investment and growth. It underscores the need for improving our infrastructure to create resilience of our economic networks and the creation of more opportunities for the people.

Infrastructure development is critical to attaining South Africa's long-term economic and social goals. To achieve this will require that we place a high premium on ensuring institutional and system integrity. One of the means of doing so is to strengthen oversight over the massive rollout of infrastructure throughout the country and the revival of the construction industry, which is the focus of government.

Programme Director, we need to work together to improve the level of accountability especially in the use of public resources.

The purpose of today's briefing is to share with us the national, provincial and municipal perspectives in relation to the progress on the implementation of the National Infrastructure Plan for employment creation and development. This is important if we are to hold government accountable as part of our contribution to ensuring that we achieve better outcomes for the people.

As Members would attest, our main interest as the National Council of Provinces is to see the three spheres of government adhering to the principles of co-operative government and intergovernmental relations, as outlined in Chapter 3 of the Constitution. Co-ordination and mutual assistance are critical in this regard.

As I conclude, I thank you once again Programme Director for the opportunity to make these few remarks.

Thank you

