



Good morning. Dumelang.

It is my pleasure to welcome you all to this important conference here today. In the State of the Nation Address this year, I unveiled our massive infrastructure plan.

I also indicated that we would convene an infrastructure investment conference so that we could confer with business, labour and the community sectors on how we can work better together to make this programme a success.

I am pleased therefore that all of you have joined us today. We are meeting during both difficult and promising times.

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This week, we welcomed the good news that tourist arrivals to South Africa had increased by an impressive 10,5% during the first six months of 2012, which is double the global tourism growth rate of 5%.

This means our country continues to be a popular destination to many around the world.

Given that tourism has been identified as one of the six job drivers in the New Growth Path, this development is very encouraging indeed. The other five job drivers are infrastructure development, agriculture, mining and beneficiation, manufacturing and the green economy.

This year we decided to single out infrastructure for special focus. We are not saying that the other five job drivers are not important. They remain very key to economic growth and development.

However, our view is that infrastructure development is a catalyst to sustainable economic development and to the improvement of the quality of life of our people in a most fundamental way. Today's conference is specifically about the crucial role of partnerships on infrastructure development in the present and future of South Africa.

You are all here because you have been identified as crucial stakeholders with whom Government can forge a partnership with, to enhance the implementation of the country's long term National Infrastructure Plan. As the lead investor for the National Infrastructure Plan, government has already begun to roll-out several projects.

We have paid very special attention to the lessons we have learnt from building infrastructure in the past. We all have proud recollections of how we managed to build stadiums, roads and refurbished airports ahead of the 2010 FIFA Soccer World Cup.

We must use that project management experience to change our country's landscape and improve living conditions while growing the economy. We have developed an integrated, aligned and coordinated 20 year infrastructure pipeline.

This is a necessary investment. The failure to invest in basic services in black communities over the decades of colonial oppression and apartheid is a critical element in the persistence of inequality today.

To reverse the legacy of the past, we have already started building houses, schools, hospitals, clinics, nursing colleges, dams, power stations and other infrastructure.

Just two weeks ago, we were proud to launch the Eastern Cape schools refurbishment programme, where we are replacing 49 mud schools with modern schools.

There are currently more than two thousand registered school refurbishment projects across the country. In addition, 886 health facilities are being refurbished and revitalised.

We are also going to build two new universities in Mpumalanga and the Northern Cape as part of the social infrastructure build programme which will expand access to higher education to the two provinces.

On economic infrastructure, we are creating enabling infrastructure such as rail, ports, energy, broadband and roads.

No one can imagine a successful producer who lacks access to transport, telecommunications, water or electricity.

There is a further benefit for economic development. Public investment requires huge amounts of inputs such as equipment, building materials, generators, cranes, trains and even tar for the roads.

If all of these materials are bought locally, their production will give a real boost to the economy. That is particularly important given the uncertain global outlook.

Therefore as a job creator, the infrastructure programme is a clear winner. Construction and maintenance alone will employ tens of thousands of people.

Compatriots,

The strength of the National Infrastructure Plan is the central coordination in the Presidency, through the Presidential Infrastructure Coordination Commission that I chair, assisted by Deputy President Motlanthe.

Another strength is the fact that it brings together the three spheres of government.

We meet as national, provincial and local government at the highest level to discuss the implementation of all Strategic Infrastructure Projects and to monitor progress.

To boost our work, we are developing an Infrastructure Development Act.

Secondly we are re-allocating and aligning scarce funds to the build programme and are also seeking innovative funding mechanisms to address the full package of projects.

We are also prioritising skills development, professional training and job creation, hence the partnership we are building with higher education institutions.

The infrastructure on the scale needed to transform our economy and social landscape will not come cheap. The cost of the Strategic Infrastructure Projects or SIPS are estimated at about four trillion rands over the next 15 years.

Some of this cost includes projects that the private sector will need to pay for, such as industrial projects connected to infrastructure.

The state itself will invest about 844 billion rand in the coming three years alone. It is worthwhile. Current and future generations will be able to benefit from these investments that we are making now.

Compatriots and friends,

We are discussing this ambitious project as the world faces a global economic recession that refuses to go away.

Given that our economy is intertwined with the global economy, especially with regards to trade, we have to seriously work on measures of staying afloat as we did during the 2009 recession.

Secondly, we have faced labour turbulence over the past few weeks.

The strikes in the mining sector in particular, have demonstrated just how far we still have to go towards ensuring full compliance with the Mining Charter, especially with the implementation of social and labour plans which call for an improvement in the living conditions of workers.

In light of the uncertain global economic climate generally and the impact of strikes in particular, I convened a high level dialogue with the leadership of business, labour and the community sector at the Union Buildings.

We released a joint economic package on 17 October. I am very pleased that we were able to find common ground, in meetings that were characterised by cordiality, common purpose and putting South Africa first.

We agreed on measures that will help restore normalcy in the economy especially mining, while also dealing with the social inequality and income disparities that cause frustrations amongst our people.

I have noticed that some sections of the media and commentators have decided to focus mainly on the call for top earners in the public and private sectors to agree to freezing salary increases

and bonuses to demonstrate seriousness with regards to dealing with inequality and income disparities.

We have released the full package agreed to publicly and it definitely goes beyond salaries and bonuses! We introduced a comprehensive social and economic package.

The measures we agreed to deal with the following:

- Accelerated infrastructure rollout to create jobs and provide the basis for social inclusion and growth.
- Improving the living conditions of mining communities.
- Measures to address the challenges faced by workers and companies affected by the global economic slowdown.
- Measures to consider job creation through public sector work programmes.
- Addressing the growth of reckless lending. This has put many workers under extremely difficult conditions as most of their income goes to omashonisa leaving little for the families.

A taskforce is being established by the Presidency to bring together relevant government authorities with leaders from business, organised labour and communities to plan the new partnership.

The public will be kept informed of progress made and also of what all can do to participate to ensure success.

Compatriots,

Nothing can be more inspiring than collectively working together to build our country. We have to promote our country and boost confidence in the economy so that it can grow and create jobs. We have to give our people hope as indeed a lot is being done to create a better life, even though things may not be moving as fast as we all want them to, given the frustrations and the legacy of the past.

We have to create the right environment for economic growth. During this period of a global economic downturn, we urge those who have access to the media from all sectors including opposition politicians, to stop talking our country and economy down.

No country should be made to withstand such negativity and total disregard of progress being made or any positive attribute.

While acknowledging difficulties that this young nation faces, we wish to encourage public opinion makers to also reflect the strides that have been made in only 18 years.

Politically, we have consolidated democracy and have built sound democratic institutions, operating within the three arms of the State, the executive, judiciary and the legislature.

Progress is being made on social services provision. Close to three million houses have been built for the poor, giving shelter to over ten million people.

Six million households have gained access to clean water since 1994 and electricity has been connected to nearly five million homes.

Fifteen 15 million people receive social grants, which has contributed immensely to the alleviation of poverty.

More than eight million children at primary and secondary schools benefit from school-feeding schemes and also do not pay school fees.

To expand education access, student loans are converted into bursaries for qualifying final-year students while students in further education and training colleges who qualify for financial aid are now exempted from paying fees.

Crime statistics show a decrease in most crimes, including armed robberies, housebreakings and contact crimes.

We are also proud of the fact that freedom of expression is enshrined in the Constitution. We count this as one of the key achievements of a democratic South Africa, especially today on South African Press Freedom Day.

Today, being the anniversary of 19 October 1977, when the apartheid state cracked down on the media, banning newspapers and jailing journalists, we urge the media to join us as well in this partnership of building a prosperous society.

We all have a role to play in building our country.

Compatriots, the National Infrastructure Plan is a key contribution to the socio-economic development of our country. We present it here today to cement partnerships for development.

President Nelson Mandela outlined the need for collective action in 1994 in his inauguration speech when he said;

"We understand it still, that there is no easy road to freedom.

We know it well, that none of us acting alone can achieve success.

We must therefore act together as a united people, for national reconciliation, for nation building, for the birth of a new world.

Let there be justice for all.

Let there be peace for all.

Let there be work, bread, water and salt for all.

Let each know that for each, the body, the mind and the soul have been freed to fulfil themselves".

It is my pleasure to declare this conference open.

I thank you.

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