

**MAYOR CLR MY MMAKOLA'S KEY NOTE ADDRESS TO THE EPHRAIM
MOGALE LOCAL MUNICIPALITY LOCAL ECONOMIC SUMMIT**

VENUE: TOWN HALL

DATE: 30 JUNE 2015

Program Director:

Members of the Ephraim Mogale Municipality Executive Committee

Honorable Speaker, Chief whip and Councilors

Maapara Nkwe

Municipal Manager, Directors, Managers and the Staff

Representatives from various government Departments: Rural Development etc.

Representatives from various Stakeholders such as Land Bank, National
Movement of Rural Women etc.

Representatives from various Organised Labour (Unions)

Representatives from various Business Sector (formations)

Representatives of Sponsors:

Members of the Media

Distinguished Guests, Ladies and Gentlemen.

Dumelang, Lotshani, Goeie more, Good morning Ladies and Gentlemen!

Thank you for joining us and honoring this important occasion, the First Municipal Economic Development Summit, where we gather to discuss one of the most important element of development, the Local Economic Development. One feels greatly honoured to stand before this august gathering. The municipality has been faced with challenges of focusing on the Local Economic Development and today, as one stands before you, one can confirm that we have established the

unit to focus on addressing those challenges. One of the key challenges the municipality is facing is unemployment, mostly of young people. The statistics from Stats South Africa indicated that the municipality is characterized by the followings:

- Employment = 18 345
- Unemployment = 12 943 = unemployed
- Discouraged work seekers = 5 299
- Not economically active=34 572

This stats include almost 48.8% of young people within the municipality who are not employed and are roaming the street, a time-bomb for the municipality indeed. The commitment to assist the youth within the municipality was clearly reflected last week when the municipality held its Youth Indaba and elected the Interim Committee to revive the youth structure and the formation of the Youth Council. The municipality believe that the revival of the Council will assist the municipality in driving the Economic Programmes and engagement of youth structure such as the National Youth Development Agency (NYDA) to assist the young people with economic programs such as cooperatives and Small, Medium Macro, Enterprises (SMMEs)

Program Director; The municipality is doing all this with the understanding that our economic system in this country is built on the foundation laid and prepared 60 years ago by the ruling party, African National Congress (ANC) through the

FREEDOM CHARTER. The Freedom Charter stated clearly that “the people shall share in the country’s wealth”

In the process of sharing the wealth, our communities and stakeholders should be aware that the municipality’s economy is characterized by what we termed the three legged pot, that is: the Mining, Agricultural and Tourism Sectors.

The mining industry contributes highly towards economic development, and our municipality is characterized by huge arable land used for agricultural purposes. Our primary agricultural sector produces most of the vegetables in the country and it is unfortunate that we still lack the secondary agricultural activities. We need to encourage and build on the Agro-Processing as the most emerging agricultural job creation areas. We cannot continue producing vegetable and take them to Gauteng Province for processing.

At present the municipality has three mines, two in town of Marble Hall and one at Boschoek. As municipality we need to assist our communities where there are opportunities of emerging mining that include the sand mining to be included in the economic activities.

The third leg of the municipal economy is that one of tourism. There are so many Game Farming within the municipality that is also contributing towards the economic growth. As part of strengthening Schuinsdraai, we should develop a strategy of attracting investors into the Flag Boshielo Dam and develop it into be

the Toursim Corridor. The dam is full of various species such as fishes and crocodiles. This should be part of our Local Economic Development strategy as confirmed by the Limpopo Hon. Premier Mathabatha when saying that the Limpopo Province, Ephraim Mogale included, have identified strategic programmes across the mining, agriculture and tourism sector with fundamental goals of ensuring an industrialization programme, through mineral beneficiaries, development of agro-processing cluster and logistics”.

Emerging of the Cooperative Sector and Small, Medium, Macro Enterprises (SMME's) within the municipality will play an important role in creating jobs and contributing toward the economic growth. As Limpopo Premier Hon Chupu Mathabatha once said “the province has re-affirm the roles of SMME's and Cooperatives in the productive sectors as critical components towards the radical economic transformation”. Small, Medium, Macro Enterprises (SMMEs) is viewed as key instrument in realizing the government objectives of creating employment, economic distribution and enhancement of economic competitiveness. The municipality has launched two important cooperatives, being that of Youth and Women Cooperatives as part of our commitment to create an enabling environment in terms of national, regional and local framework for SMME development. The municipality is further engaging the Hawkers as informal sector that contribute so importantly towards the Local Economic Development. As part of the N11 development that will attract investors in the municipality, the municipality have agreed with Hawkers to relocate to the Hawkers Centre as part

of formalizing their economic activities. This is part of government strategy as outlined by Hon President Jacob Zuma that “the government, municipalities in particular should unlock the potential of Small, Medium, Micro Enterprises (SMME’s), Cooperatives, township and rural enterprises”.

The municipality being rural by virtue of its nature, has the opportunity to utilize its natural resources. This municipality is rich in natural resources such as - Marula and Thatch. We should encourage communities to form cooperatives in the two areas, in addition to the agricultural ones, harvest Thatch during this season and sell them in provinces such as Gauteng where Thatch roofing for hotels and tourist attraction centres need them the most. At the same-time, our economic unit should conscientize communities on the disadvantages of the veld-fire and minimized veld fire that destroys the veld during winter seasons. We should further investigate and develop strategy of harvesting Marula Fruits within our area through cooperatives. Both Marula and thatch, are our natural pride that only need hard labour without any expensive financial resources. The most important role for the LED is to link the cooperative to the markets. Our market should first be at home by targeting the supply of government institutions such as hospital, schools etc. with fresh vegetable from the cooperatives.

Program Director; one other important element that can contribute toward the Local Economic Development is recycling of all used material; such as the bottles, plastics, tins, tyres etc. as part of environmental management. Recycling emerges as the most growing economic sector that contribute highly towards

jobs creations and local economic development. The more we recycle used materials, the more we reduce climate change and safe of energy.

Program Director, one of the key challenges we hope the private sector will do, is to partners the government in making sure that the economic pot stays balanced and growth to create jobs, contribute towards the poverty alleviations and making a better life for our communities. The municipality is looking at the private sector's social responsibilities in partnering with the government to address the economic challenges the municipality is facing. We need the private sector to contribute towards the skilling and education of the young people in the municipality so that they can payback by contributing towards the economic growth.

Programme Director, let me conclude with the call by Hon President Jacob Zuma that "the municipality should strive towards the implementation of the National Economic Development Plan (NDP), the blue print of the country socio-economic strategy, the plan outlines what we should do to eradicate poverty, increase employment and reduce inequality by 2030".

I thank you.