

**SPEECH BY SEKHUKHUNE DISTRICT MUNICIPALITY  
EXECUTIVE MAYOR CLLR MOGOBO DAVID MAGABE  
DURING THE PRODUCTIVITY MONTH EVENT  
VENUE: TUBATSE MUNICIPAL HALL, BURGERSFORT  
DATE: 29 OCTOBER 2009**

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Programme Director  
The Mayor of Tubatse Local Municipality  
Representatives from Productivity South Africa  
Representatives from the Department of Economic  
Development, Environment & Tourism  
Ladies and Gentlemen

Greetings,

I would like to take this opportunity and express my gratitude to the Department of Economic Development, Environment and Tourism for bringing the Productivity Month Campaign to Sekhukhune District.

It is apt to say that this is the most relevant event to this District and it happens at a time when we and various business stakeholders are strategising in order to come up with solutions to a number of local economic development issues.

Sekhukhune is an underdeveloped District in many respects and, fortunately, during this moment, it finds itself at a confluence of potentially good prospects in as far as economic development is concerned.

The District has untapped potential in tourism, agriculture and mining – hence these three industries were identified as the pillars of the economy in Sekhukhune and Limpopo province at large by the Provincial Growth and Development Strategy (PGDS) Summit a few years back.

Programme Director,

We are really hoping that soon after the Productivity Month we will recover from the adverse effects of recession that have gripped the whole world over the past few months.

For a District like Sekhukhune, the economic meltdown has far-reaching consequences that compel us to backpedal as all our bright ideas for economic growth cannot take shape in the face of this conundrum.

As you know that this area thrives on mining production, you can imagine how much impact the decline in export sales has on the local economy with retrenchments having been the order of the day.

A senior economist from Old Mutual Investment SA has already given us a positive forecast about the country's economy.

He said South Africa's third quarter Gross Domestic Product (GDP) data was likely to show economic growth of around two per cent (2 %).

You must remember that we experienced an economic contraction of -6.4 per cent quarter-on-quarter in the first quarter and -3.0 per cent quarter-on-quarter in the second quarter of this year.

Old Mutual's forecast is given on the backdrop of the fact that consumer demand still remains weak, but factors such as strong government demand, improved exports and the inventory cycle were supportive of growth.

South Africa has experienced an increase in manufacturing output and new orders, electricity production, cement sales and commercial vehicle sales.

The forecast is that the average GDP growth in 2010 will be 2.5 % year-on-year. This is a relatively slow recovery, but a positive step.

Programme Director,

Sekhukhune District recently formed the Sekhukhune Development Agency (SDA) with the sole aim of analysing our economy and identifying potential for growth.

This is just one of our many endeavours that aim to ratchet up economic growth in the province for the benefit of our people.

Let me point out that the Sekhukhune 2025 Growth and Development Strategy indicates that the economic potential of this District is not yet optimally utilised in the agriculture, tourism and even in the booming mining industry.

There are massive opportunities to be explored there, which will increase the number of entrepreneurs and create job opportunities, and beget spin-offs such as infrastructure development.

Programme Director,

The District has lined up a number of meetings to meet all stakeholders and economic drivers in various sectors – all in the spirit of the 2009 Productivity Month Campaign's theme that says: "Joining hands for Productive Organisations."

We have already met Mining Companies that operate within the circumference of this District and resolved to form the Sekhukhune Mining Economic Forum, which will have representation from the Office of the Premier, The Department of Economic Development Environment & Tourism, local municipalities and mostly importantly the communities.

We will soon be having similar forums in Tourism and Agriculture.

We need to see projects in all the economic pillars getting off the ground to eradicate the rampant poverty that is still engulfing the majority of our people after so many years of Democracy.

I would not want to shy away from the fact that we owe it to our people to ensure that they reap the fruits of freedom and democracy, which are gains clearly spelt out in the Freedom Charter and policies of the ruling African National Congress (ANC).

Thank You.