



State of the Nation Address: SACCI comments

In responding to the State of the Nation Address delivered by President Zuma, a South African Chamber of Commerce and Industry spokesperson said:

We welcome

- Commitment to a year of action. The lack of detail in commitments, other than in the 5 priority areas, is concerning. We anticipate that the delivery and implementation of the strategies outlined would be as sound as the promises and commitments made in the Address.
- The establishment of an independent system operator, the establishment of the Inter-Ministerial Committee on Energy and the participation of Independent Power Producers in electricity generation, all of which align with the SACCI positions recently presented to NERSA.
- Initiatives to encourage the employment of the young and/ or inexperienced persons. We look forward to engaging with government on these proposals.
- Placing priority on education and skills development in government's policies along with the infrastructure spending increase to R846 billion will create a sound base for stronger economic development.
- Undertakings to address serious issues related to crime and security are long overdue. SACCI seeks measurable improvements in the reduction of crime at all levels and to improved efficiencies in the judicial system, particularly as it impacts reputational risks relating to the hosting of the Soccer World Cup.
- The vigorous implementation of the Local Government Turnaround Strategy.
- The improved integration of land reform and agricultural support programmes with attention to small scale farmers.
- Commitment to emission reduction targets but business must be consulted on how this is to be achieved viably.

We would like to have seen more of

- The creation of jobs in the mainstream economy and that comply with notion of decent work, although we applaud the creation of 480 000 new non-mainstream jobs.
- Stronger support for the business environment if we are to realize greater job prospects. We are also optimistic future economic activity but our models show that right now economic activity is still at low levels.
- Education and skills programmes will increase productivity but there has been little success so far and no firm direction as to how this is to be achieved.
- Ministerial Delivery Agreements extended to include remediation for non-performance.
- Stronger strategies to eradicate corruption and fraud, as 90% of our members surveyed consider this a priority for attention.
- Implementation of remaining portions of the agreed approach to the crisis in South Africa, especially as regards creating a conducive environment for SMEs.

We acknowledge the difficulties experienced in mobilizing the new administration in 2009. The tone of the President's address supported by the promise of improved economic activity and growth is encouraging to business and should promote business confidence at a time when business confidence is constrained.

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Released by the South African Chamber of Commerce and Industry, Johannesburg