



**Western Cape
Government**

Economic Development
and Tourism

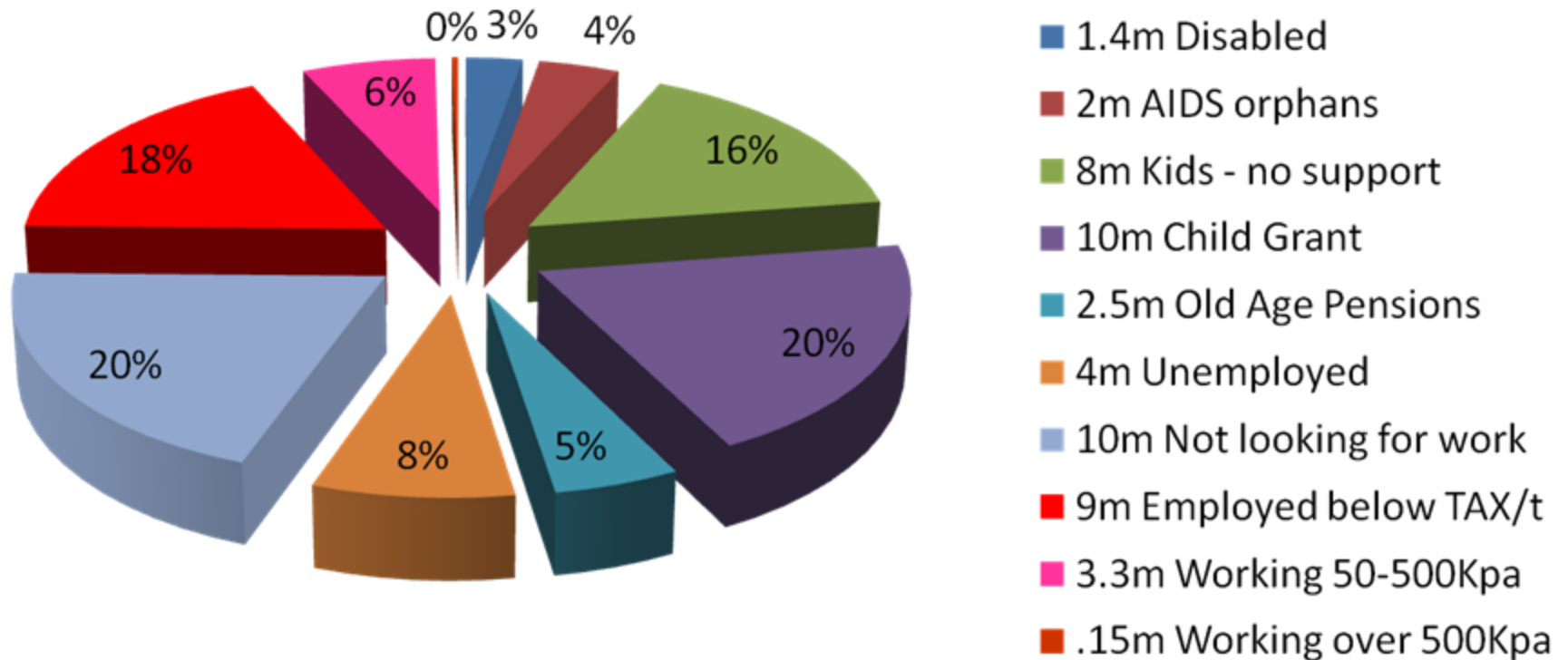
BETTER TOGETHER.

REDUCING POVERTY AND CREATING OPPORTUNITIES FOR GROWTH AND JOBS

9 January 2014

Minister Alan Winde

SA Today

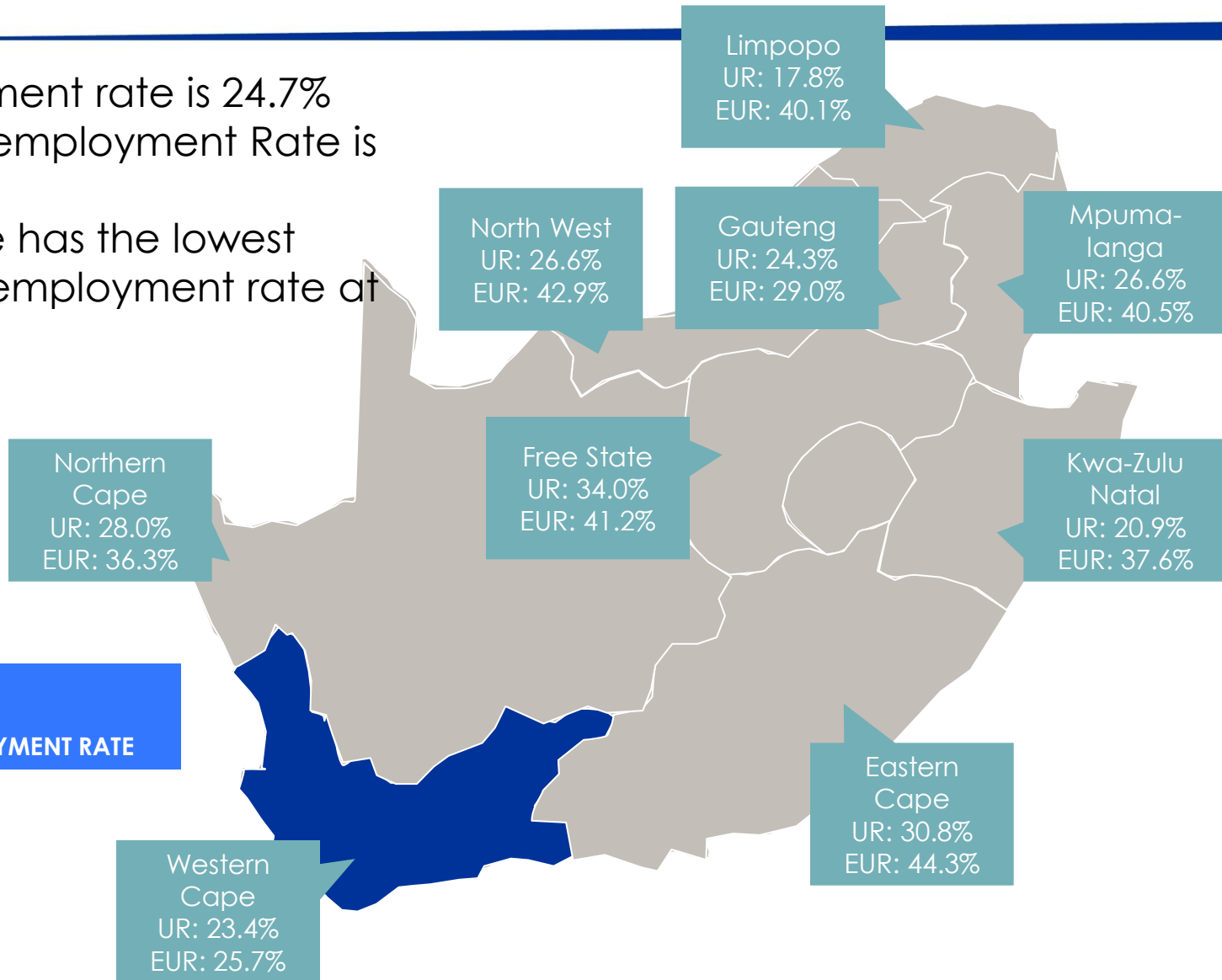


Prof Matthew Lester - Rhodes University



Unemployment rates per Province

- SA unemployment rate is 24.7%
- Expanded Unemployment Rate is 35.6%
- Western Cape has the lowest expanded unemployment rate at 25.7%



KEY
UR: UNEMPLOYMENT RATE
EUR: EXPANDED UNEMPLOYMENT RATE



GDP Growth: 2012

Growth is important



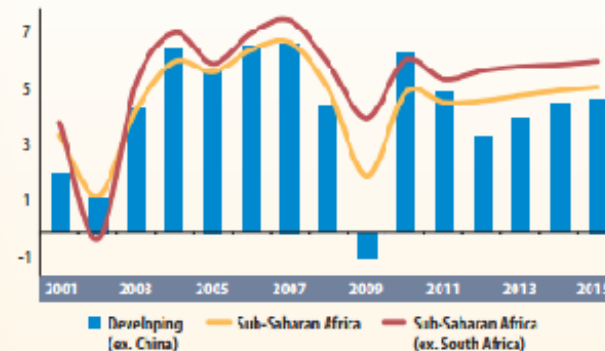
- It reduces poverty by increasing jobs and household incomes
- It facilitates progress toward meeting the Millennium Development Goals

FACT:

IN 2012, SOUTH AFRICA DID NOT FEATURE IN TOP 10 FASTEST GROWING SUB-SAHARAN AFRICAN COUNTRIES

FIGURE 1: Real GDP growth and prospects

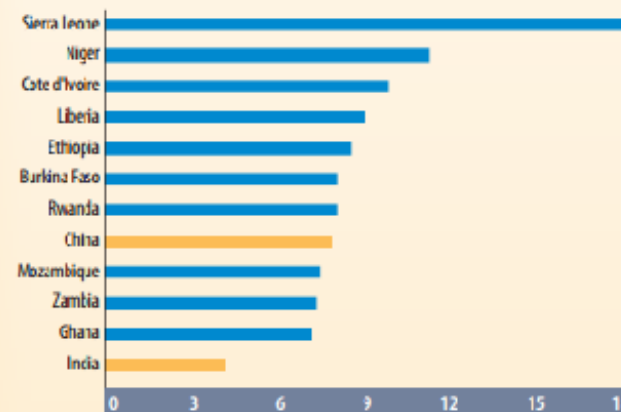
(real GDP growth, % ch)



Source: Development Prospects Group.

Growth in Sub-Saharan Africa remains robust at 5.8 percent (excluding South Africa) in 2012

FIGURE 2: Fastest growing Sub-Saharan African countries in 2012



Source: Development Prospects Group.

African countries are among the fastest growing countries in the world

Our duty to our citizens

“Our purpose in government is to extend the hand of opportunity to the people of the Western Cape so that they can escape poverty, shape their own destinies and live lives they value. A job is a passport out of poverty and the start of the path to prosperity.”

H. Zille

THE BEST ANTIDOTE TO POVERTY IS A JOB

● The WCG believes that:

- Economic growth is the foundation for all successful development
- Growth is driven primarily by private sector business operating in a market environment
- The role of the state is to (a) create and maintain an enabling environment for business and (b) provide demand-led, private sector driven support for key growth sectors, industries and businesses

PSO1 purpose and indicators

Provincial Strategic Objective 1: Creating Opportunities for growth and jobs

	2009	Current	Target	Data Source
Western Cape real regional GDP growth of the province per annum	WC: -1.3% (2009) SA: -1.5% (2009)	WC: 3.6% (2011) SA: 3.2% (2011)	4.2% by 2015	Stats SA GDP releases
Unemployment rate in the Western Cape	WC: 22.5% (Q3, 2009) SA: 24.5% (Q3, 2009)	WC: 23.4% (Q3, 2013) SA: 24.7% (Q3, 2013)	Decrease unemployment rate by 2% per annum	Stats SA QLFS



Creating employment through partnerships

Over the next three years, we will spend over R112.201 million on three flagship skills interventions for unemployed youth.”

-Alan Winde, Budget Speech 2013/14

	Project description	Target group	Current	Goal
Work and skills	On the job training with host companies	Unemployed between 18 and 34	Trained 4000 since 2009	1000 trained in 2013/14
CAPACITI 1000	Mentoring and training in business analysis	Unemployed graduates	113 permanent jobs in 2012/13	
Artisan Development Programme	Workplace experience	Unemployed with trade related training	500 trained in 2012/13	200 trained by 2013/14

Opportunities to work in the Western Cape

	Project description	Target group	Current	Goal
Premier's Advancement of Youth Project (PAY Project)	One-year internship in government	Matriculants	750 trained in 2012/13	2000 over the next two years
Expanded Public Works Programme (EPWP)	Poverty relief through temporary work	Unemployed residents	349 667 opportunities created since 2009	250 000 sustained over the next three years

Education as the first step to a better life

Education is the surest way to change a family's destiny in one generation.

- Almost R50 billion over the medium term to improve our education outcomes and ensure greater access to quality education
- Focus areas:
 - Language and mathematics results
 - Improving the quality and number of NSC passes
 - Reducing the number of under-performing schools
 - Extending Grade R to all learners
 - Improving retention rate in grade 1 and 9

Healthy citizens are ready for work

The ability of our citizens to play an active part in our economy is highly dependant on their level of wellness.

- Over R50 billion to support the wellness needs of those without private healthcare (78% of the Western Cape population)
- 18 million patient visits at our hospitals and clinics
- Behavioural Change Project
- Focus areas:
 - New healthcare facilities
 - Chronic disease including HIV, TB, diabetes, heart disease
 - Mother and child care

Promoting dignity through quality social services

We must provide a safety net for those who cannot support themselves or their dependants

- R12.475billion over the medium term for quality social services to our citizens
- Delivery in partnership with a wide range of stakeholders
- Focus areas:
 - Reducing substance (including alcohol) abuse
 - Support for disabled people
 - Human settlement opportunities
 - Increasing oversight role of the police service
 - MOD centres

ONE CAPE 2040

Educating Cape

- Every person will be appropriately educated for opportunity
- Centres of ecological, creative, science and social innovation

Enterprising Cape

- Anyone who wants to be economically active is able to work
- Entrepreneurial destinations of choice

Green Cape

- Functioning ecosystems working for and with communities
- Leader in Green Economy especially energy and water

Connecting Cape

- Welcoming, inclusive and integrated communities
- Global meeting place and connector with new markets

Living Cape

- Liveable, accessible, high-opportunity neighbourhoods & towns
- Ranked as one of greatest places to live in world

Leading Cape

- Ambitious socially responsible leadership at all levels
- World-class institutions

Supporting small businesses

Partner Networks

Scope

- In 2012/13 the Partner Network assisted 1 246 businesses through SEDA, West Coast Business Development Centre and the Business Place
- 21 ECD's across the Western Cape – largest network in SA

2013/14 target

- Assist 3540 business

Red Tape Reduction

Scope

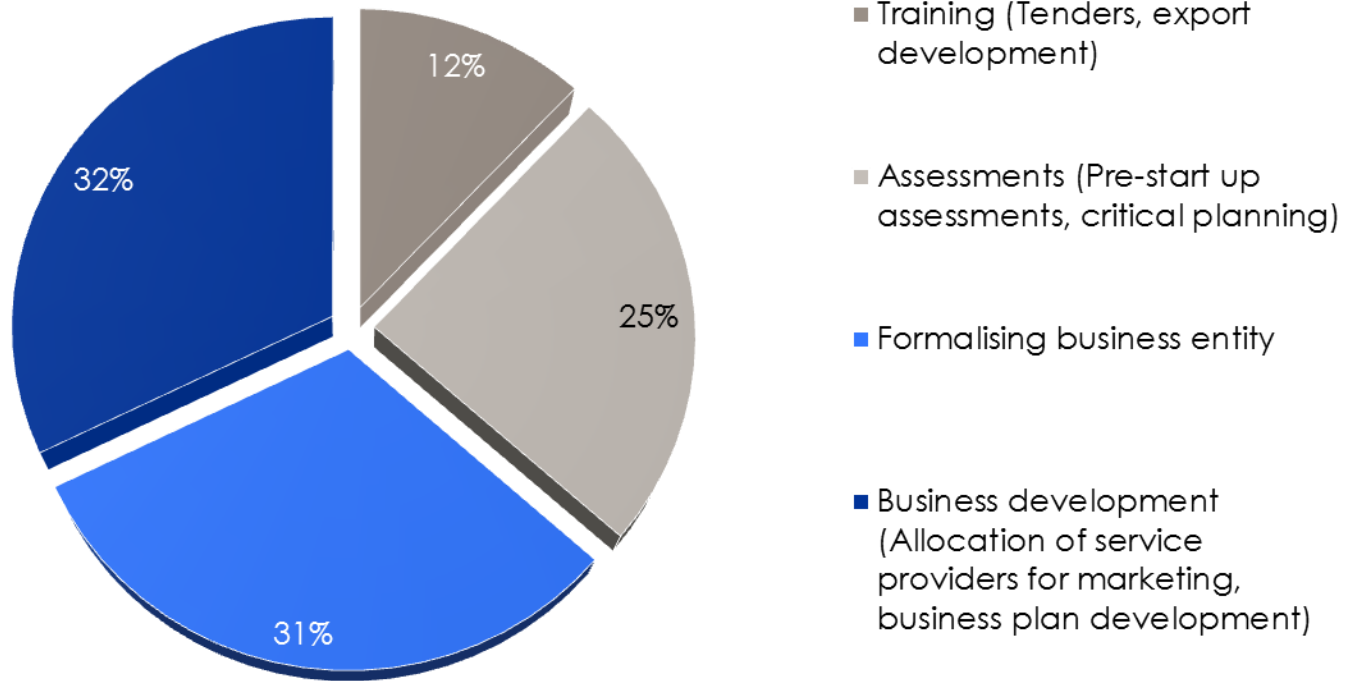
- The Red Tape Reduction Unit provides clear point of access into government for assistance with red tape matters and blockages to business growth.
- In 2012/13 the unit received 752 cases with a resolution rate of 89.2% (690)

2013/14 target

- The target for cases received in 2013/14 is 750, with a resolution rate of 85% (637)
- The target of 750 is likely to be exceeded, having been set before the total of 752 for 2012/13

How are we assisting entrepreneurs?

Breakdown of queries received at the Partner Network:



Job creation through foreign investment

2009 – 2012*

- The Western Cape attracted 80 Foreign Direct Investment projects
- Valued at R30.1 billion
- 6909 jobs were created
- This is an R8 billion increase from FDI recorded between 2005 – 2008
- Key sectors for investment include renewable energy, ICT, construction



Supporting black-owned SMME's

- **Supplier Open Days** – to encourage SMME's to apply for tenders
- **BEE Verification Assistance** – WCG subsidizes the cost of verification certificates
- **Between January and March 2011, the WCG awarded bids worth R776 million, of which 89% went to HDI companies**
- **In the 2012/13 financial year, the majority of tenders over R100 000 were awarded to BEE firms. In total, bids worth R1.6 billion went to BEE firms.**

Bids in 2012/13



Building infrastructure to grow our economy

The surest way to drive economic activity, especially in times of hardship, is to invest in infrastructure.

- Game-changing infrastructure plan: R3.3 billion to R5.5 billion increase in spend and 100 000 jobs
- Focus areas:
 - Broadband, wireless mesh pilots
 - Catalyst Projects including Saldanha Bay IDZ
 - New roads and road maintenance
 - Regeneration Projects
 - Regional Socio-Economic Projects

Becoming a capable and professional state

Underpinning all our initiatives to provide services to our people is our goal of becoming the best-run regional government in the world.

- Corruption-free, transparent government
- E-governance
- Forensic Investigation Unit
- Good governance
- Strategic sourcing
- Municipal capacitation and training

The use of financial resources to improve service delivery

Through this budget we aim to create a Western Cape in which every person can realise their true potential, escape poverty and live a better life.” – Alan Winde, Department of Economic Development and Tourism budget speech 2013/14

Effective, efficient use of financial resources for better services

Fourteen government departments spent R39.9 billion in 2012/13



99.2% of budget spent

Thank you

Contact Us



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