

NATIONAL ASSEMBLY
QUESTION FOR WRITTEN REPLY
QUESTION NUMBER: 965 [NW1123E]
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965. Mr D C Ross (DA) to ask the Minister of Finance:

With regard to the structural and competitiveness challenges that hold back production and investment in our economy mentioned in his 2015 Budget Speech, what (a) challenges were identified and (b) steps have been taken to address them?

NW1123E

REPLY:

(a) The 2015 Budget Review identified the lack of sufficient electricity as the most binding constraint to production and investment. Other constraints identified were transport and telecommunications infrastructure as well as skills constraints, regulatory uncertainty and concentrated markets that discourage new entrants.

(b) Various stakeholders are responsible for taking the necessary steps to address the above challenges, including Government, Business and Labour, and some of these are outlined in the National Development Plan. With regard to Government, the President also announced in his 2015 State of the Nation address that government has agreed on nine strategic priorities to pursue this year, in partnership with the private sector and other stakeholders. They are:

- Resolving the energy challenge
- Revitalising agriculture
- Adding value to our mineral wealth
- Enhancement of the Industrial Policy Action Plan
- Encouragement of private investment
- Reducing workforce conflict
- Unlocking the potential of small enterprises
- Infrastructure investment
- Support for implementation of the NDP through in-depth, result-driven processes, known as Phakisa laboratories

See pages 26 to 28 of the Budget Review 2015 for a fuller discussion.