

# State cannot create all the new jobs says Zuma

By [Natasha Marrian](#)

20 Jan 2014

Hot on the heels of the African National Congress's (ANC's) election manifesto promising to create 6m jobs in the next five years, President Jacob Zuma has told business that relying only on the state to create employment was a "non-starter" and he urged the private sector to play its part.



Jacob Zuma says private and public sectors must work together to create jobs. Image: GCIS

Widening unemployment and inequality are South Africa's Achilles heel and addressing them forms the backbone of the ANC election manifesto - job creation via state infrastructure projects, state procurement and the extended public works programme.

The message of co-operation is prominent as the government tries to address these challenges.

In an address for delivery at a send-off for business leaders attending a World Economic Forum meeting in Davos, Zuma echoed the manifesto, saying the private sector accounted for 70% of South Africa's economy and had to contribute to growth, investment, social development and economic transformation.

Zuma punted the National Development Plan (NDP), which outlines most of the government's objectives and the work that should be done to attain the desired socio-economic development by 2030. "Obviously we want more jobs, which is why the partnership with the private sector, labour and community organisations remains critical to create the right environment," he said.

Zuma expressed regret at not being able to attend the forum as he had work pressure in South Africa related to

preparations for the elections.

## **NDP is key to development**

"Looking for the state to create jobs as it happens in South Africa is a non-starter. Our role as the government in particular is to create an environment conducive for growth," Zuma said, adding that the state and the private sector must work together to promote inclusive growth.

He said the NDP provided policy instruments to drive the state's agenda. These included the New Growth Path and the Industrial Policy Action Plan. "We have an advantage in our country as we have a socio-economic blueprint that enjoys overwhelming support from many sectors of society," he said. "As you engage the world you will be able to say we know exactly where we want to be by 2030 and we are working very hard to get there as South Africans."

Zuma said the government was "factoring" the NDP into its draft Medium-Term Strategic Framework which would be discussed in the post-election Cabinet at its first lekgotla.

"In a few months, the plan will have been mainstreamed in the work of every government department," he added.

He urged the private sector to take heed of the NDP in its own strategic plans so that it and the state could work seamlessly together.

Investment Solutions' Chris Hart said the private sector already played a significant role in the economy. "The private sector contributes 100% to the economy, but the state extracts 30% of those resources and credits for itself; there are no resources that the state has that are not supplied by private sector."

Hart said it was a "myth" that the private sector was not investing in the country.

For more, visit: <https://www.bizcommunity.com>