

Government at work to address economic growth

President Cyril Ramaphosa has assured potential investors that South Africa is pulling out all the stops to ensure that the country comes out of the economic slump and moves into top gear as the economy is concerned.



President Cyril Ramaphosa

“We want to move out of the low growth levels we have been in and move into top gear,” the president said at the Goldman Sachs investor conference held at the Four Seasons Hotel, Westcliff, Johannesburg.

The engagement forms part of Ramaphosa’s ambitious investment drive aimed at raising \$100bn in local and international investments over a five year period.

In an interactive session facilitated by Goldman Sachs Chief Executive Officer Colin Coleman, Ramaphosa engaged on topics such as economic growth, challenges at the power utility - Eskom, youth unemployment and the land issue.

Challenges at Eskom

On the challenges at Eskom, the president highlighted management issues, a bloated staff and billions in debt as some of the challenges that need to be addressed.

“We have to work out a credible business plan to get Eskom out of the mess that it is in. We are not going to allow Eskom to fail because when Eskom fails the economy fails and the country fails.

“We have got to restructure Eskom. It is a valued national asset and we are not privatising Eskom, we are restructuring it. The elephant in the room is always going to be the debt,” he said.

Unemployment rate a concern

With the increase in the unemployment rate as released by Statistics South Africa on Thursday, the country's unemployment rate now sits at 27.6%.

The president said this was a cause for concern particularly amongst the youth. He called on corporate South Africa to embrace young people, offer mentorship opportunities and make training more skills-focused.

Land reform

Ramaphosa assured investors that the land debate will be managed according to the South African Constitution. "We will not allow land grabs. We will ensure that the process of land reform takes place orderly, with the revamping of the Expropriation Act."

He told potential investors that plans to address these challenges will be addressed at the next Sona.

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