

Local production key factor for farmers

Local production in the agriculture sector would go a long way to promoting food security and job creation in South Africa, Trade and Industry Minister Rob Davies said on Thursday (6 December).

"There is an agreement among African ministers of trade and industry that for Africa's industrialisation to become a reality, we need to promote value addition and industrialisation of our agricultural products," Davies said at the opening of the Kuvusa maize mill in Durban.

The mill formed part of the industrial policy action plan small-scale maize milling initiative. With the initiative the department sought to reduce the cost of maize meal in South Africa by at least 20%.

"With a large sector of the country's population living on very low incomes, a commodity price increase would be devastating," said Davies.

Localised production would help ensure the country's food security, he said.

Twenty-seven direct and 120 indirect jobs had already been created as a result of the mill's establishment.

Davies said maize produced at the mill would be sold at below prevailing market rates, introducing competition into a market that had a history of uncompetitive practices and where price increases hurt the poor.

Source: *Sapa* via I-Net Bridge