

Gordhan provides R25-billion for industry

 By [Paddy Hartdegen](#)

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Finance Minister Pravin Gordhan has set aside R25-billion that will be spent over the next six years to bolster the manufacturing sector. The announcement was contained in Gordhan's Medium-Term Budget Policy Statement released on Tuesday, 25 October 2011.

He says that the initiative will build on several broader programmes:

- Tax incentives for industrial investment, technology and training amounting to over R8-billion for approved projects;
- Continued investment in energy, water, transport, communications and infrastructure;
- Improved incentives for investment in industrial development zones, particularly where this will allow participation by South Africa in global supply chains;
- Regulatory and administrative reforms that will lead to small business development;
- Support for black business development including preferential procurement and finance;
- Export diversification including new trade partnerships and greater regional integration within sub-Saharan Africa, particularly for the North-South Corridor;
- Support for job creation, training and community works projects and to provide support for the transition to a 'green' economy, including private sector participation in renewable energy production.

He says that in the manufacturing sector, rising domestic costs and weak external demand have held back the production recovery and the Minister of Trade and Industry, Rob Davies is hold talks with leaders in the manufacturing sector to revitalised the industry and provide appropriate support.

Gordhan says that the depreciation of the rand has helped manufacturers in recent times but has also place some pressure on prices.

For background information there are a number of links that can be accessed:

- [Business Live: Infrastructure Spending.](#)
- [Business Live: Do More with Less.](#)
- [Business Report: Cut the Fat.](#)
- [Times Live: Medium Term Budget Policy Statement.](#)

ABOUT PADDY HARTDEGEN

Paddy Hartdegen has been working as a journalist and writer for the past 40 years since his first article was published in the *Sunday Tribune* when he was just 16-years-old. He has written 13 books, edited a plethora of business-to-business publications and written for most of the major newspapers in South Africa.

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