



A NEW DEAL FOR ▶

• Jobs  
• growth •  
• transformation

Turning the **economy** around  
and **building** a more **equal society**



A NEW DEAL FOR **Jobs** growth  
transformation

Despite the remarkable progress we have made since 1994, the economy has recently stalled. We are not creating the **jobs** we need, **poverty** remains high, **investment** has fallen and confidence is low.

In part, this is because of the slowdown in the global economy. But it is also the result of poor policy implementation, weaknesses in collective decision-making and the **damaging effects of STATE CAPTURE** and **corruption**.

We must **act now** – boldly, decisively and collectively – to change the trajectory of our economy and our country.

We need a **NEW DEAL** for jobs, growth and transformation.



This new deal must **BRING TOGETHER** government, **business, labour and civil society** in a meaningful **SOCIAL COMPACT** to build a prosperous, just society founded on opportunities for all.

It must be guided by the National Development Plan, the policies of the ANC and the electoral mandate which we have received from our people.

No meaningful growth, transformation or development will be possible for as long as key public institutions continue to be used for the **criminal benefit** of a few and public resources continue to be **looted**. It is therefore necessary to take immediate steps to **remove** from positions of responsibility those individuals who have facilitated state capture, **strengthen** law enforcement agencies and **rebuild** critical state institutions.

**10 PRIORITIES THAT SHOULD UNDERPIN A NEW DEAL FOR THE ECONOMY TO RECOVER AND THRIVE:**



1

## CREATE DECENT JOBS



Place the **creation** of **DECENT JOBS** at the centre of every policy, programme and action.

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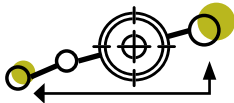


Create at least **ONE MILLION JOBS** in 5 years led by all **social partners** through a **national initiative**.



Largely **MANUFACTURING-led**, this drive should be underpinned by the **right mix** of special economic zones, tax and other reforms, incentives and SME development.

## FOCUS ON GROWTH AND INVESTMENT



We should be **targeting** 3 percent **GDP GROWTH** in 2018, rising to 5 percent growth by 2023.



An immediate priority is to **RESTORE CONFIDENCE** among investors through **urgent measures** to

- Achieve policy certainty,
- Improve institutional **stability**,
- Restore the **credibility** of the criminal justice system and
- Demonstrate the political will to **turn the economy around**.

3

## PURSUE MEANINGFUL ECONOMIC PARTICIPATION FOR THE POOR



**Small and medium enterprises** must be placed at the **centre** of industrial, trade and other policies since they have the highest potential to **create jobs**.



We need to accelerate **LAND REDISTRIBUTION**, improve land **productivity** and provide support for new farming activity.

4

## IMPLEMENT MACROECONOMIC POLICY THAT PROMOTES GROWTH



Implement a macroeconomic policy that **promotes growth** and secures our economic sovereignty.



We must maintain **fiscal discipline** to ensure our resources are directed to where they have the greatest developmental impact and **NOT DIVERTED** to servicing debt.



We will **NOT ALLOW** a situation where external creditors can **impose conditions** and limit our policy options.

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## TRANSFER OWNERSHIP AND CONTROL OF THE ECONOMY



Accelerate the **transfer of ownership** and control of the economy to black South Africans.



We need to explore more **effective** and **sustainable** models of **BLACK ECONOMIC EMPOWERMENT** through the participation of communities, entrepreneurs and workers.



We need to **DECONCENTRATE** our economy, increase competition and create more SMEs.

6



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## IMPROVE ACCESS FOR ALL TO QUALITY, RELEVANT EDUCATION



Working together with **education department** officials and **teacher unions**, we will agree on a comprehensive agenda to **IMPROVE THE QUALITY OF EDUCATION** especially in township and rural schools.



We need to move with urgency to provide **FREE HIGHER EDUCATION** for the poor.

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## REVITALISE AND EXPAND MANUFACTURING CAPACITY



We need to stimulate demand for **LOCAL GOODS** and diversify our **exports**. Our **trade policy** must diversify South Africa's exports together with **well-targeted import** substitution policies.



**Manufacturing** costs should be reduced by improving Eskom's performance, ensuring **EFFECTIVE ENERGY PRICE REGULATION**, reviewing **port tariffs** and increasing investment in **rail** and **road infrastructure**.

8

## MAXIMISE THE IMPACT OF INFRASTRUCTURE BUILD



We must **BOOST SPENDING** on critical infrastructure over the next 5 years to R1.5 trillion and bring in **private-sector expertise**.



There will be a greater **FOCUS ON:**

- **Job creation**
- **Localisation**
- **Skills development** of young artisans and engineers
- **Small business** development.



## RESTORE STATE OWNED ENTERPRISES AS DRIVERS OF ECONOMIC GROWTH AND SOCIAL DEVELOPMENT



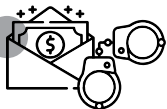
An immediate task is the **appointment of boards and executives** at strategic SOEs that are **COMMITTED TO TRANSFORMATION**, are skilled and experienced, are **incorruptible** and are committed to public service.



**Private capital** should be considered on a co-investment or **strategic partnership** basis. We need to explore the **FORMATION** of a **single 'SOE investment company'** that can manage all **government's investments** in state-owned enterprises.



## CONFRONT CORRUPTION AND STATE CAPTURE



**Immediate steps** must be taken to **remove** those individuals who have facilitated **STATE CAPTURE**, strengthen law enforcement agencies and **REBUILD** critical state institutions.



A **judicial commission of inquiry** needs to be established without delay and **LEGAL** and **CRIMINAL ACTION** must be pursued against the perpetrators.



We should establish a special '**ANTI-CORRUPTION APPROPRIATION FUND**' through which all the recovered **proceeds** of corruption will be **channelled** to youth training and employment initiatives.



## FOR YOUTH

- Increased opportunities for **employment**
- Expanded **training** opportunities
- Better **work readiness** of school leavers and graduates.



## FOR STUDENTS

- It will open the doors of learning as public resources are allocated for **free education** for the poor
- Increased **funding** for maths and science
- Be better equipped to **participate** in the fourth industrial revolution.





## FOR SMALL AND TOWNSHIP BUSINESS OWNERS

- Lower barriers to entry by promoting **competition**
- Improved **access** to supply chains by committing business and government to include SMEs
- **Funding** from public agencies and private funds will be more accessible to support the growth and expansion.



## FOR WORKERS

- More **decent work**
- Greater **job security**
- **Rising income** through minimum wage
- Measures to reverse apartheid **city planning** will reduce the cost of living for workers.



## FOR EMERGING FARMERS

- More land is made available through the **transfer of state farms** and other agricultural land
- Improved sustainability of farms through the provision by the state of **support** to small farmers.



## FOR PENSIONERS

- **Ongoing support** for those who rely on a state pension
- Improved **economic growth** and **revenue collection** will provide more funds for social security protections.





## FOR CORPORATES, BANKS AND OTHER ESTABLISHED BUSINESSES

- **Renewed** dynamism
- Growth, stability and a commitment to work in **partnership** for high growth and sustainable returns.



## FOR INVESTORS: LOCAL AND INTERNATIONAL

- A **stable climate** and firm rule of law
- Economic growth and **openness to trade** and investment
- A new season of **opportunity** and attractive risk sharing.





While the **challenges** are significant and the tasks many, we have reason for hope.

With the **right leadership**, with a competent and committed team, with a clear programme around which all **social partners can unite**, there is no reason why the economy cannot be turned around and the process of **economic and social transformation accelerated**.

For the first time in many years, South Africa has an opportunity to confront its challenges. Let us **seize this opportunity** and forge a **new deal** for jobs, growth and transformation.





**#SIYAVUMA**