

STATE OF THE NATION ADDRESS BY PRESIDENT CYRIL RAMAPHOSA

PARLIAMENT, CAPE TOWN
20 JUNE 2019

Speaker of the National Assembly, Ms Thandi Modise,
Chairperson of the National Council of Provinces, Mr Amos Masondo,
Deputy President David Mabuza,
Chief Justice Mogoeng Mogoeng and esteemed members of the judiciary,
Former President, Mr Kgalema Motlanthe,
Former President, Mr Thabo Mbeki,
Former Speaker of the National Assembly, Dr Frene Ginwala,
Former Speaker of the National Assembly, Mr Max Sisulu,
Former Speaker of the National Assembly, Ms Baleka Mbete,
President of the Pan African Parliament, Mr Roger Nkodo Dang,
Veterans of the struggle for liberation,
Dr Dennis Goldberg,
Dr Andrew Mlangeni,
Advocate Priscilla Jana,
Ms Joyce Dipale,
Ms Lillian Keagile,
Ms Smally Maqungo,
Ministers and Deputy Ministers,
Premiers and Speakers of Provincial Legislatures,
Chairperson of SALGA and Executive Mayors,
Governor of the South African Reserve Bank, Mr Lesetja Kganyago,
Heads of Chapter 9 Institutions,
Leaders of faith based organisations,
Leaders of academic and research institutions,
Members of the Diplomatic Corps,
Invited Guests,
Honourable Members of the National Assembly,
Honourable Members of the National Council of Provinces,
Fellow South Africans,

We gather here at the start of the 6th Democratic Parliament, 106 years to the day after the Natives Land Act – one of the most devastating acts of dispossession, pain and humiliation – came into force.

We recall the words of Sol Plaatje on that tragic event, when he said:

“Awakening on Friday morning, June 20, 1913, the South African native found himself, not actually a slave, but a pariah in the land of his birth.”

Our people suffered gravely and endured untold hardships as a result of the implementation of the Natives Land Act. The effect of that law are still present with us.

More than a century after that grave injustice, we are called upon to forge a South Africa where no person will be slave or pariah, only free and equal and respected.

We gather here at an extremely difficult and challenging time in the life of our young democracy.

Yet, we are also at a moment in our history that holds great hope and promise.

In 25 years of democracy we have made remarkable progress in building a new nation in which all South Africans have equal rights and broadening opportunities.

Over 25 years, we have done much to meet people's basic needs, to reduce poverty and to transform a devastated economy that was built to serve the interests of the few.

Working together, we have laid a firm foundation on which we can build a country in which all may know peace and comfort and contentment.

Yet, we also meet at a time when our country is confronted by severe challenges.

Our economy is not growing. Not enough jobs are being created.

This is the concern that rises above all others.

It affects everyone.

It affects you, the young man eMzimbhlope, out of school five years now and still not employed.

It impacts you, the single mother from Delft, whose grant supports not just yourself but your grandchildren too.

It hurts you, the worker in Nelson Mandela Bay, who despite earning a salary is struggling to make ends meet.

It is hard for you, the young student from the Sol Plaatje University, who must rely on a thin stipend from your parents to feed yourself.

Yours are the lived struggles of the people of this nation.

We have heard you, and many others.

Sinizwile. Hi twile. To zwi pfa. Re itlwile.

Through the elections held in May, you provided all of us with a clear mandate for growth and renewal.

All of us have heard you – myself, Hon Maimane, Hon Malema, Hon Buthelezi, Hon Groenewald, Hon Meshoe, Hon Holomisa, Hon Zungula, Hon De Lille, Hon Magwaza-Msibi, Hon Galo, Hon Lekota, Hon Nyhontso and Hon Hendricks.

The persistent legacy of apartheid has left our country with extreme structural problems – both economic and social.

At the same time, we are having to contend with rapid technological change that is ushering in a new world of work, that is reshaping the global economy and that is redefining social relations.

Together with all the nations of the world, we are confronted by the most devastating changes in global climate in human history.

The extreme weather conditions associated with the warming of the atmosphere threaten our economy, they threaten the lives and the livelihoods of our people, and – unless we act now – will threaten our very existence.

We have heard the voices of the young people who marched to the Union Buildings last week urging us to take action to protect our planet.

It was to address these fundamental challenges that we adopted the National Development Plan in 2012 to guide our national effort to defeat poverty, unemployment and inequality.

However, with 10 years to go before we reach the year 2030, we have not made nearly enough progress in meeting the NDP targets.

Unless we take extraordinary measures, we will not realise Vision 2030.

This means that we need to prioritise.

We need to focus on those actions that will have the greatest impact, actions that will catalyse faster movement forward, both in the immediate term and over the next 10 years.

It is worth noting that the Medium-Term Strategic Framework for the last five years had more than 1,100 indicators by which we were to measure progress in the implementation of the NDP.

Now is the time to focus on implementation.

It is time to make choices.

Some of these choices may be difficult and some may not please everyone.

In an economy that is not growing, at a time when public finances are limited, we will not be able to do everything at one time.

As we enter this new administration, we will focus on seven priorities:

- Economic transformation and job creation
- Education, skills and health
- Consolidating the social wage through reliable and quality basic services
- Spatial integration, human settlements and local government
- Social cohesion and safe communities
- A capable, ethical and developmental state
- A better Africa and World

All our programmes and policies across all departments and agencies will be directed in pursuit of these overarching tasks.

At the same time, we must restore the National Development Plan to its place at the centre of our national effort, to make it alive, to make it part of the lived experience of the South African people.

At the inauguration, we said that this is a defining moment for our young nation.

We also said that it is through our actions now that we will determine our destiny.

As South Africa enters the next 25 years of democracy, and in pursuit of the objectives of the NDP, let us proclaim a bold and ambitious goal, a unifying purpose, to which we dedicate all our resources and energies.

As we enter the last decade of Vision 2030, let us even more clearly define the South Africa we want and agree on the concrete actions we need to achieve them.

To ensure that our efforts are directed, I am suggesting that, within the priorities of this administration, we agree on five fundamental goals for the next decade.

Let us agree, as a nation and as a people united in our aspirations, that within the next 10 years we will have made progress in tackling poverty, inequality and unemployment, where:

- No person in South Africa will go hungry.
- Our economy will grow at a much faster rate than our population.
- Two million more young people will be in employment.
- Our schools will have better educational outcomes and every 10 year old will be able to read for meaning.
- Violent crime will be halved.

Let us make these commitments now – to ourselves and to each other – knowing that they will stretch our resources and capabilities, but understanding that if we achieve these five goals, we will have fundamentally transformed our society.

We set these ambitious goals not despite the severe difficulties of the present, but because of them.

We set these goals so that the decisions we take now are bolder and we act with greater urgency.

Our determination that within the next decade that no person in South Africa will go hungry is fundamental to our effort to eradicate poverty and reduce inequality.

In addition to creating employment and other economic opportunities, this means that we must strengthen the social wage and reduce the cost of living.

It means we must improve the affordability, safety and integration of commuter transport for low income households.

While we have made great progress in providing housing, many South Africans still need land to build homes and earn livelihoods.

In the next five years, we will accelerate the provision of well-located housing and land to poor South Africans.

To improve the quality of life of South Africans, to reduce poverty in all its dimensions and to strengthen our economy, we will attend to the health of our people.

We must attend to the capacity of our hospitals and clinics.

An 80-year-old grandmother cannot spend an entire day in a queue waiting for her medication.

An ill patient cannot be turned away because there is a shortage of doctors and nurses.

A woman in labour cannot have her unborn child's life put in danger because the ambulance has taken too long to come.

As part of the work we must urgently do to improve the quality of the health system, we are finalising the Presidential Health Summit Compact, which draws on the insights and will mobilise the capabilities of all key stakeholders to address the crisis in our clinics and hospitals.

We are far advanced in revising the NHI detailed plan of implementation, including accelerating quality of care initiatives in public facilities, building human resource capacity, establishment of the NHI Fund structure, and costing the administration of the NHI Fund.

We remain concerned about rising HIV infections rates, particularly among young women, and the relatively low numbers of men testing for HIV and starting treatment.

We will intensify our work to implement the 90-90-90 strategy to end HIV as a public health threat, which includes increasing the number of people on treatment by at least another 2 million by December 2020.

If we are to successfully address the challenge of poverty across society, we need to provide skills and create economic opportunities for persons with disabilities.

It is therefore a matter of great concern that there are around half a million children of school-going age with disabilities who are not in school.

In responding to these challenges, we have moved the coordination of disability initiatives to the centre of government, in the Presidency.

We have revived the Presidential Working Group on Disability, and will submit the Protocol on the Rights of Persons with Disabilities in Africa to Parliament this year for ratification.

To address the problems of the working poor, the national minimum wage has been in place for six months and the early indications are that many companies are complying.

The National Minimum Wage Commission is expected to conclude research on the impact of the minimum wage on employment, poverty, inequality and wage differentials by the end of September 2019.

We cannot turn our fortunes around without a relentless focus on economic growth.

Within the next decade, it is our ambition that our economy should be growing at a rate far greater than our population.

It is only when we reach consistently high rates of growth that we will be able to reverse the economic damage of our past.

We make this assertion at a time when the economic outlook is extremely weak.

Following the sharp contraction in growth in the first quarter, the Reserve Bank now projects that growth in 2019 is likely to be lower than anticipated in the February Budget.

One reason for the lacklustre economic performance has been the load shedding early this year, together with the continued uncertainty in the supply of electricity and the state of Eskom.

The lesson is clear: for growth, we need a reliable and sustainable supply of electricity.

Eskom is facing serious financial, operational and structural problems.

Since the load shedding earlier this year, Eskom has made much progress in implementing its nine-point plan, ensuring better maintenance of its generation fleet, reducing costs and ensuring adequate reserves of coal.

In line with the recommendations of both the Eskom Sustainability Task Team and the Technical Review Team, Eskom is deploying its most skilled and experienced personnel to where they are needed most.

The utility's financial position remains a matter of grave concern.

With the current committed funding from government, outlined in the 2019 Budget, Eskom has sufficient cash to meet its obligations until the end of October 2019.

For Eskom to default on its loans will cause a cross-default on its remaining debt and would have a huge impact on the already constrained fiscus.

We will therefore table a Special Appropriation Bill on an urgent basis to allocate a significant portion of the R230 billion fiscal support that Eskom will require over the next 10 years in the early years.

This we must do because Eskom is so vital to our economy to be allowed to fail.

Further details will be provided by the Minister of Finance in due course.

We will announce the appointment of a new CEO following the Mr Phakamani Hadebe stepping down. He came in at a difficult time at ESKOM and has done a great deal with the board led by Mr Jabu Mabuza to stabilize the company.

We will soon also be appointing a Chief Restructuring Officer, who will be expected to reposition Eskom financially with careful attention to the mix between revenue, debt and cost structure of the company.

Eskom is working with government and other stakeholders to address its overall debt as well the debt owed by municipalities and individual users.

As a country, we must assert the principle that those who use electricity must pay for it.

Failure to pay endangers our entire electricity supply, our economy and our efforts to create jobs.

The days of boycotting payment are over. This is now the time to build it is the time for all of us to make our own contribution.

Fellow South Africans,

To meet our growth targets, we will rebuild the foundations of our economy by revitalising and expanding the productive sectors.

This requires us to reimagine our industrial strategy, to unleash private investment and energise the state to boost economic inclusion.

It requires the state to effectively play its role as an enabler that provides basic services and critical infrastructure, a regulator that sets rules that create equitable opportunities for all players, and a redistributor that ensures that the most vulnerable in society are protected and given a chance to live up to their full potential.

We will give priority attention to the economic sectors that have the greatest potential for growth.

Drawing on our successes in the automotive sector, we will implement master plans developed with business and labour in industries like clothing and textiles, gas, chemicals and plastics, renewables, and steel and metals fabrication sectors.

We are going to substantially expand the agriculture and agro-processing sector by supporting key value chains and products, developing new markets and reducing our reliance on agricultural imports.

We will bolster the mining industry by developing markets for South African minerals through targeted beneficiation, reduced costs of inputs, and increased research and development.

Through spatial interventions like special economic zones, reviving local industrial parks, business centres, digital hubs and township and village enterprises, we will bring economic development to local areas. We will also focus on small medium enterprises in our cities, townships and rural areas and create market places where they trade their products.

We will make good on our ambition to more than double international tourist arrivals to 21 million by 2030.

This will be achieved through the renewal of the country's brand, introducing a world-class visa regime and a significant focus on Chinese and Indian markets and air arrivals from the rest of our continent.

We are determined to ensure that tourists who come to our country are safe.

We will expand our high tech industry by ensuring that the legal and regulatory framework promotes innovation, scaling up skills development for young people in new technologies, and reducing data costs. Wherever we have gone young people have continuously raised the issue of the excessive high data costs in South Africa.

To provide impetus to this process, within the next month, the Minister of Communications will issue the policy direction to ICASA to commence the spectrum licensing process.

This process will include measures to promote competition, transformation, inclusive growth of the sector and universal access.

This is a vital part of bringing down the costs of data, which is essential both for economic development and for unleashing opportunities for young people.

We call on the telecommunications industry further to bring down the cost of data so that it is in line with other countries in the world.

We are intensifying our investment drive.

Of the R300 billion of investments announced at our inaugural Investment Conference last year, just over R250 billion worth of projects has entered implementation phase.

We continue to build a pipeline of investments, which will be showcased at the second South African Investment Conference to be held on 5 to 7 November.

At a time of uncertainty, the work of the investment envoys has built important bridges between government and the business community.

From their feedback, it is clear that much more still needs to be done to improve the investment climate.

This includes reviewing the way Government coordinates work to resolve challenges faced by investors and reforming our investment promotion policy and architecture.

Good progress has been made through the Public-Private Growth Initiative, which is being championed by Minister Nkosazana Dlamini-Zuma, Mr Roelf Meyer and Dr Johan van Zyl.

The private sector has committed to invest R840 billion in 43 projects over 19 sectors and creating 155,000 jobs in the next five years.

In discussions with business, government has committed to remove the policy impediments and accelerate implementation of these projects.

We are urgently working on a set of priority reforms to improve the ease of doing business by consolidating and streamlining regulatory processes, automating permit and other applications, and reducing the cost of compliance.

Infrastructure is a critical area of investment that supports structural transformation, growth and job creation.

It is essential to our economic rejuvenation, to giving meaning and effect to our new dawn.

Our new approach to infrastructure development is based on stronger partnerships between the public and private sectors, and with local communities.

It includes a special package of financial and institutional measures to boost construction and prioritise water infrastructure, roads and student accommodation through a more efficient use of budgeted money.

As announced in the previous SONA, Government has set aside R100 billion to seed the Infrastructure Fund.

We are working to institutionalise the fund, which will be managed by the Development Bank of Southern Africa, with the newly configured Department of Public Works and Infrastructure playing an oversight role.

We have been doing this in consultation with private investors, such as pension funds, who are enthusiastic about participating in the Infrastructure fund.

These reforms will ensure better planning of infrastructure projects, rigorous feasibility and preparatory work, improved strategic management, impeccable execution and better governance.

This will provide a much-needed boost to the construction sector.

We will stimulate local demand and grow South African manufacturing by making sure the 'Buy Local' campaign is everywhere and ever-present.

We call on all South Africans to deliberately and consistently buy locally-made goods.

The suit, the shirt and the tie I am wearing today was locally made by South African textile workers working at the House of Monatic here in Saltriver Cape Town.

Let us all buy locally-made goods to drive up demand in our economy.

Within this next year, we seek to conclude agreements with retailers to stock more South African goods on their shelves and to actively promote the great products made by South African hands.

At the same time, we will promote our products more actively to the rest of the African continent and the world.

These measures are underpinned by our strong commitment to a macroeconomic and fiscal policy framework that will continue to boost confidence and investment.

We are committed to prudent borrowing and stringent expenditure management to stabilise our public finances and lower the debt trajectory.

The South African Reserve Bank is a critical institution of our democracy, enjoying wide credibility and standing within the country and internationally.

Price stability is a necessary but not a sufficient condition for economic growth.

Rising prices of goods and services erode the purchasing power of all South Africans, but especially that of the poor.

Inflation further undermines the competitiveness of our exports and our import-competing firms, putting industries and jobs at risk.

For these reasons, our Constitution mandates the South African Reserve Bank to protect the value of our currency in the interest of balanced and sustainable growth.

Today we reaffirm this constitutional mandate, which the Reserve Bank must pursue independently, without fear, favour or prejudice.

Our Constitution also requires that there should be regular consultation between the Reserve Bank and the Minister of Finance to promote macroeconomic coordination, all in the interests of employment creation and economic growth.

If we are to be internationally competitive, if we are to attract investment, we must address the high cost of doing business and complicated and lengthy regulatory processes.

We must reach a point where no company need wait more than six months for a permit or licence and new companies should be able to be registered within a day.

We will continue to reduce the cost of doing business by reducing port export tariffs, pursuing lowest cost electricity generation options, and making rail transport more competitive and efficient.

Guided by the NDP, it is our responsibility to pursue inclusive, sustainable development that is resilient in the face of climate change.

Working in partnership with the private sector, labour and the international community we will step up our adaptation and mitigation efforts.

We have the opportunity to be at the forefront of green growth, of low-carbon industrialisation, of pioneering new technologies and of taking quantum leaps towards the economy of the future.

We must increase the contribution of renewable and clean energy to our national energy mix and explore the potential of the hydrogen economy.

Faster economic growth also requires accelerated land reform in rural and urban areas and a clear property rights regime.

We have received the report of the Presidential Advisory Panel on Land Reform and Agriculture, which will now be presented to Cabinet for consideration.

The panel's recommendations will inform the finalisation of a comprehensive, far-reaching and transformative land reform programme.

In the immediate term, government will accelerate efforts to identify and release public land that is suitable for smart, urban settlements and for farming.

In the stimulus and recovery package announced last year, we promised to prioritise funding for emerging farmers.

Over the medium term budget period, R3.9 billion has been allocated to the Land Bank to support black commercial farmers.

An essential part of South Africa's growth strategy is the integration of our economy with those of our neighbours and the rest of our continent.

The African Continental Free Trade Area will improve the movement of goods and services, capital and means of production across the Continent.

Our revitalised industrial strategy focuses on the expansion of our trade and investment links with the rest of the Southern African region and the Continent at large.

Within SADC, we will prioritise development of cross-border value chains in key sectors such as energy, mining and mineral beneficiation, manufacturing, infrastructure and agro-processing.

Fellow South Africans,

The growth of our economy will have little value unless it creates employment on a far greater scale.

The fact that the unemployment rate among young South Africans is more than 50% is a national crisis that demands urgent, innovative and coordinated solutions.

And because more young people are entering the labour force every year, the economy needs to create far more jobs for youth than it currently does merely to keep the youth unemployment rate steady.

The brutal reality is that when it comes to youth unemployment, we have to run just to remain in the same place.

It is therefore essential that we proceed without delay to implement a comprehensive plan – driven and coordinated from the Presidency – to create no fewer than two million new jobs for young people within the next decade.

This plan will work across government departments and all three tiers of government, in partnership with the private sector.

We are already working with the private sector to create pathways into work for young people through scaling up existing pathway management networks.

These are networks that allow young people who opt in increased visibility, network support and opportunities to signal their availability for jobs and self-employment.

They make sure that youth from poorer households – and young women in particular – are empowered to take up the new opportunities.

Government will continue to provide employment through the Expanded Public Works Programme, especially in labour intensive areas like maintenance, clearing vegetation, plugging water leaks and constructing roads.

We will continue to develop programmes to ensure that economically excluded young people are work ready and absorbed into sectors where 'jobs demand' is growing.

These sectors include global business processing services, agricultural value chains, technical installation, repair and maintenance and new opportunities provided through the digital economy and the fourth industrial revolution.

Government will also ensure that young people are employed in social economy jobs such as early childhood development and health care.

We will expand the National Youth Service to take on 50,000 young people a year.

Government will support tech-enabled platforms for self-employed youth in rural areas and townships.

We will expand our programmes to enable young people to gain paid workplace experience through initiatives like the Youth Employment Service, and also facilitating work-based internships for graduates of technical and vocational programmes.

We are going to roll out small business incubation centres to provide youth-driven start-ups with financial and technical advice as they begin their journeys.

Yesterday, I had the great privilege to meet and engage in dialogue with several young South Africans who are doing amazing work to build our country and develop our people.

They are entrepreneurs and community builders, activists and artists.

If there is one thing we have learned from our engagements with this country's youth is that we cannot impose our solutions: everything we have to do must be led by them.

They have told us what they want, and what they need.

They want to be employed, yes, but they also want to become employers.

They are brimming with ideas, they are at the forefront of innovation, and they want to do things for themselves.

We have to support the fire of entrepreneurship, because the fortunes of this country depend on the energies and creative talent of our young people.

Fellow South Africans,

If we are to ensure that within the next decade, every 10 year old will be able to read for meaning, we will need to mobilise the entire nation behind a massive reading campaign.

Early reading is the basic foundation that determines a child's educational progress, through school, through higher education and into the work place.

All other interventions – from the work being done to improve the quality of basic education to the provision of free higher education for the poor, from our investment in TVET colleges to the expansion of workplace learning – will not produce the results we need unless we first ensure that children can read.

It is through initiatives like the National Reading Coalition that we will be able to coordinate this national effort.

All foundation and intermediate phase teachers are to be trained to teach reading in English and the African languages, and we are training and deploying a cohort of experienced coaches to provide high quality on-site support to teachers.

We are implementing the Early Grade Reading Programme, which consists of an integrated package of lesson plans, additional reading materials and professional support to Foundation Phase teachers.

This forms part of the broader efforts to strengthen the basic education system by empowering school leadership teams, improving the capabilities of teachers and ensuring a more consistent measurement of progress for grades 3, 6 and 9.

We also have to prepare our young people for the jobs of the future.

This is why we are introducing subjects like coding and data analytics at a primary school level.

Honourable Members,

The South Africa we want is a country where all people are safe and feel safe.

Let us therefore work together to ensure that violent crime is at least halved over the next decade.

The first step is to increase police visibility by employing more policewomen and men, and to create a more active role for citizens through effective community policing forums.

Currently, there are over 5,000 students registered for basic training in our police training colleges and we envisage that this number will be increased to 7,000 per cycle over the next two intakes.

We are working to improve success rates in investigating and prosecuting crimes, and to ensure better training and professionalisation throughout the criminal justice system.

Violent crime is a societal problem that requires a society-wide response.

We are working with civil society organisations on strategies to end gender based violence and femicide.

Following intensive consultations and engagements, we are working towards the establishment of the Gender Based Violence and Femicide Council and a National Strategic Plan that will guide all of us, wherever we are, in our efforts to eradicate this national scourge.

We are capacitating and equipping the police and court system to support survivors of gender-based violence.

We are stepping up the fight against drug syndicates through the implementation of the National Anti-Gang Strategy and the revised National Drug Master Plan.

Ladies and Gentlemen,
Distinguished Guests,

The achievement of all these objectives requires a capable and developmental state.

This is a state that not only provides the institutions and infrastructure that enable the economy and society to operate, but that has the means to drive transformation.

Earlier this month we announced the reconfiguration of a number of government departments to enable them to deliver on their mandates.

Our decision was premised on efficiency, cost-containment, cooperative governance and strategic alignment.

This is the start of a wider process of arresting the decline in state capacity and restructuring our model of service delivery so it best serves our citizens.

We will be adopting a district-based approach – focusing on the 44 districts and 8 metros – to speed up service delivery, ensuring that municipalities are properly supported and adequately resourced.

To ensure that the state is able to effectively enable economic and social development, it is essential that we strengthen our state owned enterprises.

Through the Presidential SOE Council, government intends to create alignment between all state-owned companies and to better define their respective mandates.

Through the Council, we will work with the leadership of SOEs to develop a legal and regulatory environment that promotes innovation and agility and enhances their competitiveness.

We will build on the work we have already begun to address problems of poor governance, inefficiency and financial sustainability.

We are committed to building an ethical state in which there is no place for corruption, patronage, rent-seeking and plundering of public money.

We want a corps of skilled and professional public servants of the highest moral standards – and dedicated to the public good.

The decisive steps we have taken to end state capture and fight corruption, including measures to strengthen the NPA, SIU, SARS and State Security, are achieving important results.

But there is still much more work to do.

We have asked the National Director of Public Prosecutions to develop a plan to significantly increase the capacity and effectiveness of the NPA, including to ensure effective asset forfeiture.

We need to ensure that public money stolen is returned and used to deliver services and much needed basic infrastructure to the poorest communities.

We expect that the new SIU Special Tribunal will start its work within the next few months to fast track civil claims arising from SIU investigations, which are currently estimated to be around R14.7 billion.

South Africa will continue to play an active role in international relations in the quest for global peace and security, people-centered development and prosperity for all.

We renew our determination to work in concert with the international community to preserve and protect the rules-based multilateral system with the United Nations at its head.

We will use our membership of the UN Security Council to promote the peaceful resolution of disputes particularly on the African countries.

Fellow South Africans,

If we are to achieve the South Africa we want, we need a new social compact.

We need to forge durable partnerships between government, business, labour, communities and civil society.

This places a responsibility on each of us and all of us.

Government must create an enabling environment, use public resources wisely and invest in developing the country's human potential.

We would like business to consider the country's national strategic objectives and social considerations in their decisions and actions.

We agree that labour should advance the interests of workers while, at the same time, promoting the sustainability of businesses and the creation of jobs.

Civil society needs to continue to play its role in holding government to account but must also join us in practical actions to attain our common goals.

We look to the parties in this Parliament to be a vital part of this partnership, lending support, insights and effort to promoting the national interest.

This social compact requires a contribution from everyone.

It will also need sacrifices and trade-offs.

It is upon the conduct of each that the fate of all depends.

If we are to reinvigorate the implementation of the National Development Plan, we must cast our sights on the broadest of horizons.

We want a South Africa wherein all enjoy comfort and prosperity.

But we also want a South Africa where we stretch our capacities to the fullest as we advance along the superhighway of progress.

We want a South Africa that has prioritised its rail networks, and is producing high-speed trains connecting our megacities and the remotest areas of our country.

We should imagine a country where bullet trains pass through Johannesburg as they travel from here to Musina, and they stop in Buffalo City on their way from Ethekekwini back here.

We want a South Africa with a high-tech economy where advances in e-health, robotics and remote medicine are applied as we roll out the National Health Insurance.

We want a South Africa that doesn't simply export its raw materials but has become a manufacturing hub for key components used in electronics, in automobiles and in computers.

We must be a country that can feed itself and that harnesses the latest advances in smart agriculture.

I dream of a South Africa where the first entirely new city built in the democratic era rises, with skyscrapers, schools, universities, hospitals and factories.

This dream has been fueled by my conversations with four people: Dr Nkosazana Dlamini-Zuma, Dr Naledi Pandor, Ms Jessie Duarte and President Xi Jinping, whose account of how China is building a new Beijing has helped to consolidate my dream.

This is a dream we can all share and participate in building.

We have not built a new city in 25 years of democracy.

Seventy percent of South Africans are going to be living in the urban areas by 2030.

The cities of Johannesburg, Tshwane, Cape Town and Ethekekwini are running out of space to accommodate all those who throng to the cities.

Has the time not arrived for us to be bold and reach beyond ourselves and do what may seem impossible?

Has the time not arrived to build a new smart city founded on the technologies of the 4th Industrial Revolution?

I would like to invite South Africans to begin imaging this prospect.

We are the South African nation that with its Constitution gives hope to the hopeless, rights to the dispossessed and marginalised, and comfort and security to its men, women and children.

Though we may have faltered, we have not forgotten who we are, and what we stand for.

We are still that nation.

You may ask how I can be hopeful at such a difficult time.

I am hopeful because I have walked with the people of this country – the nurses and health care workers, our men and women in uniform, the teachers in our schools, the students who despite their family's hardship are determined to succeed, and the youth who are trying to start their own businesses, to invent and create, and to rise above their circumstances.

It is you who give me courage, and to whom I offer courage in return.

Working together there is nothing we cannot be, nothing we cannot do, and nothing we cannot achieve.

As we enter this new era, let us take to heart the words of Ben Okri, when he says:

Will you be at the harvest,
Among the gatherers of new fruits?
Then you must begin today to remake
Your mental and spiritual world,
And join the warriors and celebrants
Of freedom, realizers of great dreams.
You can't remake the world
Without remaking yourself.
Each new era begins within.
It is an inward event,
With unsuspected possibilities
For inner liberation.
We could use it to turn on
Our inward lights.
We could use it to use even the dark
And negative things positively.
We could use the new era
To clean our eyes,
To see the world differently,
To see ourselves more clearly.
Only free people can make a free world.
Infect the world with your light.
Help fulfill the golden prophecies.
Press forward the human genius.
Our future is greater than our past.

I thank you.