

### THE NATIONAL ASSEMBLY

### QUESTION FOR WRITTEN REPLY

## **QUESTION NO. 5547**

# Mr M C Masina (ANC) to ask the Minister of Trade, Industry and Competition:

- (1) How has his department contributed towards the growth path of the Republic;
- (2) Whether there has been an attempt through the draft Industrial Policy to subordinate the macro-economic policy by placing the industrial policy at the centre of economic development policy; if not, what is the position in this regard; if so, what are the relevant details of the policy trajectory that pertains to growth? NW6204E

# **REPLY:**

(1) In order to give effect to the GNU high level priorities, the 7<sup>th</sup> Administration has adopted the five-year Medium-Term Development Plan (MTDP) as an implementation framework for the NDP: Vision 2030. The MTDP has three priorities, achieve inclusive growth and job creation; reduce poverty and tackle the high cost of living; and build a capable, ethical and developmental state. As early being appointed as a Co-chair of the Economic Sectors, Investment, Employment and Infrastructure Development (ESIEID) Cluster in August 2024, **the dtic** convened, coordinated and actively participated in the development and finalisation of outcomes, strategic actions, and key activities that informs the **priority one** of the MTDP (inclusive growth and job creation).

These included workshops at senior and Directors-General level with **the dtic** Minister also leading the discussions at Ministerial level to get concurrence from all ESIEID Ministers for cabinet approval. One of the MTDP Outcomes is to have a supportive and sustainable economic policy environment through the development of

an integrated economic growth strategy that aligns macroeconomic policy and industrial policy to support of growth and employment.

The integrated economic growth strategy was initially earmarked for finalisation only two years into the 7<sup>th</sup> Administration. Faced with uncertainty in the global trading system following the US's unilateral tariff decision, **the dtic**, together with the National Treasury and Presidency, was mandated to bring forward the development of an integrated economic strategy to respond to the new impeding global trade threats. The result was the Growth and Inclusion Strategy (GAIN), which is a framework to revive growth and create jobs in South Africa. GAIN focuses on three pillars:

- a. Delivering economic reform through predictable and stable macroeconomic framework, implementation of Operational Vulindlela II, and accelerating infrastructure investment;
- b. **Reforming the public service** and re-building state capacity at local government, crime and corruption, education system including strengthening local government and improving the delivery of basic services; and
- c. Forward looking **National Industrial Policy** to protect and stabilise the manufacturing sector (steel and ferro-chrome), and expand into new areas of opportunity, new products and services drive economic growth through growing existing sectors and a focus on new sectors.

The Department of Trade, Industry and Competition (**the dtic**), in collaboration with the Presidency and the National Treasury, presented the GAIN to the Cabinet Economic Retreat held on 16 September 2025, with an updated document, which included concrete set of actions, adopted at the Extended Cabinet Lekgotla held on 30 September 2025. The Extended Cabinet Lekgotla subsequently approved the GAIN together with its accompanying implementation plan.

The implementation plan outlines key priority actions, each linked to specific timelines to guide and monitor progress in implementation. To ensure effective monitoring and coordination of implementation, a dedicated team, jointly coordinated by the Presidency, National Treasury, and **the dtic** will be established. This team will be supported by a Growth Task Team comprising representatives from all affected

departments, which will convene regularly to track progress, address implementation bottlenecks, and ensure timely delivery of priority actions.

(2) No, the draft Industrial Policy does not attempt to subordinate macro-economic policy. Rather, it seeks to align and complement industrial policy with broader macro-economic objectives such as growth, employment generation, and sustainability. Industrial policy is positioned as a key instrument within the larger framework of economic development, but not above or outside macro-economic policy. The policy seeks to integrate industrial goals such as boosting manufacturing, increasing exports, promoting investment (with macro-economic goals such as maintaining balance of payments, fiscal stability, and inclusive growth). It does not propose a hierarchical structure where industrial policy dictates the overall economic agenda. Key to the draft industrial policy is institutional coordination and coordination between various policies inclusive of macro-economic policy.

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