



**Welcoming Address by the Sedibeng District Municipality Executive Mayor, Cllr. Mahole Simon Mofokeng on the occasion of the Co-operatives Consultative Conference held on the 29<sup>th</sup> July 2010, at the Assemblies of God, Henley on Klip, Midvaal, in Sedibeng**

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Programme Director, Mr Khulu Mbongo;

MMC for Economic Development, Cllr Johnny Tsotetsi;

SANACO, Lawrence Bale;

Ladies and Gentlemen

It is said that when hunters learn to shoot without missing, birds have to learn to fly without settling on the fence, for they will be hit. The statement may not be more relevant today than it has ever been.

The whole world has become one shopping mall, the geographical divide that used to separate the dollar from the yen, and the yen from the pound and the pound from the rand does not exist anymore.

Two years ago, we noticed how the problem facing the dollar and the banks in the United States of America caused a domino effect that led to the financial meltdown on a global scale we saw as the worst recession in recorded history.

As a result of what happened in the USA, we were made to buy a pocket of potatoes for R 70.00 when it was only R 22.00 a week before. A box of tomatoes became R 90.00 overnight.

We in South Africa had for a long time taken to Close Co-operatives as a vehicle to enter the mainstream economic arena. CIPRO has registered CC's by their millions, but these have failed to redress the economic imbalances in our country.

The close cooperatives, in their millions, failed to bring about any significant changes in the lives of the communities we lead. The government on realizing this is beginning to phase out the CC's. On the 25<sup>th</sup> June 1999, the then State President, Honorable Thabo Mbeki in his parliamentary address, led the charge by saying,

“The government will also place more emphasis on the development of a co-operative movement to combine the financial, labour and other resources among the masses of the people, rebuild our communities and

engage the people in their own developments through sustainable economic activity”.

The Gauteng Provincial Government had taken this pronouncement further much earlier in and around 2007 by developing a Co-operatives Development Policy. This policy in the main, sought to do the following:

- Harmonize with the implementation of national legislation and national policy, in the context of socio-economic conditions in the province.
- Target the unemployed and poor, in particular women, youths and the disabled in order to ensure an even spread of the benefits from reconstruction and development
- Ensure broad-based black economic empowerment in the provincial economy
- Support the development of a co-operative sector alongside the public and private sector
- Enable the development of a co-operative movement
- Support the implementation of the provincial Growth and Development Strategy
- Clarify government’s role and approach in supporting the establishment of genuine co-operatives movement in the province.

There is no question in my mind that the need to develop new vehicles towards redressing economic imbalances is upon us.

We can no longer afford to do the same thing in the same manner over and over again expecting different results. That would be a sign of insanity, as Socrates would put it.

This august conference, must also heed the advice of the African National Congress Polokwane Conference on the Economy when it says, "Expanding the opportunities for sustainable livelihoods and supporting the growth of secondary economy in urban centers through better access to the centers of economic growth and through financial and institutional support for cooperatives and micro-enterprise".

Sedibeng District Municipality together with our constituent Local Municipalities, are expected to assist in the formations of these co-operatives. I know that we have a number of these already registered. Most of them are at their teething stages, and are struggling to sustain their membership. To that end, we are faced with the challenge of how to make them sustainable.

I hope that this conference will in the next two days, assist us with strategies to resolve the challenge I have alluded to above. We have the policy framework in the Co-operatives Development Policy of 2007 and

the Draft 2 of a Co-operatives Policy for Gauteng. Let us find a way of making them work towards the empowerment of the Co-operatives Movement we want.

A Co-operatives Movement that will make our communities economically sustainable as they learn to fly without settling on the fence, in an environment where the hunters have learned to shoot without missing.

In conclusion, I take this opportunity to welcome you all to this important conference. With powers vested in me, I declare this august conference open.

I thank you