

**Press
Release
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Media Contacts: Mienke Steytler Tel: 011-482-7221 ext. 2003 Email: mienke@sairr.org.za

IRR launches new National Growth Strategy for South Africa

The IRR has launched a new economic recovery plan for South Africa called the National Growth Strategy or NGS. The NGS was drafted by the policy team at the IRR to be implemented over the period 2016 to 2019 as the basis of a long term economic recovery targeting growth levels of 7% of GDP by the end of the decade.

The plan seeks: (1) to improve capital inflows and foreign direct investment (FDI) into South Africa, so as to start raising the growth rate; (2) build and maintain essential economic and social infrastructure to stimulate growth and provide a solid foundation for further entrepreneur-driven economic expansion; (3) translate increased growth into increased employment; and (4) help the disadvantaged climb the economic ladder to increased prosperity, while sustaining current social protection.

IRR CEO Dr Frans Cronje said, “Many other growth plans have, of course, been drafted for and by the government. Often they are too vague, complex, and impractical. Sometimes their time frames are so long that they seem irrelevant. Others seek instant fixes and thus rely on gimmicks such as ‘wage subsidies’ and ‘industrial development zones’, which ignore the structural reasons for poor economic performance. Yet others have focused on ‘low hanging fruit’ to the detriment of needed structural reforms”.

“The National Growth Strategy avoids these pitfalls. If the bulk of the National Growth Strategy is adopted and implemented, this will stave off looming downgrades to junk status. The strategy will also have a measurable impact on investment, growth, employment, and income levels within 12 months. At the same time, it will provide the foundation for sustainable growth rates of 7% of GDP within a decade. This will allow South Africa to combat unemployment, poverty and inequality, live up to its great potential, and emerge as a prosperous middle-income economy by the 2030s”.

The NGS has been made available to all political parties and senior government leaders. You can read the full document [here](#).

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