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Programme Director,
Minister of Transport, Dr Blade Nzimande,
Mayor of Ekurhuleni, Mr Mzwandile Masina,
Chairperson of PRASA board, Ms Khanyisile Kweyama,
Distinguished Guests,
Ladies and gentlemen,

It is a great honour to officially inaugurate this train manufacturing factory.

This is a great moment both for the development of passenger rail in South Africa and for the expansion of the industrial capacity of our economy.

As an essential part of government's rolling stock fleet renewal programme, this factory serves as a catalyst for the transformation of passenger rail services and public transport more broadly.

It demonstrates our determination to develop passenger rail as a critical enabler of economic growth and social development.

Passenger rail is among the most cost-effective and efficient means to connect people to places of work, to connect them to vacation destinations, to connect them to relatives and to friends.

Even as we work to overcome the spatial distortions of the apartheid urban landscape, we will rely on passenger rail to carry millions of South Africans to and from work.

Our railways must become the arteries of a growing economy that brings meaningful improvement in people's lives.

It is therefore essential that we ensure that our passenger rail service is safe, affordable and efficient.

We want our train service not only to improve people's economic prospects, but also to improve their quality of life.

Our trains must deliver people to work on time and ensure that they are able to return home to their families without delay or anxiety.

The train sets that are being manufactured here will significantly improve the reliability and the comfort of the service.

For decades, passenger rail served as an adjunct of the apartheid system of dormitory townships, keeping black people at a distance from white cities while securing access to their labour.

We need to redefine our passenger rail services as an essential part of integrated cities, where people are able to live in

cohesive communities close to work opportunities and amenities; cities where people are able to move around with ease, welcome and comfortable in all parts of the urban space.

We look to our passenger rail services also to redefine the relationship between urban and rural areas, to assist in the conversion of rural towns from destitute backwaters into vibrant and sustainable economic centres.

We do not view passenger rail in isolation from our broader public transport infrastructure.

All forms of public transport need to be more effectively integrated, providing commuters with a seamless, efficient and affordable service from door to door.

Such an integrated system is necessary if we are to reduce congestion in our urban centres, if we are to reduce the cost of road building and maintenance and if we are to make progress in reducing our carbon footprint.

After decades of under-investment in new trains for passenger rail transport, this investment signifies a new era in the modernisation of the commuter rail network.

This factory will have a profound impact not only in the sphere of public transport, but also in developing the country's manufacturing capacity.

For instead of simply importing new train sets, we have used this opportunity to invest in local industry, capabilities and skills.

It gives concrete expression to our determination – as articulated in the framework agreement adopted at the Jobs Summit earlier this month – to buy South African goods.

This factory is not only about building trains; it is also about advancing the industrialisation of our economy.

As part of our drive to achieve sustainable economic growth and significantly expand employment, we have identified the growth of our manufacturing base as a key priority.

After years of decline, we are determined to restore manufacturing as a growing sector of our economy, in large part because it has great potential to create jobs, support secondary industries and increase our export capacity.

This factory will demonstrate that South Africa has advanced manufacturing capabilities that will only gain in value over time.

The market for rail rolling stock in the region and elsewhere on the African continent is likely to continue to expand for several decades to come as the working population grows and infrastructure investment gathers ever greater pace.

Most importantly, this factory is helping to address the most important challenge in South Africa today – unemployment, especially among the youth.

We are told that the rolling stock fleet renewal programme is expected to create over 8,000 direct jobs throughout the Gibela Consortium's supply chain, with this factory targeting the creation of 1,500 jobs.

These are new jobs in an industry that is relatively new in our country, and which has great potential for expansion.

Nearly all of the jobs in this factory will be filled by South Africans, with the aim to employ 85% historically disadvantaged

persons and at least 25% women.

It is our hope, and expectation, that with time, the factory will increase the proportion of women within its workforce to at least 50%.

This is the kind of decent work that the social partners spoke about when they convened at the Jobs Summit; work which draws in young people without much experience or prior training and provides them with skills that will serve them well beyond the life of this project.

Another significant – and valuable – part of this project is the emphasis on localisation.

The aim to achieve a minimum of 65% local content on the new trains creates opportunities for the emergence of a range of supplier businesses.

We are particularly excited by plans to build a supplier park adjacent to the factory, which will be a critical enabler to support localisation and develop a rail industrial hub.

We further applaud the strong focus on skilling artisans and engineers as part of the train manufacturing process.

We note that by the end of this programme, the Gibela Consortium aims to have trained over 6,700 artisans, about 2,000 engineering technicians and nearly 600 professional engineers.

This will be – in addition to the modern and efficient trains – the greatest legacy of this project.

These artisans, engineering technicians and professional engineers will remain as part of the country's growing resource pool.

They will remain as a national asset that will continue to support economic development for decades to come.

We welcome the establishment of training centres and the provision of bursaries across the different disciplines to students from poor and marginalised communities across South Africa.

This project demonstrates the value of partnership between the government, its agencies and the private sector, ensuring that public investment in infrastructure is effectively leveraged to promote industrialisation, localisation and job creation.

As we establish a new Infrastructure Fund to consolidate government's infrastructure spending, and as we establish mechanisms to ensure more effective implementation, we will look to this project as a successful model for public and private cooperation.

Over the next few days, investors from around South Africa and across the world will gather in Johannesburg for the inaugural South Africa Investment Conference.

There can be no greater demonstration of the potential of our economy to a would-be investor than the factory we are opening today.

Distinguished Guests,
Ladies and Gentlemen,

The inauguration of this factory forms an appropriate backdrop to our broader effort to fix our commuter rail system.

As part of this effort, we have taken decisive measures to stabilise Prasa as a critical enabler of effective public transport and economic activity.

We commend the board and management of Prasa, the Department of Transport and all stakeholders for the work they have been doing, under difficult conditions, to restore the financial and operational health of the agency.

We remain deeply concerned about the issue of passenger safety and are committed as government to take whatever steps necessary to ensure that every commuter can travel on our trains without fear.

All stakeholders need to work together with greater focus and coordination to bring an end to the destruction of carriages by criminal elements bent on the sabotage of our economy, our state and lives of our people.

We must find the perpetrators, we must stop them and we must prosecute them.

This is part of our shared responsibility to the commuters of this country.

Working together, we must ensure that their journeys are safe, comfortable and affordable, that the trains arrive when they are expected and that they do so consistently and reliably.

This factory is building not only the trains of the future; it is also creating the jobs of the future, the economy of the future and the South Africa of the future.

This is a great achievement and we wish it every success.

I thank you.