
SA Govt will continue supporting auto industry - Report

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Southafrica.info quoted Mr Rob Davies trade & industry minister of South Africa as saying that government views its vehicle manufacturing industry as strategic and will continue supporting it, while steering it more towards the manufacture of components and commercial vehicles.

Briefing journalists in Cape Town ahead of the debate on his department's budget vote in Parliament, Mr Davies said that the government sought to influence the direction South Africa's auto sector took. He added that "I think that the auto industry has got some very, very important linkages to other industrial sectors, and we need to preserve that capacity."

He said that "The auto industry is connected with many value chains in the economy, so it's strategic we need to preserve the existing capacity. But our objectives, in terms of direction, are to emphasize the more labor absorbing, components manufacturing industry, and also to take the automotive program in the direction of heavy and commercial vehicles. We're having a major public transport upgrade in this country. We want to make sure that we are producing the vehicles that will take people on bus rapid transit systems and so on. We want to make sure that an increasing proportion of commercial vehicles are manufactured in South Africa. It's not just we're preserving something in its current form; we want to influence its direction."

(Sourced from www.southafrica.info)

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