

**SPEECH BY THE CHIEF EXECUTIVE OFFICER OF THE W&RSETA, MR TOM MKWANAZI
AT THE OCCASION OF THE SMALL TRADERS EMPOWERMENT PROGRAMME (STEP)
GRADUATION CEREMONY**

26 October 2021, Durban

Programme director

Mr Sibusiso Mthimkhulu, Director at Mthimkhulu Training and Development Institute and other officials

Mr N Nkontwana, HOD at KZN Department of Economic Development Tourism and Environmental Affairs

Representatives from municipalities – session 2

Dr Z Makhaye – session 1 only

Our guests of honour – the beneficiaries

Ngjyanibingelela

I am very happy to be with you this morning as we celebrate the great rewards of skills development.

Occasions such as these remind us why we should never lose focus in the work that we have been established to do as SETA – to give hope to South Africans.

Thank you for inviting us to be part of this celebration, Mr Mthimkhulu.

I would like to start my address with some background to give context to the work that the W&RSETA is tasked with:

Our sector, wholesale and retail, is made up mostly of small and micro enterprises. Almost 90% of the sector is small companies.

Informal trade which is part of the SMME sector is a big part of the South African economy – it is the livelihood of many families. These businesses have raised children and taken them to school. Many of us are where we are today because our parents are or were informal traders.

Now, while informal, the sector contributes over 5% of our economy and employs more than 2 million people. Spaza shops alone contribute between R100 and R200 billion every year.

These businesses are what keep our township and rural communities going – they help bring goods and services closer to the communities.

Some of these business owners have found themselves running informal businesses because of being jobless, but others do it because they love it and were born with the gift of entrepreneurship.

Small and informal businesses are part of the W&RSETA. We exist to serve them.

It is for these reasons that the W&RSETA will always prioritise the growth of this sector. We support small businesses not only in word but in our actions.

The support for SMMEs has become even more urgent and critical as South African continues to struggle with high unemployment and poverty which have been made worse by the COVID-19 and looting that we witnessed in July this year.

Each year the W&RSETA allocates funds to run programmes that support SMMEs. We train 2400 informal traders to improve their businesses through the Informal Traders Upliftment Programme. Our Entrepreneurship Development programme benefits 300 young people who want or are running small businesses. They receive training and a grant of R10 000 to invest in their businesses.

Small companies that are paying levies to receive R9500 for training.

We also focus on the development of rural communities in partnership with local government and community organisations.

Today we are celebrating 275 unemployed young people and 120 business owners who have completed learning programmes from the Small Traders Empowerment Programme (STEP).

The W&RSETA has invested R19,9 million towards the project which started in March 2020. The aim of the project as part of the W&RSETA's strategy on SMME development is to empower small and micro enterprise traders within wholesale and retail to comply with the requirements of operating in a retail environment. I will get to those in a moment.

With this project, we want to help these businesses to grow and create more jobs. On a bigger scale, the W&RSETA wants to contribute to reducing poverty.

The following is what we wanted to achieve through this project:

- Training of five retailer associations in governance and policy development. It is important that businesses organise themselves to benefit from support from the W&RSETA.

We welcome working with such structures as they provide better coordination of their members. They can only work better when they are capacitated.

- Mentoring and business support for 120 informal and liquor traders. Many of our traders have been running their businesses for many years, but it is important that they are supported to improve their businesses professionally. Skills such as financial management are very important in running a business so that the traders can see where their money comes from and how it is spent. As a business you need to know whether you are making a profit or not. Businesses must be run separately from your family's finances. You must draw a salary from the business and not spend everything that comes in.
- Training of 120 business owners on short learning programmes to help them comply with requirements such as bylaws, health and safety, liquor licensing and tax laws. For businesses to be recognised by the municipality, and to enjoy the benefits that are offered to properly registered and recognised businesses.
- Help 300 young people start business through the New Venture Creation Learnership. As South Africa continues to struggle with youth unemployment, our role as the SETA is to assist young people to start their own businesses to create their own jobs. There are also young people with good business ideas but do not know how to start. This part of the project was meant to assist them to start their own businesses. With this, I hope that the young people will create 300 jobs for their communities.
- The project also included starting up four co-operatives

This is one of the W&RSETA's biggest project and I would like to thank Mthimkhulu Training and Development Institute for delivering this massive project that will change many people's lives.

Session 1

On behalf of the W&RSETA, congratulations to our young people for completing the learnership. You have been prepared to start your own businesses to create a better future for yourselves, your families and generations after you. Entrepreneurship is the future and we desperately need young people to create their own jobs in order to grow the economy. This is important especially during these times of many disruptions that are changing our world including the COVID-19 and technology.

Session 2

On behalf of the W&RSETA, congratulations to our business owners for completing the training programmes. Studying while running a business or after many years is not easy but the traders have made time to be empowered to grow their businesses.

You will realise the benefit of the time you have spent away from your businesses for many years to come.

In conclusion, building our country needs each and every one of us. The challenges of unemployment and poverty that we continue to be faced with require us to work together to find solutions and support each other.

The W&RSETA is committed to playing its part and will consider favourably projects that aim to make a significant difference in dealing with these issues to help us create a better future for our youth.

I wish you great success.

Ngiyabonga!

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