

**SPEECH BY THE REPRESENTATIVE OF THE W&RSETA BOARD AT THE BBC's
BLACK BUSINESS SUMMIT,**

28 February 2019, Gallagher Convention Centre, Midrand

Ministers in attendance duly recognised

President of the Black Business Council, Mr. Sandile Zungu;

Chief Executive Officer of the Black Business Council, Mr. Kganki Matabane;

Former Presidents of the Black Business Council, Mr. Bheki Sibiyi and Mr. Patrice Motsepe;

Members of the BBC National Council;

Chairperson and Members of the W&RSETA Board;

Management of the W&RSETA;

Government officials;

Captains of industry;

Leaders from business, labour and political organisations;

Sponsors and partners;

Esteemed guests;

Ladies and gentlemen

I convey cordial greetings on behalf of the Board and Management of the Wholesale and Retail SETA.

It is our privileged honour as the W&RSETA to support and be part of the inaugural Black Business Summit under the banner of our constituent organisation – the Black Business Council. We convey our gratitude to the Council under the leadership of Mr. Zungu and the CEO, Mr. Matabane for identifying and affording the W&RSETA an opportunity to be one of your strategic partners for this important event.

Ladies and gentlemen, this Summit is taking place during an important and key trajectory in the economy of our country. The State of the Nation Address that was delivered by the President of the Republic, His Excellency, Mr. Cyril Ramaphosa, on 7 February 2019 invoked a feeling of hope during a tough time for our country on several levels including economic and political. Minister Tito Mboweni's Budget Speech a week ago painted a picture of an ailing South African economy. However, the Minister also flickered a glimmer of hope that lies in us as the citizenry to play our role in turning the tide.

The message from our government through these key addresses was embedded in the country's aspirations and hopes as espoused in the National Development Plan (NDP) Vision

2030. This ambitious plan sets bold objectives and goals to achieve a South Africa that realises its possibilities.

The Plan, amongst the 75 developmental objectives envisions the following:

- A fall in the strict unemployment rate from 25% to 14% in 2020 to 6% by 2030; and
- About 11 million additional jobs by 2030

Of great interest and importance to the W&RSETA is that the research that was conducted in the development of the NDP validates our own research that “nearly 80% of small businesses in South Africa offer retail services and only 20% provide services. The Wholesale and Retail Sector comprises over 88% small companies. These companies fall within the fourth biggest contributor to South Africa’s Growth Domestic Product – wholesale and retail.

Small businesses are inarguably well positioned and a viable option to achieving these targets. The public sector’s capacity to absorb the millions of unemployed young people has been saturated and the formal public sector is not able to absorb these huge numbers. Young people must be prepared for self-employment, and a conducive environment must be created for small businesses to rise to this challenge.

It is a well-known fact; proven by extensive research that the growth of South Africa’s economy can only be stimulated by developing a thriving small business sector.

One of the key measures that the NDP advocates for include:

- Support for small businesses through better coordination of relevant agencies, development finance institutions, and public and private incubators.

Underpinning these efforts is an important component of skills development. We can provide the financial muscle and open the market, but if our small business owners are not equipped and capacitated, they will not realise the full potential of these opportunities. Skills development is therefore an integral part of economic growth.

The National Skills Development Strategy III has prioritised support for small businesses through skills development. As the W&RSETA we have made concerted efforts in the development of SMMEs even before emphasis on this was promulgated in the Strategy. Since our establishment in the year 2000, we have implemented several programmes, most of which in collaboration with the private sector and government at local and national levels, to uplift small businesses. These include SMME incubation, SMME training voucher system, mentorship and township small business support.

A sizeable portion of the W&RSETA's discretionary funds has been allocated to small businesses, the majority of which are contributing minimal or no levies to the SETA.

We have collaborated with the Department of Small Business Development to implement the highly successful Informal Traders Upliftment Project which was established as a component of government's National Informal Business Upliftment Strategy.

The W&RSETA's prestigious International Leadership Development Programme has benefited several small business owners who have leveraged the opportunities and challenge that this Programme offers and have expanded their businesses. We are also proud of the many ventures that have been birthed from this Programme which entrenches leadership as a strategic enabler for growth.

It is pleasing to see that this important component of growing the economy is one of the key deliberations of this Summit.

Esteemed leaders, our achievements are modest compared to the task at hand. We are continuously looking at ways in which we can make an even significant impact and contribution to this sector through partnerships with key role players such as the Black Business Council. We remain resolute and recommit ourselves to the call of "Thuma Mina" to be the change that we want to see in South Africa.

The Fourth Industrial Revolution offers technological advances that will increase efficiency, competitiveness and ultimately profitability not only for big business but also for the small business sector. We have to get on this moving train and take advantage of the many opportunities it promises to help us conduct business in a more efficient manner. We must adapt, or die!

4IR.0 is here.

The deliberations of this Summit will provide invaluable insight on the technological benefits that we can explore.

We call on our stakeholder companies to contribute to the commitments of the 2018 Job Summit on education and skills interventions by opening their workplaces to young graduates to prepare them for employment and self-employment opportunities.

As the W&RSETA, we have allocated R 12 million to provide internship opportunities to TVET college students in the 2018/19 financial year.

Our hands are on deck to be part of the solution to the challenges that our country is contending with. The road to achieving the goals of the National Development Plan 2030 which promises a bright future for all South Africans is not going to be easy, but together we will realise this vision. The Minister of Higher Education and Training, Honourable Naledi Pandor, MP on 19 June 2019 – I quote: “Skills Development is not just about training people for employment; it must also empower people to create opportunities to make a living for themselves. The National Development Plan (NDP) is emphasising the role that should be played by Small Medium Micro Enterprises in fighting unemployment, poverty and inequalities in our country.”

Hence, the economic growth of South Africa rests on small businesses, and skills development is the cornerstone of this sector’s prosperity.

It is our hope that the partnership with the Black Business Council will be a catalyst in addressing the myriad of challenges that are facing black businesses particularly in the SMME segment. The economic growth of the country hangs on this sector and it is in our interest to provide the necessary support.

In conclusion, I wish you fruitful deliberations in these two days. We will participate and listen with keen interest with the purpose of taking the key resolutions back to our boardroom in order to determine our role in supporting the BBC’s objectives.

I thank you.

Issued by the Marketing and Communications Department

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