Right to trade must be ensured for Small Business

By Henro Kruger MP – DA Shadow Deputy Minister of Small Business Development

House Chair,

To put Small Business Development in South Africa in perspective, the ANC Government spent more than R15 billlion over the medium term on Small Business Development across all departments. The department of Trade and Industry's latest statistics put the failure rate of small businesses as high as 80%.

With an astounding 9.5 million unemployed South Africans, SMEs should drive job creation, but are not.

It is evident from this that the strategy of the ANC is not working and that job creation through small business is a blueprint for disaster.

What South Africa Business Community needs is a new strategy. A new strategy that's called the defender of the right to trade. A new strategy that understands that for Businesses to be successful, it must be built on the pillars of the right to development and the right to trade. A new strategy run by the DA.

U sien geagte Suid Afrikaners, die minister ly aan 'n gedagte verlies virus wanneer dit by kleinsake ontwikkeling kom. As sy maar net haar agresiewe energie wat sy in die huis ten toon stel, aanwend om haar deptartement reg te ruk sal dit ook stukke beter gaan. Die verslag van die komitee beaam my punt, nie minder nie as 18 van die waarnemings van die kommitee is negatief. 'n Duidelike bewys dat die Minister en die Direkteur Generaal nie bevoeg is om hierdie belangrike strategy in werskepping, dmw klein sake te lei nie. My kollega het reeds hierna verwys.

Trade is not fair in South Africa. The government does not protect small business against the bully tactics of Big business.

Mobile Diesel Power Systems situation with Vodacom is a well-known example, Vodacom gave in October last year their word to solve the problem with this contractor to Parliament. But to date, absolutely nothing was done to prevent this company from closing down with job losses as a consequence.

Mobile Diesel Power Systems spent a fortune on all the demands of Vodacom to be a service provider. Vodacom terminated this small business service contract prematurely and without any good reason.

This is emblematic of various large companies that drag the process as long as possible, knowing well that a small business will eventually suffocate and their problem will disappear. This Government that stands for Radical Economic Transformation is not capable of protecting the right to trade for all South Africans.

Think of a South Africa where all entrepreneurs can trade without barriers by Government. Obstacles that include spatial development by municipalities, Red Tape, Service Delivery, Labour Laws and property Rights, just to name a few. To this end I introduced a Bill last year to reduce red tape in government which should be considered again as red tape kills many small businesses. Then you will think about a caring Government, a Government that is free, fair and full of opportunities and diversity. This Government is called the DA Government.

If you study the Report of the Committee on Small Business, there is no doubt that the Minister and her Department are failing to address the rights to aid of entrepreneurs and owners of Small Business. The massive unbalanced aid environment between the informal trader sitting next to the Road to sell her goods and formal business, is an oversight of the policy makers in the governing party, hence their failure to address unemployment.

It brings me to the important part of the rights of the business community where the ANC fail, and that is the right to development. Government understand that we are a developing country, but their actions do not reflect their understanding.

The development of entrepreneurial minds starts at a young age. In this very same assembly, we listened with shock about the failures of the Department of Basic Education a few days ago, and Chair I am sure we are going to hear more and more stories of failure in development of our young people in South Africa during the EPC speeches.

Dit is ‘n absolute skande dat huidige regering nie ons entrepreneurs van die toekoms kan of will ontwikkel nie. Suid Afikaners is ‘n trotse nasie wat beheer wil vat oor hul toekoms. Ongelukkig faal die regering om die honger na ontwikkeling te stil. Ons gemeenskappe in die landelike gebiede suig al vir jare aan die agteste speen en dit het tyd geword vir ‘n verandering – ‘n verandering in regering.

In 2019 the DA will take over this government, and we will make sure that we are the champions of the right to trade for all.

Media inquiries

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