

South Africa needs new management to win war against poverty

By Jan de Villiers MP – DA Shadow Minister of Small Business Development

Chairperson, there are currently two wars that have a major impact on South Africans. The first is the much-publicized war in Ukraine, where Russia has invaded the independent country and is relentlessly murdering its citizens. This war will have a devastating economic effect on the world's economy, including our own. Ukraine is one of the biggest producers of grain and cooking oil in the world, and the war in Ukraine will translate into rising local prices on these items, which form an already important part of South African households' ability to put food on the table. Small business owners will be hit hard, as they are forced to react to the rising cost of doing business, while their customers' ability to spend worsens.

This brings us to the second war that threatens South Africa – the war on poverty, unemployment, and inequality. This war is currently being lost, as unemployment recently soared to 35% by the narrow definition and 46% by the expanded definition. As explained by the President in his SONA address, and widely supported by most parties and commentators, small businesses could be the engine of economic growth that South Africa needs to bring down unemployment, and it therefore becomes critical that government creates an environment for SMMEs to thrive. The purpose of this budget vote for the Department of Small Business Development is exactly that, to enable the Department to promote the development of small businesses, which it does via various services and its agencies, SEDA and SEFA.

As a Department, there are various goals, which most portfolio committee parties and members agree on. These include the prioritization of the following:

- The urgent merger of SEDA and SEFA, in order to give an improved service to small business owners who need business support and financial solutions, such as access to finance.
- The creation of a regulatory environment that improves the ease of doing business.
- The establishment of the Small Enterprise Ombud Office, so SMMEs can settle disputes more cost-effectively and have more effective protection against bullying by bigger businesses.
- Measures to embrace the informal business sector and help them come into the formal sector.

If executed effectively, these and other measures by the Department can help SMMEs become better engines of growth. But Chairperson, the simple reality is that for small business to really thrive, South Africa needs much more than just the Department of Small Business Development initiatives.

Small business cannot function without

- A growing economy that creates markets and profit opportunities;
- A stable power grid that works and is reliable;
- Functional and well maintained transport infrastructure via roads, rail, harbours and airports;
- Protection of citizens and their place of employment by a functioning and well-run police force; and
- A professional State, run by capable officials who have no political ties and were not cadre deployed.

Chairperson, the reality is that small business cannot function if national government does not function. And herein lies the biggest threat and opportunity for small business.

The biggest threat to small business development remains the management of our country, via the ANC in control of national government. There can be no doubt, that as long as the ANC remains in control of the country, we will have no reliable power, politically connected criminals will be allowed to continue to steal taxpayer money, infrastructure will increasingly fail, the police will remain dysfunctional, and unemployment, inequality and poverty will get worse.

But it is not just doom and gloom for South Africa. The opportunity at our country's doorstep is the 2024 national election, where voters can choose to break the ANC cycle of abuse that cripples our country's wonderful potential. Chairperson, if voters reject the ANC in 2024, a new DA led coalition government can fix the power network, so people and businesses have power. Road and trains can run again, so people can travel to work. The police can be restored to corrupt free guardians of society, so small businesses and their employees can operate fearlessly in a society free from criminal syndicates, theft, murder and fraud. Taxpayers can trust the government that their taxes are not being stolen by cadres, but paid to professional government officials, who are qualified for their jobs and operate free from political interference, giving all small businesses a fair chance to compete for government tenders without political meddling.

Chairperson, if South Africa was a business, it would be as simple as just to say, we need new management, and for that, the shareholders, the citizens of this country, need to fire the ANC management in 2024 by voting for a party that has a proven management track record, the party that gets things done. Only then can we break the back of the poverty cycle and create employment, equality and wealth for the deserving people of South Africa.