

07 June 2008

Inanda, Ntuzuma kwaMashu SMME Fair :Inanda JL Dube Stadium.

Programme Director

Your worship, Mayor, Cllr Obed Mlaba

Honourable MEC of Arts and Culture, Mrs. Weziwe Thusi

Ward Councilors

Business leaders

Exhibitors

Ladies and Gentlemen, I greet you all.

Ladies and gentlemen, firstly I would like to express my gratitude to eThekweni Municipality for organizing this event. This is testimony to commitment by all spheres of our government to support the SMME sector.

Opportunities available in this sector have not yet been fully utilized due to various reasons mainly, lack of support in terms of exposure to market for products and services rendered by this sector. However, interventions such as SMME fairs provide the opportunity for aspiring entrepreneurs to showcase what they can offer in the market. Therefore it is crucial for emerging entrepreneurs to seize these opportunities.

It is undisputed fact that the SMME sector has a potential to create the desperately needed job opportunities, provide a means of sustainable livelihood and make a remarkable contribution in terms of pushing back the frontiers of poverty. The government has reiterated its commitment to elevate the second economy which consists mainly of the informal sector businesses owned by the previously disadvantaged to the mainstream economy.

We want to see street vendors with a vision, business acumen and good business ideas becoming owners of formal big businesses in future and thereby contribute to economic growth of our country. It is therefore very crucial to ensure that the community from KwaMashu, Inanda and Ntuzuma benefits from this SMME fair. “Small business today is big business tomorrow.” Our parents used to say ‘save cents and rands will take care of themselves’. You start small but with dedication, commitment and a will to succeed you eventually enter a world of organized business.

Most importantly SMME fairs provide the opportunity for emerging entrepreneurs to network and obtain more information regarding access to finance for start up capital. Access to finance is one of the obstacles for entrepreneurs who lack collateral required by financial institutions. The government has also established institutions which are aimed specifically at providing finance and mentorship support to SMME sector e.g. Khula Enterprises, SEDA, IDC, Umsobomvu etc. All aspiring entrepreneurs should visit these institutions for more information. Assistance provided by these institutions has drastically reduced business failure rate.

Furthermore, it is also of utmost importance for entrepreneurs to be as creative as possible. We should not enter the already saturated markets, instead we should identify the market gap so that we present convincing business plans to financial institutions when applying for finance. This can also guarantee success for our businesses.

The SMME sector will also benefit from projects such as Bridge City, Dube Trade Port and King Shaka Airport. People living within the INK area should benefit from these projects. I also want to encourage youth, women and people living with disabilities to seize opportunities provided by the Tourism sector especially in this province. Looking at exhibitions today one is convinced that there is a lot of skill, talent and creativity which showcases South Africa's capacity to provide excellent service in the tourism industry. Our heritage can generate income for the citizens of this province.

The Department of Public Works also provides assistance to entrepreneurs in the construction sector. The department has initiated some programmes which are specifically aimed at assisting emerging contractors. For instance,

we have a programme called “ Masakhe Emerging Contractor Development programme.”

The objectives of the programme are:

- To create an environment that is conducive to growth through access to contracts and training.
- To create a credible database of targeted beneficiaries
- To create a development mechanism that allows for progressive grading and mentorship and
- To create enhanced partnerships.

The department in partnership with the Construction Industry Development Board (CIDB) has established a Construction Contact Centre. This is a one stop service facility aimed at providing construction awareness and access to a broad spectrum of development opportunities available in the construction industry. I therefore wish to encourage all emerging contractors to make an effort to obtain more information about these programmes.

Lastly I want to encourage you to broaden your horizons and expand your scope in terms of your target market. As you exhibit here today your target market and potential customers may include government departments, corporate businesses and foreign sector. The government is prepared to support you in penetrating foreign market mainly within our neighbouring countries .Therefore, never underestimate the impact this business fair might have in the future of your business.

With those words I wish you all the best and look forward to seeing you climbing the ladder until you become well established business people

I thank you

SPEECH DELIVERED BY THE
MEC FOR PUBLIC WORKS
MRS LYDIA JOHSON

AT SMME FAIR HELD
AT INANDA JL DUBE STADIUM
ON 07 JUNE 2008