**MEDIA STATEMENT**

**SMALL BUSINESS DEVELOPMENT COMMITTEE ADOPTS BUDGET REPORT**

**Parliament, Wednesday, 4 May 2022** – The Portfolio Committee on Small Business Development has unanimously adopted a budget report proposing an allocation of R7.818 billion to the Department of Small Business Development over the medium-term period.

The proposed budget will now be debated and voted for in the National Assembly under Vote 36. The purpose of the budget is to promote the development of small businesses and co-operative enterprises that contribute to inclusive growth and job creation.

The Chairperson of the committee, Ms Violet Siwela, said the committee will develop a mechanism to assist in tracking implementation of recommendations contained in the report. “We need to hold the department accountable and, instead of lamenting when things do not go well in the department, the committee should rise above and show the direction,” said Ms Siwela.

The committee makes a number of recommendations in the report, including that the department must include output indicators in its annual report that incorporate working with Parliamentary Constituency Offices in order to expand its reach. It will monitor this adaptation on an ongoing basis during quarterly reports. Furthermore, the committee also recommends that the department must consider developing an overarching Township and Rural Entrepreneurship Programme framework for adaptation by all other provinces, in addition to Gauteng.

“The committee has observed developments in Gauteng and, in that regard, we wish to congratulate the Gauteng government for signing into law the Township Economic Development Bill and the City of Johannesburg council for approving the Informal Trading Policy,” said Ms Siwela.

Among other reasons, the Department of Small Business Development was established to implement chapters three and six of the National Development Plan (NDP), which deals with the economy and employment as well as rural inclusive growth. The NDP outlines the government’s vision to create 9.9 million new jobs from small businesses by 2030.

Of the proposed funds in the department’s budget over the medium terms, transfers and subsidies account for 89.6%, while 7.8% is allocated for compensation of employees and 2.5% for goods and services.

The department has been allocated R416 million to devise a national small enterprise master plan; establish a small enterprise ombud service; review the Business Act and the definition of small, medium and micro enterprises; and finalise amendments to the National Small Enterprise Act of 1996.

**ISSUED BY THE PARLIAMENTARY COMMUNICATION SERVICES ON BEHALF OF THE CHAIRPERSON OF THE PORTFOLIO COMMITTEE ON SMALL BUSINESS DEVELOPMENT, MS VIOLET SIWELA.**

For media enquiries or interviews with the Chairperson, please contact the committee’s Media Officer:
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