

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**2828. Mr A M Figlan (DA) to ask the Minister of Small Business Development:**

(1) Has her department conducted any studies into the overall economic contribution that small businesses owned by foreign nationals make to the local economy; if not, why not; if so, what results have these studies shown;

(2) has her department experienced any challenges in relation to the registration of small businesses owned by foreign nationals since its establishment; if so, what (a) are these challenges and (b) measures are in place to deal with these challenges;

(3) whether, since the violent xenophobic attacks that targeted many small businesses owned by foreign nationals and foreign business owners, her department has engaged with any foreign-owned small business organisations and/or diplomatic representatives from various countries; if so, what was the outcome of these engagements;

(4) does her department have any plans in place to develop specific legislation to (a) regulate or (b) promote the growth of small businesses owned by foreign nationals; if so, what are the relevant details of these plans? NW3301E

**REPLY:**

(1) The Department of Small Business Development has not conducted a study of that nature. Conducting such a study would require a process of profiling foreign nationals. As things stand, the mandate of the Department of Small Business Development does not extend to collecting and analysing small businesses’ and entrepreneurs’ demographic information according to their countries of origin.

(2) There is no legislative basis providing for the Department of Small Business Development to register informal and small businesses according to their owners’ countries of origin.

(3) Following the outbreak of incidents of violence in January 2015, I conducted a series of beneficial discussions with leaders of various foreign nationals’ communities who are resident in South Africa and whose members were affected by the recent incidents of violence.

Alongside these, on 23 January 2015, I established an inter-departmental National Task Team onViolent Incidents Associated with Local- and Foreign-owned Informal and Small Businesses that I assigned to, among others: undertake broad-based consultations with representatives of affected persons and communities, relevant communities, and business interest formations, subject matter experts from different spheres and departments of government, and academic and independent researchers.

Moreover, on 24 April 2015, I was part of President Jacob Zuma’s delegation that conducted frank and in-depth discussions with a wider representation of foreign nationals’ communities who are resident in South Africa.

In all of the above instances, government and the foreign nationals’ representatives who were in attendance committed themselves to upholding the laws of the land as well as promoting social harmony among all.

In as far as the work of the inter-departmental National Task Team onViolent Incidents Associated with Local- and Foreign-owned Informal and Small Businesses is concerned; individuals and representatives of foreign nationals’ business interest formations from different countries have made representations.

Further, the National Task Team remains accessible to all informal or small business entrepreneurs who have been affected by the recent incidents of violence, or their business interest formations, and have the need to either make submissions to or representations before it.

(4) Currently, the Department of Small Business Development does not have intentions

to specifically design legislation to regulate and promote small businesses owned by

foreign nationals who reside in South Africa.