**African Christian Democratic Party**

**16 May 2023

ACDP Parliament
Debate on Budget Vote 36: Small Business Development**

**Speech by ACDP Deputy President, Wayne Thring MP**

**ACDP labels NDP’s vision of SMMEs providing 90% of employment by 2030 nothing but lip service**

“Honourable House Chairperson,

John Dludlu, CEO of the Small [Business](https://www.engineeringnews.co.za/topic/business) Institute, calls small businesses, “the rock stars of our economy”- yet it appears that government sweeps them aside like a stable-hand shovelling manure. The World Trade Report states that SMMEs, in economies such as ours, account for 60% of GDP and 70% of employment. That said, this Department was created to focus on enhanced support for these small businesses and cooperatives.

Following the Covid shutdowns, the lurching rand and the debilitating power cuts, many small businesses have had to close and most cite government non-payment as the biggest contributor to their closure. At the end of March last year SMMEs were owed R6.1 billion by government, despite commitments to meet the 30-day payment of suppliers’ target. To make matters worse, this Department appears reluctant to engage the national and provincial departments who are the culprits for non-payment. This is not only unacceptable but counterproductive to the aim of creating jobs and encouraging entrepreneurship - and is contrary to the Department’s mandate.

The ACDP wishes to point out the missed performance targets of 30%, together with bill paying shortcomings, putting entrepreneurs out of business. So the question must be asked, “how is the Department going to effectively achieve the NDP target of helping SMMEs create nearly ten million jobs, if they consistently miss their own performance targets?”

Honourable House Chairperson, millions of SMMEs are hamstrung by reams of red-tape, consistently identified as one of the core elements which restrict businesses. The Department sets targets for the implementation of a Red-Tape Reduction Programme, so vital, yet it does not report back on any tangible impact of the programme.

The President, in his last SONA, reaffirmed commitment to The Red Tape Reduction Task Team. Recent reports indicate that this Red Tape Task Team’s work has been hampered by… red tape. The ACDP asserts that the NDP’s vision for SMMEs to provide 90% of employment by 2030, is all but lip service, until this government becomes serious about meaningful structural reform and a reliable energy supply.

The ACDP will not support this vote.”

**-ENDS-**