

SPEAKING NOTES

LAUNCH OF THE 2013 FREE STATE enterPRIZE JOB CREATION CHALLENGE

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VENUE: HOSPITALITY SCHOOL, CENTRAL UNIVERSITY OF TECHNOLOGY

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Programme Director, today the Minister of Finance, Minister Pravin Gordhan tabled the 2013/14 Budget in Parliament. This budget is in support of the President's State of Nation address last week. Through this budget and of course the Provincial Budget to be tabled by MEC of Finance on the 06th of March the ANC government seeks to tackle the triple challenges of poverty, unemployment and inequality.

In his State of the Nation Address, President Jacob Zuma committed this government to Vision 2030 which aims at creating 11 million jobs by 2030. Everything we do as government will be premised on the National Development Plan. The aim is to ensure that unemployment falls from 27% in 2011 to 14% in 2020 and further to 6% in 2030. Total employment according to the NDP should rise from 13 million to 24 million.

This plan, Programme Director, outlines that South Africa can realize this goals by drawing on the energies of its people, growing an inclusive economy, building capabilities, enhancing the capacity of the state, and promoting leadership and partnership throughout the society.

In line with this undertaking the Free State 2030 sets out the future the people of the Free State want. This plan states, "By 2030 the Free state shall have a resilient, thriving and competitive economy, that is inclusive, with immense prospects of human development anchored on the principles of unity, dignity, diversity, equality and prosperity for all"

Programme Director, the launch of the Free State enterPrize Job Creation Challenge today is a living proof that working together we can do more. Indeed it supports the

President's call that, "No Single Force Acting Individually can achieve the objectives we have set for ourselves".

The Provincial Government is very excited about this initiative because it gives expression to all we have called for. Now and in the past, we have called on all the people of the Free State to think out of the box, to come up with working proposals that will help us not only create the much needed jobs but to pump up the economy of the Free State. We have said before that the two tertiary institutions, the Central University of Technology and the Free State University are an important source of innovation needed by the Free State people in coming up with cutting edge innovations that will make this province a competitor in Knowledge economy and research.

In his State of the Nation address President Zuma said, "Our country, like many others, has a crisis of youth unemployment". Statistics indicate a worrying situation in our Province. The unemployment rate is 33.2% among adult population and even higher amongst our youth at close to 50%. This is more than a proof that we need to come up with new ideas that will make our young people want to be entrepreneurs.

This initiative, the enterPrize Job Creation Challenge is collaboration between International Labour Organization, which has been working with us for the past two years and the Small Enterprise Development Agency, SEDA. We believe that this launch could not have come at a better time when the Government is putting emphasis on youth employment.

We trust and hope that the programme will serve as a tonic in promoting entrepreneurial spirit in the Free State. Vice Chancellor, I have given instruction in the Department to come up with a model of how our efforts like these one can fine tune recognition on our national broadcaster. Discussions have been initiated with the National Broadcaster already to see how we can also claim our stake in that space. I would like to have clearer understanding of the terms and conditions of participations and the format as well the criteria used so that these can be included in the model we want to negotiate with the production houses in this country.

If we were to succeed in our endeavours, we need to enhance the growth of emerging, new and established entrepreneurs that are in the process of setting up a business or already have a business they want to expand. Entrepreneurs are encouraged to focus on where they can fill gaps in the market and seize unexploited or underexploited market opportunities and we believe that the enterPRIZE job creation challenge will do that.

Because it is a competition for new, emerging and established entrepreneurs, it will unlock business ideas and plans that will allow job creation in the province. During his state of the nation address the President urged Private sector as well as state owned companies to take part in projects that will assist to create opportunities for our young people.

This is one project we believe will bring change to the lives of the people of the Free State. We applaud this initiative and believe that many other creative thinkers will

come up with initiatives that can support this and similar ones we may not know. Projects on this nature in the province are very much welcome and encouraged as they seek to promote a stronger culture of entrepreneurship among the young people of the province, to improve the enabling business environment, to develop appropriate business development services (BDS) in the priority sectors and to ensure that financial and non-financial BDS is provided to SMEs so that they can create more jobs. This project was also highlighted as one of the important projects in the Hon Premier's State of the Province address last week.

The partnership between DETEA and Small & Medium Enterprises (SMEs) is very critical for creation of more employment opportunities. SMEs are the back bone of job creation in South Africa. Worldwide, a dynamic SME sector is recognized as critically important to economic development and job creation. In South Africa alone, approximately 80 percent of all formal enterprises are micro, small and medium sized enterprises.

We need to promote a more entrepreneurial mindset among young men and women, a more enabling environment for SME development and the availability of more demand driven business development services for SMEs. With this challenge we believe we can show the benefits of having or creating your own business rather than seeking employment. As a country and as a province we need to change the mind set of these young people and make them realize the impact of being an entrepreneur to our society.

Competition is one way of bringing the best out of people and with this competition we hope the young people of this province will excel in coming up with proposals that will make the Free State number one. Behind any successful enterprise is a passionate, driven and committed entrepreneur who recognizes, creates and capitalizes on opportunities to bring an idea to fruition.

We therefore would like to invite the business formation, the civil society and the academic institutions in this Province to support small business, through better coordination of activities in small business agencies, development finance institutions, and public and private incubators. We all should endeavour to improve skills base through better education and vocational training.

On behalf of the Premier, the Executive Council and all the people of the Free State, I congratulate all those involved in this progressive initiative and wish this endeavour well and commit our support.

Let me conclude by quoting Minister Gordhan today when he said, "The National Planning Commission has cautioned that our development objectives will take time and hard work to achieve. Measured year by year, district by district, there will be advances and there will be setbacks. But in each five-year term of government we must demonstrate as we have since 1994, that we can meet more demanding milestones- more jobs, more enterprises, more technological innovation, better housing progress in education and health". Good Luck.

THANK YOU

