

# SOUTH AFRICAN CHAMBER OF COMMERCE AND INDUSTRY

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## **SACCI Media Statement on Budget Speech**

The South African Chamber of Commerce and Industry (SACCI), notes the budget speech presented by Minister Mboweni.

Whilst we acknowledge the tough economic times faced by South Africa, we think this speech missed a critically important opportunity to re-imagine the future of the South African economy.

There was not enough detail in the speech on the investment expenditure and allocation of resources to stimulate confidence and growth.

For instance, the Minister announced an R18bn incentive to industry to retain or create 56500 jobs without being specific on where this is to be spent and in what type of programmes. This creates an impression that the Economic Cluster still only has a vague appreciation of the challenging economic conditions and it is not adequately prepared to deal with such conditions appropriately.

Similarly, an amount of R6.5bn in small business incentives was allocated with only R2.2bn going to the SEDA. We are not clear what and where the other R4.4bn will be spent. The funding for SMME development and financing should be prioritized as it gives us the main hope of addressing unemployment. It is in the SMME segment where we will get a better return on job creation and innovative economic development.

We would have also preferred to see decisiveness on the macro economic issues and a link in the expenditure to how South Africa intends to deliver on the UN Sustainable Development Goals as well as resource plans on how we plan to deliver of the WEF Global Competitiveness pillars to make SA an attractive investment destination and chart the roadmap to move SA from a developing to a developed economy so that we can deal with the triple challenge of poverty, unemployment, and inequality. These are initiatives critical to drive innovation, industrialization and the necessary infrastructure.

Non-Profit Company (NPC): Reg No. 1945/20230/08 VAT No. 4840111670

*Directors: M Xulu (President), N Malefane (Deputy President), N Pollock (Vice President), J Heshu (Vice President), S Conradie (Treasurer), M Motsumi (Chamber Forum Chair), M Pirikisi, M Bosch, L Blackbeard, H Ndlovu, M Jacobs, A Mahomed, A Mukoki (CEO), Z Ndlovu (Past President)*

We are also unclear how the budget responds to the need to create a capable and efficient state. The budget was silent on how this is to be resourced. We are none the wiser as a society on how we are going to rationalise our State-Owned Entities to ensure that they play a constructive role in unlocking and sustaining the value of our economy.

We hope Minister Mboweni will be giving further details and clarifications on all these matters through a definitive, consistent and structured manner to the relevant Stakeholders such as Organised Business and Labour, with a clear Outcomes oriented approach to demonstrate the urgency and intensity required to stimulate Africa's most industrialised economy.

**End.**

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