

**KEY NOTE ADDRESS BY HONOURABLE MEC FOR ECONOMIC DEVELOPMENT
AND PLANNING, MR CNM PADAYACHEE**

FURN TECH INCUBATOR GRADUATION CEREMONY

27 JANUARY 2009

Programme director

Head of Department, Mr Mandla Mazibuko

Director Furniture Technology Centre,

Manager of SEDA,

Honoured guests

Ladies and gentlemen

It is an honour and privilege for me to address you during this important occasion that marks a new beginning for many of the learners who are graduating today.

Programme director, we have a responsibility to turn the tide on unemployment, poverty and underdevelopment as part of our commitment to the achievements of the Millennium Development Goals. It is an ideal that can come to complete completion only if we all realise our roles in this important task that our nation must execute.

Individually and collectively we have a mammoth task ahead of us to ensure that a pledge of 'a better life for all' that we made at the dawn of democracy is realized in the shortest time possible.

Ladies and gentlemen few years ago the nation adopted the National Skills Development Strategy (NSDS). The strategy identified training and skills development as significant drivers of international competitiveness and organisational development.

As part of our response to this important task that the strategy addresses, the Department of Economic Development and Planning facilitated the establishment of a Furniture Technology Centre (Furntech).

We would like to recognize the sterling work that FurnTech has done so far in terms of skills development in the province. We would also like to commend the leadership of the centre, tutors and the learners who dedicated all their time to ensure that today we can celebrate yet another milestone in skill development initiatives.

Ladies and gentlemen the Small Enterprise Development Agency (SEDA) also played an important role in providing technical skills training and business technology incubation in the furniture manufacturing and wood working industry; this must be commended as well.

Programme director, research studies has established that small business sector plays an important role in the economic and social development of a country. It for this reason that the small and micro businesses are considered as an important force in generating employment, income distribution, equity, healthy competition, exploiting niche markets and supporting and enhancing productivity, technical change and economic growth.

Despite the importance of this sector, there are a number of barriers that prevent entrepreneurs from starting and running sustainable enterprises. At the same time, research and our own experience has also shown that there are processes that can be put in place to assist the entrepreneurs to establish their businesses. We agree with the view that the most successful and internationally accepted and practiced process in assisting the entrepreneurs is through business incubation. It is through the incubation process that there is access to affordable machines, equipment, technical advice and coaching to potential and existing SMME's for a limited period.

The exposure which is facilitated by the government in this regard creates an enabling environment for small businesses to participate in the mainstream of the economy and employment creation aimed at eradicating poverty in the province.

Ladies and gentlemen, today we are celebrating success, and we know that directly and indirectly we have contributed positively towards the improvement of life for the 50 students who went through the learnership programme.

The students that are graduating today have received Forest Industries Education and Training Authority (FIETA) accredited training, a qualification that serves as a skills base to the furniture making qualification in wood machine, cabinet making, wood finishing and upholstery. These students are prepared for the work in the industry; they are ready to show their expertise in wood making and are willing to take up the challenges ahead

of them. They must be given an opportunity to excel and to showcase their abilities and skills in the workplace. They deserve a chance.

Programme director, we are encouraged that 39 students successfully completed their training of which 24 are females and 15 are males. Over the past 18 months, the Department contributed R590 000 towards learnership programme. We believe that the investment in training of persons is an investment in the economy. The training programme that were offered and will continue to be offered to many more of our people will continue to assist us to make a dent on the challenge of skills development in the province.

Ladies and gentlemen, the Furntech learnership programme will continue to inspire us to make headways in skill development initiatives in the province. It is for this reason that we plan to recruits 60 students to attend the skills training programme in wood product manufacturing wood finishing, joinery and coffin manufacturing in next month.

As part of the initiatives to improve the programme and to ensure that it is responsive to the current economic situation and needs of the learners, we will invest R1 million towards technical skills training and a further R300 000 for business development skills. We have also taken a decision to provide each learner with a monthly stipend of R700. This we believe will ensure that the programme does not report drop-outs due to financial constraints.

I would like to express my sincere gratitude to the private sector companies who have committed themselves to assist government to further its quest of poverty eradication. I am glad that today we have companies that have pledged their support by undertaking to absorb the learners into their employ.

For those of you who still aspire to own and run your own small businesses, the Department, SEDA and Furntech pledge to provide financial and/or non-financial support to ensure development and sustainability of your small enterprises.

Let me thank all the women and men from Furntech and SEDA who contributed to the success of the training programme. Your efforts will not go unnoticed in the realm of our dreams of a better life for all.

I would also acknowledge the officials from my department who facilitated the inception of the programme and the logistics of a successful campaign to address skill development, thanks for good work well done.

To all students who graduated today, your dedication and committed to the training has been remarkable, congratulations,

I thank you.