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department of
economic, small business development,
tourism and environmental affairs
FREE STATE PROVINCE

MEDIA STATEMENT

MAHASA JUMPSTARTS TOWNSHIP ECONOMY IN THE FREE STATE.

16 MAY 2019

Commercial developments like big malls and spaza shops mostly owned by foreigners are among the challenges faced by traditional businesses owned by Africans in the townships. Left unchecked, this situation will strangle the township economy as it came to be known and supported by many households.

To mitigate against this threat, MEC for Economic, Small Business Development, Tourism and Environmental Affairs, Limakatso Mahasa, lead an inspiring programme to ensure that township enterprises do not go extinct. During her roadshows, criss crossing the length and breadth of the Free State, MEC Mahasa discovered that lack of entrepreneurial skills, difficulty to find suitable working space, appropriate working tools or equipment and finance are sum of the challenges handicapping township enterprises.

Working together with DESTEA's partners like SEDA, Municipalities, Motheo TVET and several banks, the Container Park programme started to take shape in several townships in the Free State. To date, Parys, Clarens, Brandfort, Mangaung and Ficksburg Container parks are at different stages of completion and operation. A total of R13m has been allocated for these programme in the 2018/19 financial year with a further R9 million in the new financial year.

The process starts with municipalities identifying land and ensuring electricity and water connection, the Free State Development Corporation (FDC), an entity of DESTEA together with the Department of Public Works provides the required infrastructure and associations identify and select qualifying enterprises. The Small Enterprise, Development Agency (SEDA) , an agency of the Dti, as well as the banks provide these entrepreneurs with entrepreneurial development training ranging from , marketing, book keeping, pricing and procurement.

When completed and fully operational all these five container parks will accommodate no less than 111 enterprises and will create an estimated 200 jobs. Entrepreneurial activities taking place at these container parks range from internet cafes, hair and beauty salons, cellphone repairs, Fashion design, Chesanyama, Restaurant and Takeaways, Internet Cafe, Watch repairs, Cell-phone repairs, Key cut, Shoe and Bags repairs, Bakery, Laundry, Printing and Design Shops, Dairy Shops and information technology to mention but few.



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Speaking to excited entrepreneurs at the official opening of Mangaung Container Park, MEC Mahasa said, “The government has listened and heard your please for affordable and accessible working space where you could run your own businesses. We will provide you with the support you need and hope that you will grow. Please use this opportunity as your launching pad so that in the shortest possible time you are able to expand and be on your own and leave this place other to start”

Visibly excited, Ms Caroline Mcephe of Caro Clothing expressed her gratitude for this opportunity and said, “If I had the opportunity to operate from a facility and equipment like these few years ago, I could be very far now. This place is convenient and easily accessible to my customers and I think we will compliment and support each other as businesses from this hub by referring customers to each other and marketing each other’s businesses”.

The development and support of township economy is one of President Cyril Ramaphosa’s focus during his administration. It will stimulate the economy, generate much needed jobs and transform our townships and most of all ensure that the livelihoods of many households in townships and rural hinterland are improved.

Another arm of the development of township economy is Industrial Parks Revitalisation Programme in collaboration with the Department of Trade and Industry (dti). Through this programme the industrial parks in Phuthaditjhaba and Botshabelo were upgraded. The revitalisation programme comprised of the upgrading of the security infrastructure including fencing, street lighting, installation of boom gates, pedestrian gates, installation of CCTV cameras and control room, as well as the refurbishment of high mast lights. A total amount for the first phase of the upgrade was R72 million and 188 job opportunities were created during the upgrade.

In her address at the occasion of the launching of the revitalized Phuthaditjaba Industrial park, MEC Limakatso Mahasa said, Black Industrialist in the province should take the opportunities presented to them by the government. She challenged them to work with the government towards ensuring that the economic growth in the area is able to create the much needed jobs.

Upon completion it is hoped that the vacancy rate which currently stands at 40% and the employment rate which currently stands at 7518 has been hugely increased.

End!!!



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