

Budgeting on transformation

The Gauteng provincial government has made some great strides since 2014. Their budget for 2019/20 underlines the considerable advancements the province has made in transforming Gauteng's economy to be both inclusive and supportive to small businesses and entrepreneurs, and to be the leading province when it comes to transparency in the government.

The budget presented by MEC Barbara Creecy contains not only a fulfilment of the commitments made by the province to its citizens, but also underlines the commitment to transparency in the management of public funds.

However, the budget presents more than just promises, it shows a level of commitment to building on some of the key achievements the government has made in the province in recent times in transforming the economy and building on the solid basis that Gauteng has in the national economy.

Transformation of the township economy

One of the great strides that the Gauteng government has undertaken since 2014 has been to focus on transforming the township economy as one of the great contributors to the province as a whole.

Gauteng, as the biggest contributor to the country's gross domestic product (GDP), has a special role to play in promoting faster and more inclusive growth.

According to Creecy, the government has proactively supported this economy as a priority of its spending over the past term.

"Over the past five years, the Gauteng provincial government has procured goods and services to the value of R22 billion from township entrepreneurs," Creecy said.

"We have registered 32 616 township businesses, many from as far afield as Limpopo, Mpumalanga and the Free State on the Gauteng SAP System, which is linked to the central supplier database. Of the Gauteng-based township enterprises, we have used 7 192 in the provincial supply chain," she added.



Supplier development programme

According to Creecy, 2 500 Gauteng-based township enterprises have received training through their supplier development programme since 2014.

"In an effort to ensure that our procurement opportunities do not undermine the cash flow stability of townships and other enterprises, Gauteng has made significant strides in paying our suppliers on time. One of the successful programmes that helped us achieve this has been our e-invoicing application, which won a Bronze Award at the Premier's Service Excellence Awards last week.

"This year, we are taking our Township Economic Revitalisation Strategy one step further with the creation of the Provincial Small and Micro-Enterprise Clearing House.

"This partnership between the Gauteng government, the private sector and the University of Johannesburg links township entrepreneurs to those who want to buy their goods and services and to those who want to fund and support such partnerships.

"It is designed not only to develop SMMEs in their own right, but also to link the support of the Youth Employment Service (YES) so that township enterprises can host interns from the Tshepo 1 Million partnership.

"The programme will be piloted in Tembisa for the first six months of this year and then be upscaled in the second half of the year," she said.

Open tender system

While the economy has slowly been transforming as part of the government's efforts to make it more transparent, effective financial management and a commitment to transparency have been a hallmark of the Gauteng provincial government in its current term.

"Our innovative open tender system has been rolled out in all departments and six entities. To date, over 80 projects with a collective value of about R18 billion have been adjudicated in public. This process has enhanced transparency in the government and created significant awareness about public procurement and accountability in decision-making.

"Treasury received a number of positive comments about the role the open tender adjudication process is playing in promoting clean governance.

"The bill, which will enshrine our open tender system in law, is now before our Finance Committee. We hope this bill will pass into law before we rise in March.