

INDUSTRIALIST PROGRAMME:

Scope must reach beyond manufacturing

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Black business is looking to broaden government's Black Industrialist Programme to include more sectors than just manufacturing.

At the annual conference of the Black Management Forum (BMF) in Midrand, Johannesburg, this week, Peter Moyo, NMT Capital CEO and Vodacom chairperson, said the Black Industrialist Programme should not only focus on manufacturing, and he called for financial services, IT, logistics and the local services sectors to be included in the programme.

Nkuli Bogopa, president of the SA Institute of Black Property Practitioners, which is affiliated to the Black Business Council, said her organisation was looking to have the built environment and property sectors included in the Black Industrialist Programme.

"This is a big missing link," Bogopa said.

Last week, government announced that R1.4 billion had been invested in 22 black industrialist projects, supporting more than 1 000 direct jobs.

A total of 246 applications had been received for black industrialist investment.

BMF president Mncane Mthunzi said the organisation was pushing for transformation to be part of the JSE's listing requirements.

Shareholders of JSE-listed companies influence the appointment of board directors, Mthunzi said.

The BMF was also unhappy that the Public Investment Corporation (PIC), which invests government workers' pensions, was not using the equity stakes it owns to advance black CEOs and directors.

PIC head of corporate affairs, Deon Botha, said: "The PIC has noted comments from the BMF about transformation. The PIC is doing all within its powers to contribute to transformation of several companies in which it is invested."

Moyo said South Africa had not fully transformed land ownership and that land was in the hands of a few.

During the conference, Daphne Mashile-Nkosi, the chairperson of Kalagadi Manganese, asked where the companies similar to Iscor, Foskor and Sasol - that the apartheid state built - which the democratic era had created, were.

Sindi Mabaso-Koyana, the chairperson of AWCA Investment Holdings, asked whether the dividends of democracy were being seen.

However, Mabaso-Koyana said that greed, corruption and self-interest were blocking the dividends of democracy from filtering through to the general populace.

There had also been a shortfall in service delivery, in particular in health and education, and the country's moral fibre had deteriorated.

Duma Gqubule, founder of KIO Advisory Services, questioned how much collective income the country wanted to put into higher education amid the ongoing crisis at South Africa's tertiary institutions.

Gqubule said that, to defuse the #FeesMustFall crisis in the country in the short term, at least R20 billion needed to be found, while in the long term, the crisis would be solved by making tertiary education free.

He said he was opposed to means testing to determine who pays for tertiary education, as this was a divisive issue.

In reference to the #FeesMustFall crisis, Gwede Mantashe, ANC secretary-general, said that "free this or free that was a very dangerous approach to take".

BLACK PROPERTY PRACTITIONERS

The SA Institute of Black Property Practitioners is eyeing the department of public works' procurement processes as a means to boost their businesses, Nkuli Bogopa, president of the SA Institute of Black Property Practitioners (SAIBPP), said this week.

The department of public works is spending 80% of procurement spend on 20 companies, and those companies are not representative of black property companies and professionals, Bogopa said.

SAIBPP was having discussions with the department regarding its procurement policies.

Bogopa said the department of public works owned property worth billions and also owned property leases.

Transformation in the South African property and construction sector was "moving too slowly".

A practice that blocked black property businesses from getting business was "global service delivery", such as that offered by Bidvest, where a whole number of services were offered under one umbrella, she said.

Some of the state-owned enterprises were engaged in this model, Bogopa said.

Global service delivery contracts had the effect of perpetuating the status quo, she said.