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Small Businesses In SA Critical To The 4th Industrial Revolution

Midrand (6 July, 2018): Small businesses will be critical to South Africa in the 4th industrial revolution while access to information will revolutionize education. This was highlighted at an insightful panel discussion in Midrand on Thursday (5 July). The topic debated was: "Is South Africa Ready for the 4th Industrial Revolution?" Panel speakers included Siemens Southern and Eastern Africa CEO Sabine Dall'Omo, CSIR Research and Development Strategy Manager Dr Daniel Visser, and SAA CEO Vuyani Jarana.

The discussion, hosted collaboratively by Siemens and CNBC Africa, explored effects industry 4.0 would have on the country. Delegates from business and government heard that shying away from connectivity and artificial intelligence was not the answer. Yes, the robots are rising but they will never replace humans.

Industry 4.0 is drastically changing the work landscape, how we live and how we do things but with the involvement of academic institutions, government, private institutions and the South African society, we can ensure that this digital revolution will only impact the country positively.

"There is no place to hide from connectivity. South Africa cannot step aside and not participate. We need to actively participate and shape South African industries to be more competitive in the global market," said Dall'Omo.

"This revolution is not only for big fishes. We want to help smaller companies get involved and apply technologies in their businesses. This will contribute to a stronger GDP."

Delegates heard that this revolution was not triggered by profitability. It is not an invention but a set of paradigms because of a technology revolution. One of the major impacts industry 4.0 will have on the country remains its effects on the country's workforce and industry. But this technological revolution means some jobs of today will not be in existence in the near future and a completely new set of jobs will emerge. This means that there are possibilities to gain new skills so as to fulfil these exciting new roles.

"People need basic computer skills in this revolution. Africa must not lose out. By moving forward, there will be certain jobs that will be lost forever, but new ones created too." Dr Visser emphasized that South Africa needed to embrace innovation and become "people-centric".

"The 4th industrial revolution is not an American strategy. It's happening because technology is evolving and everybody must be included...One thing robots cannot be is human." said Visser.

He said we were likely to see small businesses become critical in this revolution, particularly in the manufacturing sector.

"Our young people are born into an era of technology. They understand it and know it; they up skill themselves purely by access to information. So access to information will revolutionise education and small businesses must be able to access these technologies."

Delegates heard that people were scared of automation, artificial intelligence and the revolution had the potential to widen the gap between income groups.

"Automation and artificial intelligence is scary but we are not looking at replacing jobs. We need to augment jobs. This revolution is more about convergence and collaboration," he said.

For this to work, relevant individuals from government, business and societal groups needed to be sitting at the same table at the same time.

Jarana, meanwhile, said skills for this revolution were critical so that no one is left behind. He said poor children needed access to the same digital education as rich children, and that pragmatic action was required from government to move forward.

This revolution, he added, would likely challenge international trade agreements, and an advisory council dealing with different parts of the economy, may be established.

This revolution is underway and South Africa needs to embrace mobile connectivity, artificial intelligence, big data and the Internet of Things (IoT), which will make use of machines that will optimize the processing of goods, making manufacturing more efficient. The production and delivery of quality goods and services will become much faster and cost effective, and therefore requires an enabling environment.

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Contact for journalists

Keshin Govender

Head of Corporate Communications

Siemens, Southern and Eastern Africa

Phone: +2771 492 3789; email: keshin.govender@siemens.com

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