

Gordhan highlights role of accountants

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The role of accountants has become more important to general society in the current economic times, says Finance Minister Pravin Gordhan.



(Image: GCIS)

Opening the conference of the SA Institute of Professional Accountants (Saipa) in Johannesburg on Thursday, Gordhan stressed the importance of professional accountants in the social and economic conditions of the global economy in the past three years.

Gordhan said accountants were important to economies as they were "catalysts for change" and were needed to help with important decisions affecting the South African economy.

"The financial crisis raises questions about sustainability of the world's current path to development. Just because conditions appear to be okay now, it doesn't mean it will remain that way in five years time," he said.

"Historically accountants had the role of providing information to shareholders, but their role has now extended to informing persons in labour, government, the banking sector, regulators and general society," he said.

Gordhan highlighted a lack of accountants, particularly black accountants, as a challenge and urged those in the field to make work opportunities more accessible for unemployed graduates.

"It is important that we give unemployed graduates in accounting an opportunity to have that first work experience.

"Research has shown that young people who are not given that opportunity by the ages of 24 and 25 find it more difficult to get work later on in life," he said.

"Much has been done to grow the pool of accountants and more still needs to be done. Accountants of the past generation must go the extra mile to give unemployed graduates exposure to work experience to end the frustration of joblessness," he added.

Gordhan said SA's tax to GDP ratio had been above 28% in 2007/08. It fell to 24.5% in the 2009/10 fiscal year due to the recession and it was now crawling back to barely above 25%.

He added that accountants were crucial in giving information to the state that would allow for growth and revenue, so that government could operate without increasing the deficit.

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