

■ PUBLIC WORKS

SA cabinet will be looking at strategy to deal with 'construction Mafia' - Nxesi

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THE INTIMIDATION of companies and workers on construction sites has been raised at Cabinet level, which was looking at a strategy to deal with the issue, said Public Works Minister Thulas Nxesi.

If not addressed, this culture would become entrenched and the government would not be able to do anything about it, he warned at a Construction

Industry Development Board (CIDB) National Stakeholder Forum meeting in Pretoria on Friday.

Business forums or the so-called "construction Mafia" first started invading construction sites in KwaZulu-Natal, with this practice spreading to other provinces.

Nxesi said that some of the people who had lost tenders in their bidding processes had started hiring people to stage protests at construction sites, stressing that there was no place for

criminality related hijacking of construction sites.

This issue was of grave concern to the government and the industry because it took "away bread from the tables of the very people who build the economy and our industry, the contractors" while also robbing taxpayers of desperately needed social and economic development by inflating the cost of infrastructure.

He added that two decades since the advent of democracy it was rea-

sonable to expect that people would be impatient with the pace of development and transformation.

It was these legitimate expectations that site invaders masqueraded behind in conducting these unlawful actions of hijacking construction sites in the name of the Preferential Procurement Policy Framework Act regulations and 30 percent subcontracting provision on projects above R30 million.

"The CIDB is working with the National Treasury on providing guide-

lines related to the application of the 30 percent subcontracting provision," he said.

Nxesi said late payments to contractors by clients and its detrimental effect on emerging enterprises was among the many important issues the forum had lamented.

One of the solutions that the government must possibly explore to this by now perennial problem was "legislation of payment guarantees", the minister said.