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MEDIA STATEMENT

MINISTER MACPHERSON WELCOMES FIRST SIGNS OF CONSTRUCTION GROWTH AFTER THREE QUARTERS OF DECLINE

- Public Works and Infrastructure Minister Dean Macpherson welcomed new Stats SA data showing the first signs of 0.1% construction growth after three quarters of decline, which follows the 130,000 jobs the sector created in the third quarter.
- He said the early recovery in both output and employment reflects the impact of reforms, including stronger procurement oversight, action against non-performing contractors, reduced construction-mafia stoppages, improved project preparation through ISA, and efforts to unblock stalled projects.
- The Minister said SACAP reforms, greater cooperation across all spheres of government, and the National Treasury's commitment to infrastructure spending will further create conditions for sustained growth, job creation, and long-term stability in the construction sector.

The Minister of Public Works & Infrastructure, Dean Macpherson, has welcomed the latest third-quarter economic data from Statistics South Africa (Stats SA), which shows the first signs of growth of 0.1% in the construction sector after three consecutive quarters of decline. This follows the Quarterly Labour Force Survey for the third quarter, which showed that 130,000 jobs were created in construction in a single quarter, nearly half of all the jobs created in South Africa during that period.

Macpherson said that this emerging recovery - in both output and employment - demonstrates that the reform efforts underway across the public-infrastructure system are starting to take effect. Strengthened procurement oversight, decisive action against non-performing contractors, improved project preparation through

Infrastructure South Africa (ISA), reduction in construction-mafia work stoppages, and a renewed drive to unblock stalled projects have all contributed to restoring confidence in the sector.

“While significant challenges remain - including delays, budget pressures and ageing infrastructure - the latest economic data provides a reminder that our reform efforts are working, and that the construction sector has the potential to help drive South Africa’s broader economic renewal,” Minister Macpherson said.

“This is not yet the finish line, but it is a clear indication that construction is moving in the right direction. Our task now is to consolidate this early momentum, accelerate reforms, and increase infrastructure investment to drive South Africa’s economic growth, which will drive job creation for all South Africans.”

Macpherson added that the reforms introduced through the South African Construction Action Plan (SACAP), unveiled at the end of October, have laid the foundation for longer-term stability by introducing practical measures to professionalise the sector, strengthen governance, and improve accountability across the delivery chain. These reforms - combined with stronger collaboration between national, provincial and municipal partners and the national treasury’s commitment to infrastructure spending - are creating the conditions for more consistent construction activity.

“Construction is one of the strongest job-creating sectors in South Africa, and when it grows, the country grows. With the right focus and discipline, we can turn these early gains into sustained long-term expansion that creates jobs, supports small contractors, and delivers the infrastructure that communities depend on. With sustained growth in the construction industry, we can build a better South Africa.”

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