

Issued: 13 May 2026

**SPEECH BY SIHLE ZIKALALA, DEPUTY MINISTER OF PUBLIC WORKS AND
INFRASTRUCTURE DURING THE BUDGET VOTE, 13 MAY 2026**

Honourable Chairperson of the House

Honourable Members;

The Minister of Public Works and Infrastructure, Hon. Dean Macpherson;

Senior Government Officials led by the Director-General, Mr. Sifiso Mdakane;

The Department of Public Works and Infrastructure (DPWI) continues to play its part in achieving the three strategic priorities of the 7th Administration.

We are fully committed to the government's plan of:

- 1) Driving inclusive growth and job creation;
- 2) Reducing poverty and tackling the high cost of living;
- 3) Building a capable, ethical and developmental state.

Our entities, the CIDB, CBE, ASA, IDT as well as ISA play a crucial role in delivering DPWI's mandate to the people of South Africa.

**CONTRACTOR DEVELOPMENT IS A CORNESTONE FOR INCUSIVE GROWTH,
TRANSFORMATION, AND JOB CREATION**

South Africa cannot achieve inclusive economic growth or reduce our high rates of unemployment without strengthening the construction industry and supporting the contractors who drive infrastructure delivery.

Yet, the CIDB's **Construction Monitor** published in January 2026 shows that black-owned contractors account for approximately 65% of registered contractors overall, and participation at higher contractor grades remains significantly lower.

Youth-owned contractors remain critically underrepresented at approximately 10% across Grades 2 to 9.

Women-owned enterprises average only 26% across the sector.

Black-owned contractors access only around 45% of public sector awards, while women-owned contractors access approximately 15%.

DPWI and the CIDB have given new impetus to contractor development as we crisis-cross the country to empower emerging contractors. This includes the contractor development programme which entails provincial outreach, the BUILD Programme and the Construction Fund launched yesterday.

Contractor development outreach has been conducted in Kwa-Zulu Natal, Eastern Cape and Northern Cape. This involved promoting contractor development programs and project opportunities. Approximately 1500 contractors were capacitated through the outreach program.

The B.U.I.L.D Programme is the cidb's primary vehicle for building a capable and sustainable construction industry.

In the year under review, no less than 240 clients and 350 contractors were trained in construction management.

The cidb has published the **Contractor Management Guidelines** (CMG 101) which is an entry-level construction and business management guide to build basic contractor capability, especially for emerging contractors at the cidb Grade 1 level.

Through the cidb, we continue to expand support to emerging contractors addressing technical and enterprise sustainability.

At least 500 people have already been trained through the Skills Development Standard.

Yesterday, in partnership with the Department of Small Business Development led by Honourable Stella Ndabeni-Abrahams, we launched the cidb–SEDFA Construction Fund to the value of R300-million.

This Construction Fund is designed to provide blended finance solutions to support contractor sustainability, infrastructure delivery readiness, working capital requirements, and long-term enterprise growth.

Using the Fund, we want to increase growth, drive transformation, and support inclusive participation in the construction sector.

The Fund also includes structured non-financial support interventions such as mentorship, technical support, business support, investment monitoring, and market access facilitation.

THE IDT IS AT WORK DELIVERING SOCIAL INFRASTRUCTURE

Honourable Members, the IDT continues to assist our government in the delivery of social infrastructure including health facilities, courts, libraries, and schools.

During the 2025/26 financial year, the IDT completed 279 social infrastructure facilities, exceeding the target of 244 facilities. During the same period, 39 contracts were awarded under the Contractor Development Program (CDP).

We can also inform this august House that 45 582 work opportunities were created through the Expanded Public Works Programme (EPWP) while 3031 work opportunities were created through the IDT portfolio. The IDT plans to deliver almost 35 000 work opportunities during the 2026/27 financial year to cushion the vulnerable poor against poverty

Procurement and expenditure performance regarding the designated groups remained strong, with R3.169 billion awarded, of which 44% went to designated groups, exceeding the 40% target. Expenditure totalled R3.395 billion, with 54% spent on designated groups, supporting continued transformation outcomes.

In the 2026/27 financial year, IDT plans to complete 164 social infrastructure facilities. One of the most notable projects to be completed is the Sarah Baartman Centre for Remembrance, which will honour her Khoisan heritage and restore her dignity. This will be significant because the project has faced several delays since construction started a few years ago.

On the Acacia residential project, we can report that a project to demolish 112 prefabricated asbestos houses and the construction of 113 three-bedroom brick houses is ready to commence.

The entity's performance shows improvement; client confidence is gradually returning while tangible efforts are being made to improve audit outcomes through an audit action plan which addresses multiple control deficiencies.

SUPPORTING INNOVATION AND SUSTAINABILITY THROUGH AGREEMENT SOUTH AFRICA (ASA)

Our entity, Agrément South Africa (ASA) supports innovation in the construction sector to improve quality, safety, and sustainability. ASA carries the mandate of assessing and certifying non-standardised construction-related products and systems for which no South African National Standards (SANS) exists.

In the 2025/26 financial year, ASA issued 19 certificates covering building systems, sanitation products, road products, and roofing products. 100% of certificates were amended to meet relevant technical and administrative requirements.

ASA conducted quality and compliance inspections on 88 certificates, against a target of 92 valid certificates, achieving 96% performance.

The Department and ASA are currently consulting on the proposed legislative amendment to make certification of construction products and systems mandatory, a departure from voluntary certification aimed at enhancing safety, enterprise development, inclusive economic development and job creation.

THE PROFESSIONALISATION PROGRAMME AND TECHICAL CAPACITY BUILDING OF THE PUBLIC SECTOR

DPWI's Council for the Built Environment (CBE) continues to place professional registration, ethical practice, and technical competence at the centre of sector reform.

The entity has elevated professionalisation from a sector programme to a strategic state-building intervention directly linked to safer infrastructure, improved service delivery outcomes, and stronger public sector accountability.

A key milestone of the CBE has been the launch of a national professionalisation programme aimed at addressing the backlog of more than **30,000 candidates** currently delayed in the professional registration pipeline.

In the past 3 years, the CBE working with regulatory councils and the sector, has professionalized no less than 10 000 built environment professionals across various disciplines.

To accelerate registration readiness and strengthen the built skills pipeline, the CBE has declared **2026/27 as the Year to Unlock the Barriers to Professional Registration**, signaling a deliberate shift toward massified professionalisation, structured sector support, mentorship of candidates and continuous development programmes.

The CBE is scaling a national **Structured Mentorship Programme**, with a target of expanding accredited mentors **from 235 to 1,000** mentors nationally, supported by the digital strengthening of the **Built Environment National Logbook (BENL)** as a national platform for candidate progression, competency tracking and evidence-based professional development.

CONNECTING COMMUNITIES AND IMPROVING PUBLIC SAFETY THROUGH WELISIZWE BRIDGES

The Department continues to implement the Welisizwe Rural Bridges Programme in the six provinces (FS, NW, EC, LMP, MP and KZN) despite challenges such as shortages of construction plant, hijacking of equipment, exorbitant rates requested by local suppliers, and adverse weather conditions, among others.

The programme has made significant strides in enhancing rural connectivity, with 122 bridges completed across all six participating provinces, 49 bridges currently under construction, and 119 under planning. Plans are underway to remediate and activate these bridge sites through a dedicated recovery plan. Phase One (backlog) of the programme is on track for completion in September 2027.

Plans are now well advanced in consultation with the Department of Transport for the submission of the Phase Two application. This next phase will provide for the construction of additional rural bridges and the expansion of the Welisizwe programme to the remaining three provinces (Northern Cape, Western Cape, and Gauteng) which were not included in the initial phase.

SMALL HARBOUR DEVELOPMENT

Honourable Members, on DPWI's Small Harbour development, we are pleased to report that Spatial and Economic Development Frameworks (SEDFs) have been completed for Tier 1 sites in the Northern Cape (Port Nolloth), Eastern Cape (Port St Johns) and Kwa-Zulu Natal (Port Shepstone).

SEDFs were also completed for the Tier 2 sites including Hondeklipbaai in the Northern Cape, Hamburg and Mbizana in the Eastern Cape and Port Edward and Hibberdene in Kwa-Zulu Natal.

RESUSCITATION OF REGIONAL WORKSHOPS

Around 2014, DPWI Management took a decision to phase out workshops and to outsource all construction and maintenance work to the private sector.

In 2024, we took a decision to resuscitate the DPWI workshops and to fund them by reprioritizing funding from under spending infrastructure programmes. Since then, we have resuscitated regional workshops in seven provinces, with a staff complement of no less than 348, excluding cleaners and gardeners.

We are turning a corner from an era of siphoning state resources by unscrupulous private actors through inflated cost of materials, labour, transport and consumables.

BUILDING A CAPABLE, ETHICAL, DEVELOPMENTAL STATE - ADVANCING GOOD GOVERNANCE

When Government of National Unity (GNU) came into being, many people applauded the development as critical in the fight against corruption, maladministration and poor performance. In the Portfolio Committee meeting held last Wednesday, I raised several issues relating to abuse of recruitment procedures, political interference, and general maladministration that is deepening in the Department, including the establishment of an illegal unit in the Department. Coupled with this, we need urgent intervention to avoid administrative collapse which is caused by usurpation of administrative functions by non-administrative personnel. This has transcended the confines of the Department to affect entities of the Department.

It is an impassioned plea that we all unite in building a capable, ethical, developmental state. The proclamation to do good does not mean any good has been done, what matters is action taken in the fight against the cancer of corruption, maladministration and underperformance.

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