

**Speech by Deputy Minister of Public Works Mr. Ntopile Kganyago to the NCOP's "Taking Parliament to the People" sitting.**

**Date: 03 November 2005**

**Venue: Nkowitz, Limpopo Province**

**Topic: "The EPWP and other job creation programmes under the Department of Public Works".**

**Chairperson of the National Council of Provinces Mr Johannes Mahlangu**

**Premier of Limpopo Province, Mr. Sello Moloto**

**Chairpersons of Portfolio and Select Committees**

**Members of Parliament and the Legislature**

**Traditional Leaders**

**Only last week we were in this great land in which our long gone ancestors walked and worked before the white man came.**

**We are happy the ancestors have decreed that as the Department of Public Works we shall in a period of not more than seven days return to the province of Limpopo!**

**This is the land Mr. Chairman which many centuries ago gave the world one of Africa's greatest kingdoms in the form of Monomotapa and its accompanying architectural wonders which we are today fortunate to admire.**

**The Monomotapa Empire covered what is known today as Zimbabwe, Namibia, Mozambique and the North of South Africa.**

**In the 15<sup>th</sup> century King Mutato established effective political rule and promoted economic development and prosperity in this vast area. It was an era which involved the use of iron technology and related crafts long before the Christian era.**

**The Monomotapa built temples and stone structures which rivaled that of the other great African civilisations of the great pyramids of Egypt.**

**One of the key reasons why this Kingdom was a success is because King Mutato saw national unity and a commitment to hard work as a prerequisite to greatness.**

**The history of the trials and tribulations of the great African kings of these great mountains and plains is the history of this country. This therefore is the history of all South Africa!**

**The recent history of South Africa is a history forged under conditions which were no different in character and content to those of much of the rest of Africa. The story and history of South Africa therefore is the history of all Africa!**

**It is this understanding Mr. Chairman, which underscores our collective commitment not only to one part of this country but to all parts, in their totality.**

**It is this understanding Mr Chairman, which brings to this neighbourhood of Limpopo, an institution which**

**physically and geographically is located in the city of Cape Town, but draws its membership from all the country nine provinces.**

**It is these unitary values which have brought us here to this province. We have indicated that this is one of our gateways to Africa. Limpopo's tapestry of culture, history and heritage reminds us every day that African borders extend beyond our own and that we are but only at the tip of that vastness called Africa.**

**Against this background we must prepare to celebrate what Africa has to offer as we do the rest of South Africa.**

**But we must also remember that we have a duty to fight all the demons, particularly poverty and unemployment, which threaten to undermine our democracy.**

**We also have a duty to fight the demons which emerge in the media sporadically whose sole purpose is to undermine the gains we have made over the past 11 years. Recently this phenomenon reared its ugly head when it was claimed in two different contexts that as government we were preparing ourselves for the inevitable.**

**According to these media reports, in preparation for the inevitable, i.e. that we would not be able to meet our target of 1 million jobs over five years, we had secretly started adjusting our figures, presumably downwards.**

**The position of government and that of my department is the following: We indicated very clearly when we launched the EPWP together with President Thabo**

**Mbeki that we would create 1 million jobs over five years.**

**This means we have to create an average of 200 000 jobs per year. We are glad that we have already reported that in the first year we created more than 200 000 gross jobs and 170 000 net jobs. This was way above our projected figures for the first year in which we were still setting up the EPWP including appointing staff and implementing EPWP guidelines.**

**We have never said to our people that these would be permanent jobs. Indeed, while some of our people may become permanently employed, many will have to leave the programme. This is because the aim of the EPWP is to develop skill through classroom and practical training within a specified time frame. The period in which anyone must be in training under the EPWP is two years, not more. After that they must be ready to enter the wage paying market or to start their own businesses.**

**Cabinet has also indicated that there is a need to upscale the EPWP. This means that we are going to significantly increase the targets and outputs, not decrease them. The president has also indicated this is necessary because of the nature of the challenge facing us.**

**So far the EPWP has created most of the work opportunities in the infrastructure and environmental sectors. There remains huge potential for sustainable employment creation for lower skilled workers in the social sector (in early childhood development (ECD) and home-community-based care (HCBC)).**

**We feel that this is unrealised potential. There is more potential for using the EPWP to make a real impact on unemployment levels in the social sector than in any other sector.**

**During the first half of 2005, the DPW led the development of a plan for the large-scale expansion of ECD and HCBC. This plan will be implemented soon by the social sector departments (led by the Department of Social Development) and will contribute significantly in our upscaling project.**

**Let me illustrate what it is we are trying to achieve. We know that Gauteng has already created the highest number of gross work opportunities, but the number of net work opportunities is significantly less.**

**The reason for this is that Gauteng as a province is mostly involved in the provision of relatively high service levels of infrastructure (such as high-traffic-volume roads). This has limited opportunities for the creation of additional work opportunities through the use of more labour-intensive construction methods.**

**KwaZulu Natal for instance has the highest number of net work opportunities created. It created this partly through using highly labour-intensive production methods for the construction and maintenance of low-traffic-volume roads. This was only done on projects in which it was technically and economically feasible to use highly labour-intensive construction methods.**

**Having said this, Gauteng remains the province with the highest percentage of youth participating in the EPWP. KwaZulu-Natal has the highest percentage of women.**

**The success of the EPWP demonstrates two important aspects which are important for the scaling up of the EPWP. The first is that it demonstrates the potential of the EPWP to use the learnership vehicle to provide the combination of work and training that is one of the main objectives of the programme.**

**The other is that the uptake of the EPWP by public bodies is easier to facilitate if a complete programme, whereby the participation of other role players such as SETA's and the private sector is already agreed upon, is presented to the public bodies.**

**Another major challenge is the roll-out of the training for workers. Given the highly decentralised implementation of the EPWP, coordinating the training to ensure that all workers in the EPWP receive the training they are entitled to is complicated.**

**The challenges with capacity to coordinate the training between the contractors and DOL are being ironed out. I have no doubt that more and more people will be trained as more projects align more to the EPWP requirement of labour intensity.**

**Another means of creating jobs is through tenders and other contracts worth billions of rands involving the private sector in the construction and property industries. Many jobs are created and retained in these sectors as a result.**

**For us to be able to deliver on our mandate and provide the required infrastructure, we need to be very serious about skills development. This means skilling Black people but it also means giving jobs to more and more of our people.**

**The construction sector has a vast number of emerging small businesses. We need to ensure that these businesses emerge and play an active and significant role in the sector. We all have the means to do that, and the charter has provided a framework through the targets of enterprise development.**

**We must understand that enterprise development is about developing enterprises and not about having them swallowed by the big guys. I want to urge the emerging contractors to forge partnerships with established business so that there could be proper enterprise development and skills transfer.**

**We as Government also have a role to play. We need to ensure that our procurement environment and the empowerment strategies we develop encourage the development of the emerging enterprises. For instance, my department has initiated a Contractor Incubator Programme where projects are identified for execution by emerging enterprises. Through this programme, enterprises will be afforded continuous job opportunities, mentorship and training.**

**If we are unified and have a common and shared vision we will achieve our empowerment and developmental objectives. I am certain the time is near when we will no longer talk of emerging contractors.**

**We have indicated our position on the loss of jobs in the construction sector. We have seen our industry shed labour, turn a blind eye to unfair labour practices and the “casualisation” of labour.**

**Lastly and not least, we will as a country not achieve much if we do not address the issues that negatively impact on workers, which include living and working conditions of labour, ownership share schemes, health and safety and relevant and appropriate skilling of workers.**

**I Thank You.**