

**Opening Speech by Deputy Minister Ntopile Kganyago at the
2nd International Construction Clients Forum,
Port Elizabeth, 17 October 2005**

Chairperson,
Distinguished delegates,

It gives me great pleasure to join you today at this exciting international symposium. The occasion is a special one since it draws together representatives of the client community to explore the role of all of us as leading clients in shaping better construction processes and outcomes.

The Construction Industry Development Board (CIDB), together with the International Council for Research and Innovation in Building and Construction (CIB) have provided an important lead in creating this unique platform for shared learning and the action this will undoubtedly generate.

All of you, honoured guests from both overseas and local destinations - I welcome you most warmly to the Eastern Cape and specifically to Port Elizabeth. We South Africans love to entertain people from other countries - perhaps because we believe we have so much that is worth showing off. I do hope that those of you who have come such a long way - from China, from Canada, from several corners of Europe and the UK - will have a little time outside of your important deliberations to enjoy what this beautiful part of our country can offer you. I also hope you will find your visit to the Coega Development Project, a stimulating experience, both in terms of its scale and purpose as a stimulus for economic growth of this province and our country.

Today is an auspicious occasion in more ways than one.

Firstly, you are convening for only the second time as an international forum of construction clients, to allow the free exchange of ideas to open up new and better ways of working. By your presence and participation you are providing leadership.

The second reason today is auspicious relates to an event of nearly 30 years ago. On this day in 1977 the old regime banned one of the foremost voices of the free exchange of ideas. This was The World, a daily and weekend newspaper that had become a voice of protest of an oppressed people. This action by the minority government turned out to

be one of the watershed events that helped propel our country towards the final political liberation we embraced with our first general election in April 1994.

I mention this not to make any political capital but to emphasise how precious and important the freedom to exchange ideas is. It celebrates our ability, as individuals working together, to change the way we see and do things so that we may create a better world - whether that be a world of construction or a world of social justice.

So, I encourage you to be daring and imaginative in your discussions today and tomorrow. Let the exchanges between you be such that new ideas are born and become the vehicles for better practice tomorrow.

The overall Forum theme - Partnerships for Performance: Clients Leading the Way - perfectly captures the challenge facing clients. It also sums up the three discussion topics the CIB and CIDB have selected for this Forum meeting – Partnerships, Value and Client Leadership.

The focus on “Partnerships” addresses the issue of innovative collaborative approaches as opposed to the adversarial relationships that have become so entrenched in construction delivery. This morning’s group discussions on the topic of client leadership will no doubt permeate the 2 days of deliberation since it is clients who determine the fundamental value proposition of their projects.

And this brings me to the discussion topic of improved construction value. Value is an illusive concept that you will need to explore in all its dimensions. Value is certainly not achieved simply by lowest project price or the product quality on completion of the project. Increasingly, the Department of Public Works and other South African clients are defining value in terms of cost, quality and performance over the entire lifecycle of the project.

Around the world value to society is the quest of responsible governments. Many governments are actively promoting an efficient and effective construction industry that uses resources better, that reduces waste and that transforms the working environment of its people for better employment and greater productivity. As regulator and client to

the industry, governments are encouraging practices that promote social and economic priorities, including improved health and safety that preserves people, improved environmental practices that preserve the resources of our planet, and an improved built environment that promotes sustainable economic and social activity.

It seems logical to me that our concept of value must ensure that client leadership, together with partnership approaches, also promotes the goal of sustainable and developing construction industries, which are, after all, a common resource to all client organisations.

In the context of South Africa's growth strategy, the construction industry is a national asset. For the first time in twenty five years, we are seeing the beginning of a period of sustained investment that requires our country to double its construction output over the next 10 years. This places a direct responsibility on clients for industry growth and the development of sustainable enterprises. We also see this growing investment as a welcome opportunity for sustainable black economic empowerment. Sustainable enterprises perform better. They are better employers and contribute to skills development and an industry that delivers value to clients and society.

Ladies and gentlemen,

Once again, I would like to congratulate the organisers, to thank you all for your participation and to thank our South African client community for the sponsorship and support that has made this event possible.

I wish you fruitful deliberation leading to new thinking and new ways of working. Enjoy your interaction with each other. Enjoy the city of Port Elizabeth.

I thank you.