Deputy Minister of Public Works N Kganyago 23 May 2005

Speech by the Deputy Minister of Public Works, Mr Ntopile Kganyago at the National Industrial Chambers Conference at Zithabiseni Conference, 23 May 2005.

Government has put various systems in place to improve lives of the people and change it for the better. Among others the Department of Public Works is also playing a pivotal role in this regard, as it is the case with other departments in an efforts to alleviate poverty. My department has been mandated to run with the Expanded Public Works Programme (EPWP) which is a Presidential Lead project to half unemployment by creating at one million jobs and develop skills among our people. Much has been said about the EPWP and its rollout plans to create jobs and provide training. I would like to zoom in into details about the programmes of the Emerging Contractors Development Programme (ECDP).

We have also established the ECDP which is otherwise known as the Sakhasonke. It was established to implement the framework of the Targeted Procurement Procurement of the department in the construction sector. Added to that was to provide business and management skills to the Previously disadvantaged enterprise that are involved in the construction industry. The ECDP has registered over three and half thousand contractors in its database.

We have set up Helpdesks in all the regional offices of the Department located in Johannesburg, Pretoria, Polokwane, Mafikeng, Nelspruit, Durban, Port Elizabeth, Umthatha, and Cape Town. Each of these offices have established database of contractors in their respective areas to provide useful information such as: monitoring performance of individual contractor; providing records of contractors; categorization of contractors; providing customized reports for different purposes; providing a history of performance of each contractor; an roster of awarding contracts for category one contractors.

Ladies and Gentlemen, todate the number of projects awarded to emerging contractors in the period 2001 / 02 to 2003 / 04 is nine hundred and three (903) at a total value of one point seven billion rands (R1.7 billion).

We have identified training programmes and providers targeting the needs of small and emerging contractors called the Contracting Entrepreneurial Training (CET) Programme which is a comprehensive entrepreneurial and management training programme for owners and managers of existing and emerging contracting businesses in the construction business in the construction industry. The course itself comprises Generic Business Management Game, two Contracting Business Management Games and twelve seamless, progressive, step-by-step modules that introduce basic principles of good contracting business management in a simple and practical way. With this, Ladies and Gentlemen, we hope to make emerging contracting business more viable, and so to contribute to the national economy and the creation of quality jobs.

My Minster, Ms Stella Sigcau, often state that we need at some point in our lives stop referring to contractors as emerging because they cannot forever be referred to as emerging, hence our effort to bring intensive on job training. The Contracting Entrepreneurial Training in now run by the Construction CETA and todate 300 contractors have been trained on the CET programme.

My department has gone further to appoint the outside audit firms to audit the operations of the ECDP and its systems. Through this audit we then managed to discover that certain issues overlooked the management and operational issues, such as improper use of the database, poor screening of contractors manual registration and selection of contractors. Most finding are very general and common in the affected and some regional offices not following correct control measures and not adhering to departmental ECDP policies as a result of receiving proper induction into the programme. However, all these issues have since been receiving attention and we resolved with the following:

- Installation of the database in all the regional offices where it is not installed or functioning;
- Induction of all the newly appointed personnel and the existing staff;
- Followed with the proper training of ECDP personnel which includes advanced training in on database conducted by relevant institutions;
- Ongoing management support to the regional programme managers and;
- Close monitoring of the region offices.

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