## Deputy Minister of Public Works N Kganyago 31 January 2005

## Address to Limpopo government representatives Polokwane

Political Office bearers Elected Councillors & other officials Senior government officials Distinguished Guests Ladies and Gentlemen

Between July and September 2004, we launched the Expanded Public Works Programme in all the country's provinces.

Everywhere we went it was clear that the EPWP had achieved the status of a high profile programme of government, not only because it attracted local leaders such as Premiers, MEC's, mayors and local business people. The EPWP had even by the time of the launch justifiably raised the expectations of our people all over the country, who had started seeing the programme as one of the ways in which they could be part of a campaign to alleviate poverty and create a nation at work.

The EPWP owes its profile to the successes of prototype programmes such as the Gundo Lashu here in Limpopo and Vuku'zenzele in KwaZulu-Natal.

We launched the EPWP in Limpopo on 18 May 2004. Barely three days later, during the State of the Nation on 21 May 2004, the president said we would later be launching the EPWP in all the provinces by September. This was successfully achieved.

The provincial launches were necessary because although the EPWP is being championed at national level by the National Department of Public Works, it is being developed and implemented at provincial and municipal level. Without this input, the EPWP will be handicapped.

We were also keen as the NDPW to pass the message across that in our coordinating function, we would be working closely with both the provinces and municipalities.

The provincial launches were therefore also a commitment from government to the fulfilment of the EPWP objective, which is to use public budgets to alleviate poverty by providing skills to the millions of our people who are poor and unemployed.

In the words of the President': "The Expanded Public Works Programme,.....is a comprehensive intergovernmental, people-centred programme....It seeks to fulfil the overwhelming trust and confidence the masses of our people have placed in government that, we should work together, in partnership, to create a better life for all".

"An important element of this programme is a large-scale expansion of the use of labour-intensive construction methods to build, upgrade and maintain the social and economic infrastructure in all the underdeveloped rural and urban areas of our country that do not have such infrastructure," the president said. The president also said that although this is a national programme, "it will be implemented by the provinces and municipalities. Its success therefore depends on a high level of cooperative governance and hard work from the Premier, the MEC's and Members of the Provincial Parliament, Mayor, the councillors and the public servants from both the Province and local municipalities," said the President.

The President also noted a point we would like to emphasise which is that several years ago, the leadership of the Limpopo government, faced with abject poverty in the region, took the initiative to implement a labourintensive provincial roads programme called Gundo Lashu (which is isiVhenda for "Our Victory").

Under the EPWP, the Limpopo provincial government had teamed up with the municipalities in the province to expand the Gundo Lashu programme and its lessons to the municipal infrastructure sector.

The President also said Limpopo had done great work in the area of labour-intensive infrastructure

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programmes exemplifying "the kind of cooperative governance" necessary to fulfil the objectives of the EPWP.

It heartens me to note that Limpopo has seen the training of emerging contractors in labour intensive road and bridge construction and maintenance who are in turn hiring local labour to carry out infrastructure maintenance. The innovations by this province, who were the first to take on 25 learners, have spurred on the rest of the country to follow suite. I am happy to announce that because of your pioneering work today more than 850 similar labour intensive construction learnerships have been registered in other parts of the country. I am here therefore to pass the Minister's and my pleasure at the progress made by this province with regard to the aims and objectives of the EPWP.

But I am also here to re-emphasise the importance of ensuring that this government programme succeeds.

You will remember that following the launches the provinces undertook to do the following:

- Establishment of Provincial Steering Committees
- Formulation of provincial sector plans feeding into the provincial EPWP Framework Document
- Participation in the Learnership Programme by provincial and municipal government and very importantly.
- Compliance with the 'Guidelines for the implementation of Labour Intensive Projects under the EPWP' by provincial and municipal government particularly in relation to the Municipal Infrastructure Grant and Provincial Infrastructure Grant budgets.

## Current situation

It is now about six months since the EPWP was launched in all the provinces. Half of the municipal financial year is gone and only a quarter of the provincial financial year still remains.

The EPWP will be successful only if the collective works together. In our job as the NDPW, we have to ensure that all the parts work together in a well-oiled manner.

When we review the way some of the provinces have been working so far, we see that not enough effort and commitment have been exercised by provincial departments and municipalities.

Despite the fact that we have arranged training workshops, many provincial departments and municipalities are still not using these Guidelines.

There are two main worrying claims that we hear as we deal with our provincial and municipal counterparts. The first claim is that the budgets are already committed. The second is that they do not need EPWP Guidelines at all because their projects have been labour-intensive for years.

On the other hand it is also clear to us that some of the officials on the ground have not been given the mandate by their political principals to amend existing contracts to be in line with the EPWP guidelines.

We need to remember the law of the country as stipulated in the Division of Revenue Act (DORA) requires that provinces and municipalities must use the Guidelines for Labour Intensive Infrastructure when using the PIG and MIG budgets for certain types of projects.

These guidelines require that provinces and municipalities amend their existing contracts to ensure that certain activities are designed to maximise the use of labour instead of machines.

If contracts are amended in this way we will significantly increase the number of people employed in these projects. The political leadership in this province needs to ensure that officials have made these amendments to their contracts and are not only complying with the law but are also creating employment.

Another area of concern is the Provincial Steering Committees. These have been established but the working could be improved significantly in at least three levels:

- We have noted that those meetings are not taking place regularly and many PSCs have not formulated calendars for the year.
- Participation in the PSCs by municipalities is weak as there has been debate as to whether they should

participate directly or they should be represented by the Department of Local Government.

• MIG linkage has been missing as in many provinces the MIG Units do not participate directly in the PSCs.

With regard to the sector plans, we find that there is lack of coordination. This has resulted in that the sectorplans are being formulated in isolation from the Provincial Steering Committees.

It is critical in this regard for the lead provincial departments in the economic, social and environmental sectors to urgently look at implementation of programmes in this province. Here the Premier and MEC's need to ensure strides are made so that Limpopo can again show the way.

This is the heart and soul of the EPWP, a commitment from all spheres of government that they will change the way they spend their budgets to maximise the creation of jobs.

In this regard we will require the continued commitment of the political principals to the job of alleviating poverty and unemployment in the first instance.

The current political commitment as expressed in this province now needs to be translated into concrete actions in the bureaucracy so that we implement the EPWP and Make Poverty History.

The commitment to Make Poverty History is a commitment we made to the people of this country during the national launch in this province and later during the provincial launches.

We will not renege on it!

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