

**THE DEPUTY MINISTER OF PUBLIC WORKS, MR
NTOPILE KGANYAGO, MP, DELIVERS A SPEECH IN
SUPPORT OF THE NATIONAL BUDGET VOTE SPEECH
OF THE DEPARTMENT**

DATE: 28 MARCH 2007

**VENUE: NATIONAL ASSEMBLY, PARLIAMENT, CAPE
TOWN, WESTERN CAPE**

- **Madame Speaker**
- **The Minister of Public Works**
- **Honourable Members**

Infrastructure development and its prioritization by government is one of the key interventions to improve people's access to services essential to social development and economic growth.

Realizing the responsibility placed on it, the Department of Public Works has continuously worked hard to improve its financial and project management as demonstrated by the ability to spend entirely their capital works and maintenance budgets, ensuring that public funds are properly invested in the areas where they will help increase output, improve service delivery, reduce public infrastructure backlogs while promoting economic growth particularly among the sections of our population still vulnerable to the ravaging realities of the second economy.

In recognition, the Department has, for two successive years, been accorded unqualified audit reports. Indications are that the Department will once again fully spend its allocation in the year ending in 3 days' time.

Strengthened by this experience, the Department welcomes the vote allocation of three billion, six hundred and ninety three million and one hundred and twenty thousand rand (R3 693 120 000) for the new financial year (2007/08).

The increased budget will be used in the main to add to the capital works budget including prestige accommodation as well as fund the additional human resource capacity necessary to drive the programmes of the Department including the Expanded Public Works Programme.

Our construction building programme which is comprehensive and extensive in scope is driven by the necessity to provide public infrastructure designed to create a better life for all. In the previous year the Department successfully delivered significant public assets such as the Nerina One Stop Place of Safety for the Youth at Port Elizabeth, the magistrate court at Madadeni near Newcastle meanwhile the contract for the construction of the New Medium Security Correctional Centre at Kimberly was awarded in October 2006.

Currently major work (new acquisitions and mega maintenance projects) are underway notably the construction of the National Library, and the new Head Offices for the National Department of Education as well as the upgrading of both the Civitas and the CGO Buildings in the Tshwane City Centre.

We have prepared Master Plans for the refurbishment of both the Union Buildings and the Brynterion Estate. Besides their day to day importance in government and governance, the two properties are part of our heritage, and like many state's immoveable assets, they have been affected by the erratic maintenance patterns in the past. Once approved, the Master Plans will implement the recommendations contained in the status quo report which among others put emphasis on the security upgrades, water reticulation and upgrades of all electrical requirements.

In Cape Town, several ministerial residences and Parliamentary villages were upgraded in the last year and many more will be identified for renovations in line with the National Infrastructure Maintenance Strategy approved by Cabinet, which encourages increased investment into the maintenance of our infrastructure to augment their appreciative value, enhance their looks while preserving their heritage status. To meet the accommodation needs of the expanded Cabinet, we have begun to procure additional ministerial dwellings and this project will proceed even into the new financial year.

To promote regional economic growth, the Department completed construction refurbishment projects at some key border posts. Overall 34 of the 55 land border posts were placed under the programme for repairs and maintenance to ensure that occupational, health and safety requirements are met meanwhile enabling the user departments to deliver better services. The 2007/08 financial year will see the Department further developing, maintaining and doing upgradings at the ports of entry at Namibian, Botswana, Swaziland and Mozambican borders.

The building of the three African embassies is at the different stages of construction in Ethiopia, Lesotho and Nigeria and their completion is scheduled for the new calendar year. In the meantime the Department has commenced with the design and construction of further four embassies, this time in Tanzania, Rwanda, Malawi and Swaziland.

Both the Departments of Public Works and Defence are jointly involved in a Presidential project to renovate the O.R. Tambo School of Leadership situated at Kaweweta in Uganda. This is a military camp where the ANC MK cadres stayed during the liberation struggle. We will continue to expand our commitment to honour and respect those fallen on foreign soil, such as those under the United Nations Commonwealth Graves. We believe that particular consideration should also be given to mark and remember those that died in the cause of South Africa's liberation.

All these symbols of African renaissance coincide with the inception of the construction of the Pan African Parliament building at a site owned by the government of South Africa in Midrand, Gauteng. We hope to go out on tender in the second half of 2007.

Given the booming construction industry, the Department and its entities continuously engage in strategies to further increase the contribution of the sector to growth and development. However, the skills deficit and erratic skills supply in the built environment hampers growth.

There is an overriding imperative to create, retain and replenish critical skills necessary for growth within the dictates of the Joint Initiative for the Prioritization of Skills Acquisition (JIPSA), hence our distress call to the Council for the Built Environment (CBE) to develop a comprehensive Human Resources Development strategy for the sector, also prioritizing the training of unemployed youth and graduates in artisan skills, to meet the 2010 JIPSA target of 50 000 for such skills.

The proposed launch of the labour intensive National Youth Service in the Built Environment, targeting 10 000 recruits in its first year of operation, is one part of the solution. The other part will see the Department intensify its 2014 National Youth Foundation programmes in conjunction with the Military Skills Development initiative of the Department of Defence to train youth in both the military discipline and built environment professional services.

Graduates from the scheme are already pursuing built environment disciplines at tertiary level after completing high school with the financial assistance from the Department.

Artisan and professional skills are a critical challenge facing the construction industry and the Department has contributed to the Joint Initiative on Priority Skills Acquisition (JIPSA), notably through a study on skills requirements and bottlenecks in the skills pipeline. A number of interventions are planned to support the industry in this challenge.

One of the interventions we are exploring with industry is support to establish an industry-led Employment Skills Development Agency that would create a pool of learners, thus assisting small and medium sized enterprises to take on and provide experiential learning to artisans in training. We are committed to cooperate with industry, the FET colleges and the CETA on these and other initiatives. We have also called upon the Council for the Built Environment (CBE) to prioritize a comprehensive Human Resource Development strategy for the sector.

In the interim, the intergovernmental forum of the Public Works Ministers has decided to explore the possibility of bringing a range of built environment professionals from countries with whom we have bilateral relations such as Cuba to assist with ramping up the capacity and delivery skills of the public sector.

In anticipation of the frantic developments in the industry and the economy, the Public Works sector is re-capacitating itself particularly at management and other professional levels. Our HR section has developed innovative initiatives to eradicate the vacancy rate currently existing in the Department.

The strategy will continue to emphasize aggressive proactive recruitment including internship programmes, through induction & orientation systems, effective retention strategy and other career-enriching proposals that will make the Department a competitive employer of choice. The many workshops standing unused in the Department will be revisited with the aim to convert them into apprentice training camps for the artisans.

We owe it to our youth to imbue them with a work ethic to make them proud patriots. Many of our unemployed

youth come from disadvantaged backgrounds and communities where the need for service delivery is dire.

It is in these situations that the labour intensity of the EPWP is beginning to make a difference. Recently I returned from the official opening of the Makwane Rural Access Road in Qwa-Qwa. Once a dusty piece of road, the paved road now snakes through the village, leaving a lasting legacy of a durable, aesthetic asset in service of the general community. The good thing is that the community built it with their own hands. Perhaps unsurprisingly, the project is the Best in its category of the Kamoso EPWP Awards, inaugurated in February this year in recognition of excellence.

The Sakha Abakhi Contractor Development Programme under the Mpumalanga EPWP recently showcased the work done by the contractors both current and those graduated under the programme who are given opportunities not only to grow but to improve and develop their communities particularly in rural and semi-urban areas. Additional school classrooms are built to absorb overcrowding thereby promoting the culture of learning and reducing the number of learners under trees meanwhile creating business and job opportunities for the locals, complete with portable skills for future references.

To protect the gains we had made thus far, the Department has resolved to focus on the intensification of their Service Delivery Improvement Programme, commonly referred to as the Zimisele – Give It Your Best service level turnaround strategy. The implementation of a decision to devolve accommodation related

budgets to the clients and introduce user charges in 2006/07, although still at an incipient stage, has had a profound influence on the creation of an effective value chain with client departments.

In line with the Public Finance Management legislation and its precepts, the client departments are now accountable for both their capital and other budgets including maintenance, leasing and municipal rates & services.

The initiative to devolve client budgets has been very instrumental in our campaign to improve the service delivery record of the Department. In fact one of the outputs of our Zimisele Service Delivery Improvement Programme is the development and implementation of a Client Relationship Management strategy which will drive the value proposition to our clients while introducing more business-like management methods. Through the implementation of Zimisele, we aim to implement a customer-centric service delivery approach to our client departments.

Unknown to many members is the list of other activities the Department of Public Works engages in other than just construction projects. Every year the official opening of Parliament and hosting of state visits is made possible by dedicated teams of men and women in Public Works who fully understand and live by the mantra of the organization: 'South Africa Works Because of Public Works'

IT HAS BEEN A PLEASURE ADDRESSING YOU!!

