

Speech by Minister of Public Works Ms Stella Sigcau MP
during the EPWP Media Roadshow on November 23 2005

Venue: Ekurhuleni Municipality

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Programme Director

Gauteng MEC for Public Transport Roads and Works Mr.
Ignatius Jacobs

Mayor of the Ekurhuleni Metro Mr Duma Nkosi

Members of Parliament and Councillors here present

Senior Government Officials

Ladies and Gentlemen

On 18 May 2004 President Thabo Mbeki waxed lyrical and
the people of Limpopo ululated in acknowledgement as he

officially launched the Expanded Public Works Programme (EPWP).

The occasion was important not just because it was the first official launch of the EPWP. It was however significant because of the way in which it committed government to doing everything in its power, to ensure that all three spheres and agencies adopt a new way of doing business.

The launch was also bold as it was honest in its promise, which is to create at least 1 million jobs over the next five years. This I am happy to report today, is something that we are on course to achieve.

While I am pleased each time we meet our targets every year. I will however be a much happier Minister of Public Works when I know that when the EPWP has become so ingrained in the psyche and practice of government that it has become akin to Black Empowerment. I say this because in the similarities between BEE and the EPWP lies massive opportunity. Like BEE for example the EPWP does not have a separate centrally coordinated fund hypothetically called the “EPWP Fund”.

The point missed by those who at one or other time criticized the EPWP for not having funds of its own is that precisely because the programme was not separately funded, it could have access to infinitely more funds!

In this regard, like BEE, we are in a position to use a combination of peer pressure and powers of persuasion to spread the word of EPWP. In this way we will inculcate a culture of doing business that has as its central driving force the creation of jobs and the eradication of poverty. This culture will of necessity be seized with what I truly believe is the question of our time: How can we create more jobs in our economy without spending outside our budgets?

As a transversal government programme the EPWP's biggest challenge has perhaps been in the coordination effort. Without the sophistication in our coordination, a proper evaluation of our own progress would well nigh be impossible. It is through this process that we have been able to regularly report to you and to Cabinet not only on the quantity of jobs we have created, but also the quality of those jobs.

In this regard we announced that in the first year of operation we had created more than 170 000 (174 800) jobs. We also

said that we were on course to average the 200 000 jobs we need to reach 1 million jobs over five years.

In a manner of speaking a lot of water has passed under the bridge since the EPWP launch. It has now become common course that the EPWP is meeting all its targets.

It is with pleasure therefore Ladies and Gentlemen that I present to you the findings of our latest report. The First Quarterly Report of 2005 covers the first three months of the 2005/2006 financial year which are 1 April to June 30 2005. The report covers gross and net job opportunities across the four sectors of the EPWP, i.e. the infrastructure, environment and culture, social and economic sectors.

With regard to the infrastructure, environment and culture sectors the focus is on the substitution of labour for machines. The social sector is by nature labour-intensive, while the economic sector focuses on the creation of emerging entrepreneurs.

Before I give you the data let me provide you with a few contextual issues first. You must note that the EPWP data is collected on a cumulative basis from one quarter to another and is capped on an annual basis. This means that job

opportunities reported may not necessarily be new ones. What this further implies is that given the contractual nature of the infrastructure jobs it is quite possible that the same person could be returning to get jobs as we take in new contractors.

Let me make an example with the Zibambele Road Maintenance Programme in KwaZulu Natal. The programme consists mainly of part-time contractual work and the contracts are renewed annually. Because it is not possible in our current structure to keep track of every individual, the same person could be getting employed on a serial basis. This speaks to an inherent weakness in our Key Performance Indicators (KPI) which I will address in due course.

The second point is that some projects cut across financial years. It is therefore theoretically possible that there might be double reporting between quarters. Fortunately we now use the concept of person-years, which is a more reliable variable because it minimizes the potential for double-reporting.

I am also pleased to announce that we are busy with a proper monitoring and evaluation (M&E) framework for the

EPWP. This M&E process will commence in this financial year and will involve longitudinal studies and cross-sectional surveys, as well as case studies and completion reports. The lessons learned will be fed into project planning and implementation cycles, and will be used to identify the key issues that need attention in subsequent evaluation studies. In an effort to improve data quality the DPW is also conducting capacity-building workshops for reporting bodies across all provinces.

Returning to the results, I am pleased to report that in the last three months we created at least 60 400 gross work opportunities. This is at least 59 200 net work opportunities created by the end of the first quarter of 2005/06. In this period we paid total wages amounting to R98.6m. The wages we pay do not make instant millionaires out of the people in our programme. Instead the EPWP plays its part in the social reconstruction of this country together with other poverty alleviation programmes of government. In the process we provide a livelihood to the majority of women who otherwise would not have many alternatives when seeking to feed their families.

Speaking in exponential terms we have no doubt that when the impact we make on the lives of our people is spread many times to other members of the community. We are happy with the numbers which indicate that we created at least 42 500 jobs in the infrastructure sector and paid R69.9m in wages. This compares favourably to the 109 700 net work opportunities created in the infrastructure sector during the first year of implementation of the EPWP.

We are also pleased that in the Environment and Culture Sector we created 14 000 net work opportunities in the first quarter. We paid wages amounting to R27.4m. The total number of net work opportunities created during 2004/05 in this sector was at least 72 700.

A break-down of the data for the first quarterly report shows that the work opportunities created thus far consist of 64% women, 31% youth and 0.4% people with disabilities. This is a clear indication that we are addressing poverty in one of the best ways possible, which is to empower our women in the poorest communities of our country.

Average employment in infrastructure projects is approximately four months and six months in the environment and culture. However, in some infrastructure

programmes, such as the Zibambele routine road maintenance programme in KwaZulu-Natal, employment is longer because of the nature of work being carried out and the fact that contracts are renewed annually. Contractors, supervisors and artisans obtain even longer-term employment through EPWP projects as they move from project to project.

For this first quarter the majority of infrastructure projects were in the Eastern Cape. Most gross work opportunities however were in KZN at 32 400. The highest number of person-years of work created across the four sectors of the EPWP during this quarter was in KZN, namely 4 383.

Going forward I am pleased that the Business Trust has committed itself to supporting the EPWP for the coming years. This is through the establishment of an R100million facilitation fund over the period March 2005 – March 2010. The EPWP Support Programme will initially attend to the following factors. These are conditional grants, aligning the EPWP to the National Skills Development Strategy (NSDS) and the challenges confronting delivery in the social sector.

We have further identified five municipalities and two provinces to participate in the Expanded Public Works

Support Programme. These were selected on the basis of job creation potential, performance of municipalities as well as the capacity and willingness to implement the EPWP.

The Independent Development Trust supports the EPWP through its Social Facilitation Support Unit. It has already involved at a high level the Gauteng Department of Housing, Mogale City, Randfontein, Johannesburg Metro, Tshwane and Ekurhuleni Municipalities. An EPWP housing sector plan has been finalized, outlining the way forward for the provincial departments of housing who will be implementing the EPWP as part of their housing delivery. Implementation of the plan will align the infrastructure components of housing projects to the EPWP.

We have identified the Zibambele Road maintenance programme of the KwaZulu-Natal Department of Transport as a best practice to be replicated elsewhere. There are reasons why this is so. Zibambele currently provides work for more than 14 000 people who maintain sections of rural road networks across the province. We will replicate Zibambele in the Eastern Cape and Mpumalanga.

It is common knowledge that Transnet and Eskom will dominate infrastructure investments in South Africa in the

coming five years. Transnet and our selves have already prepared for adoption by Transnet Exco, an EPWP policy which will direct all their branches towards using labour-intensive construction methods wherever feasible. We will sign a Memorandum of Understanding (MOU) with Eskom in due course.

Through the Home Based Care and Early Childhood Development programmes the social sector plans to provide for orphans and children made vulnerable by HIV and AIDS. This is done in family and community context in partnership with non-profit making organizations like NGOs, CBOs and other community based organizations.

The EPWP economic sector aims to assist 3000 sustainable businesses to develop in various sectors over the period 2004/05 – 2008/09, through a programme known as venture learnerships. It is based on the Sakhasonke Programme managed by the Limpopo Department of Public Works. We have here extended this model beyond infrastructure into other sectors of emerging enterprise development. A total of 170 venture learnerships have been implemented in Limpopo and the Eastern Cape.

In conclusion it is clear that after the first year of implementation, the EPWP is on course to meet its job creation targets.

Some environmental sector programmes and labour-intensive infrastructure programmes such as the Zibambele programme in KZN, and the Gundo Lashu programme in Limpopo, are running successfully. They will be expanded further if and when more funds are available.

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