

THE MINISTER OF PUBLIC WORKS, Ms THOKO DIDIZA, MP, ADDRESSES  
THE NATIONAL EXECUTIVE COMMITTEE STRATEGIC PLANNING SESSION  
OF THE SOUTH AFRICAN LOCAL GOVERNMENT ASSOCIATION (SALGA)

VENUE: SUN CITY, NORTH WEST

DATE: 04 AUGUST 2006

- The Chairperson of SALGA, Councillor A Masondo
- The Deputy Chairperson, Councillor O Mlaba
- The Chief Executive Officer, Dr M Khoza
- All the Provincial Chairpersons
- Senior Government officials present
- All the distinguished guests
- Ladies and Gentlemen:

The Expanded Public Works Programme (EPWP) was conceived as a government-wide initiative to alleviate poverty through job-creation, skills development and the improvement of public service delivery. It is one of government's short-to-medium term programmes aimed at alleviating and reducing unemployment and unemployability and covers all spheres of government and state-owned enterprise.

The programme involves reorientating line budgets so that government expenditure results in more work opportunities, particularly for the unskilled labour. Therefore EPWP projects will be funded through the

normal budgetary process, through the budgets of line-function departments, provinces and municipalities.

The concept reflects the organic thinking on the side of government and follows a review of earlier interventions promulgated post -1994 under reconstruction and development. Shortly before 2004, the government review of the first decade of democracy presented us with lessons that we have since incorporated into our future visions (and EPWP is part of that vision), as we set ourselves new challenges and targets including the commitment to halve poverty by 2014.

Poverty eradication and the creation of a better life for all is the cornerstone of the government's business plan and is sacrosanct to our mandate to govern. The main characteristic of poverty is a lack of access to means of production and livelihood and this encompasses lack of access to basic but essential services. As a government representative of the will of the people, we have more than a duty to intervene, we have an obligation.

Let me say upfront that the success of EPWP is an act of patriotism that we as elected officials can barely afford to neglect. It is a clarion call from the President and the country to make a contribution to easing poverty by using public funds at our disposal to do that which we would normally do except that we are required to identify innovative ways to engage as many unemployed people as the scope of our projects can possibly allow. It is a mindshift. Given the time pressures that we are often subjected to in the delivery of products and services, most of us

would rather opt for the quickest methods of delivery including use of machinery for jobs that lend themselves easily to labour-intensity. We are conscious of this hurdle and our *“Guidelines for the Implementation of Labour-Intensive Infrastructure Projects under the EPWP”* articulate this concern accurately:

*Labour-intensive construction methods involve the use of an appropriate mix of labour and machines, with preference for labour where technically and economically feasible, without compromising the quality of the product.*

We have even made it an eligibility requirement that the key staff of contractors and the consulting engineers involved in the provision of these projects must undergo special accredited training programmes in labour-intensive construction. What is required in most municipalities is the political will and decisive leadership. Our experience in the programme shows us that where there is political hands-on, the results are discernible.

At MinMec level, EPWP forms part of our strategic conversations and we are beginning to interpret the role of Public Works differently. Many might have read in the media the explicit expression of the President to “overhaul” Public Works. Having read the statements myself, I echo the sentiment of the President because it is not contradictory at all. The forefathers (and foremothers) of the Public Works policy formulation in the 1997 White Paper, actually emphasized its role as a leader in the intervention of poverty and underdevelopment, a leader in creating opportunities for jobs and an instrument in the hands of the state to

intervene in the labour market effectively. Therefore we shall be shirking our responsibility as political leadership if we were to be content with being just the co-coordinators of the EPWP. We are asserting ourselves as leaders and drivers of the EPWP, and SALGA leadership should be an important element of that assertion. We view you as such. We call on you to have EPWP as also part of your daily strategic conversations.

Through the 2004 Division of Revenue Act, government placed some additional conditions on the Provincial and Municipal Infrastructure Grants. These require the provinces and municipalities to use the EPWP guidelines agreed upon between SALGA, National Treasury and the Department of Public Works to identify, design and construct projects financed under these conditional grants. However, narrow reliance on MIG only for the procurement of these projects means that mostly small, less impactful projects will be provided. We say it is not enough. In an effort to upscale and massify the size and the impact of the programme we urge the municipalities to begin to subject even their own resources to EPWP-inclined projects.

Opportunities for implementing the EPWP have been identified in other sectors other than infrastructure, namely economic, social and environmental. In terms of SALGA, we believe there is potential for partnerships in subjecting the environmental spectre to EPWP parameters particularly areas of waste management, cleaning and greening. Recently I sat through a presentation looking at maximizing job creation and labour absorption in the domestic waste management field. According to the study, there is a challenge in the sense that more

than five (5) million households in the majority of our municipalities “do not receive adequate waste collection...the problem is extensive, affecting all Provinces” (5 metros and 209 municipalities identified). The report stated that “successful case studies for collecting waste... have been implemented in sixteen (16) municipalities across South Africa, involving four hundred thousand households...” If successful, the initiative will assist municipalities to implement labour-intensive domestic waste collection programmes in the under-served areas while at the same time improving service delivery in the form of cleaner environments and a willingness to contribute to financial viability of the municipality. Together with DPLG and DEAT, the EPWP Unit seeks to hold discussions with National Treasury to determine if financial support can be offered to Municipalities who do not have funds to provide services themselves.

The Department of Public Works assisted by the CSIR and the Construction Industry Development Board have finalized a National Infrastructure Maintenance Strategy for approval. The emphasis is on factoring in maintenance into our asset management plans and placing equal importance to it as we do to constructing new facilities. This is in line with the ASGISA precepts but lends itself to EPWP guidelines on labour-intensive. Given the maintenance backlog in most of our assets and those managed by the municipalities, this is a further opportunity to harness the element of public infrastructure maintenance under the EPWP. The possibilities are endless.

Nationally the Department of Public Works, using its own line function resources, is partnering the Independent Development Trust (IDT) to roll-out building maintenance of our assets under EPWP. Work has begun. In addition, the Department is currently undertaking the R20 million, 120 km Nakop Water Pipeline in the Northern Cape using largely labour intensive methodologies. We are encouraged.

These and other innovations are necessary to embellish the scope and the impact of the programme. Between April 2005 and March 2006, the programme expended R4.7 billion to execute four thousand three hundred and eighteen (4318) projects and created 208 898 net number of job opportunities. About 49% of jobs went to women and 38% to youth against 40% and 30% targets respectively. Yet all these figures are still an under-representation given the under-reporting currently experienced by the municipalities, pending the finalization of the Management Information System. This attests to the role and the importance of the unison of all our implementing agents in delivering solid targets and pushing back the frontiers of poverty in this Age of Hope.