



public works

Department:
Public Works
REPUBLIC OF SOUTH AFRICA

**MINISTER OF PUBLIC WORKS
REPUBLIC OF SOUTH AFRICA**

Department of Higher Education and Training

**Launch of
“Skills for and through SIPs” Report**

Esselenpark, 2nd September 2014

Input by:

TW Nxesi MP, Minister of Public Works

Protocol

- Programme Director
- Minister of Higher Education and Training
- Minister of Economic Development
- Minister of Public Service and Administration
- Government officials and representatives of public entities
- Representatives of the sector
- Ladies and gentlemen

It gives me great pleasure to participate in this milestone event – the launch of the report: “*Skills for and through SIPs*” (SIPs = Strategic Integrated Projects) - which is such a crucial part of the roll out of the government’s Infrastructure Programme – which in turn is a key driver of economic and regional development, employment creation, skills development and the transformation we talk about in this second more radical phase of transition to democracy.

By the way, don't you just like the title of the Report. It could have been given a long academic and technical title, but instead the authors opted for this simple title: *“Skills for and through SIPs”* – simple and to the point. In other words:

- We need to know exactly how many, and what, skills are required for the SIPs to be delivered, and
- We need to explore how the skills base can be expanded through the SIPs – drawing particularly from the previously disadvantaged communities.

This, then, is what this Report has succeeded in doing:

- identifying occupations in demand for the Strategic Integrated Projects (SIPs);
- identifying the bottlenecks in the supply of these skills;
- recommending steps that need to be taken to accelerate the delivery of these skills; as well as

- listing actions that have already been taken, as well as the opportunities that lie ahead.

I am here, today, on behalf of the Department of Public Works to pledge our support and that of the public entities which report to Public Works, in particular: the CIDB (Construction Industry Development Board) and the CBE (Council for the Built Environment) and the six professional councils representing Built Environment professions which are coordinated by the CBE.

I also need to recognise the important contribution that the CIDB and the CBE have made to the development of this Report. They acted as Intermediate Bodies assisting the researchers to establish Occupational Teams in two areas:

- Firstly, in the Built Environment professions – with the help of CBE; and
- Secondly, in the area of Elementary and Non-trade production workers – with the assistance of CIDB.

CIDB

The DHET approached CIDB as a strategic partner and leader in innovation in the construction industry to provide leaderships and support to the identification of scarce and critical skills, the entrenchment of training in the industry, as well as capacitation of public sector officials to facilitate delivery of the SIPs. The CIDB has played the following specific roles within the SIPs skills project:

1. Providing tools for facilitating training within SIPs through the development and gazetting of the CIDB '*Standard for the Development of Infrastructure Contracts*'. CIDB together with industry stakeholders in the contracting, consulting and professional bodies worked on the developing of training placement opportunities for learners on infrastructure projects. The '*Standard for developing Skills through Infrastructure Projects*' was gazetted in August 2013

as a training guide on all public sector projects, including SIPs projects.

Although not yet mandated through Regulation - something that I will consider - I am pleased that this Standard is already being adopted on the SIPs, and I encourage the on-going uptake of the Standard. We estimate that if the Standard is applied across all medium to large public sector contracts, it will support the Department of Higher Education's mantra of "making every workplace a training space", and result in thousands of learning opportunities for FET learners and artisans as well as for built environment professional candidates. This will certainly help address the much needed skills for infrastructure delivery – and will contribute to the development and employability of our youth.

2. Secondly, CIDB has been instrumental in promoting the capacity of public sector officials in integrated infrastructure management through the IDMS

(Infrastructure Development Management System) – which, incidentally, we have adopted in the Department of Public Works.

CIDB in partnership with National Treasury and DHET have conducted pilot training of public sector managers on the IDMS system. DHET is currently investigating ways of promoting IDMS training for infrastructure delivery officials on all SIPs project locations, with a special emphasis on personnel in low capacity municipalities.

The IDMS tool kit provides guidelines for infrastructure delivery and procurement management necessary to deliver, operate and maintain infrastructure, capacitate delivery managers and facilitate a uniform approach to infrastructure delivery management. The toolkit, when adhered to, will also assist departments in complying with applicable legislative requirements.

3. Third, CIDB assumed a leadership role in the determination of training solutions for scarce and critical elementary and non-trade occupations. This involved the facilitation of a team of experts from construction companies, contractor associations, and private and public sector training providers to identify scarce skills, training needs and providers and a realistic costing of this training.

Because of this initiative, CIDB is currently working on the standardisation of training for elementary and non-trade production workers in similar occupations, in order to facilitate employability, job mobility and portable qualifications.

CIDB is leading the process of drafting best practice regulations and contract clauses to ensure transformation, employment and training take place within the National Infrastructure Programme – whilst promoting integrity, transparency, and quality on the part of contractors.

CBE

Built Environment professionals are key to the roll out of SIPs and therefore key to government's socio-economic developmental objectives to eliminate the triple challenges of poverty, unemployment and inequality. These professionals need to ensure that through their design, construction, maintenance and decommissioning of infrastructure activities they deliver on job creation, health and safety and environmental sustainability.

As the overarching body that oversees the regulation of the Built Environment professions, the CBE fosters and promotes the developmental role of built environment professionals, as well as developing and maintaining a skills pipeline of built environment professionals from the school phase, through tertiary education, to the candidature and professional practice phases.

The work of CBE, the professional councils and voluntary professional associations – working with SETAs - in supporting and expanding the skills pipeline necessarily includes a number of projects including the following:

- Support for school learners in relation to maths and science;
- Bursaries and support for tertiary students in the Built Environment disciplines, and
- Structured training programmes and mentorship for professional candidates.

In relation to the '*Skills for and through SIPs*' project, the CBE was appointed as the Intermediate Body for Professionals and Associate Professionals to ensure the establishment, support and training of Occupational Teams for Professionals and Associate Professionals on the critical scarce skills list. These Teams were tasked to confirm the scarce skills list, identify bottle

necks and come up with ways to deal with the bottlenecks in order to decrease the skills shortage in the country especially in the engineering field.

I need to mention a number of other initiatives and projects of the CBE and the professional councils which have a bearing on the roll out of SIPs. These include:

- Support for training of Health and Safety professionals – working with the Department of Labour. *[It is unacceptable that in the construction industry, on average, 2 workers die every week.]*
- A Project on environmental sustainability within the Built Environment. *It is good that we remind ourselves of the need to embed green practices and designs in the roll out of infrastructure.*
- A Project to train Built Environment Professionals on how to implement labour intensive construction

techniques in the design, construction, maintenance and decommissioning of infrastructure – so as to maximise job creation.

Transformation of the Built Environment

I want to conclude with remarks on the need for transformation in the Built Environment – so that we use the SIPs not only to roll out infrastructure and employment, but also to deepen transformation in this second more radical phase of transition to democracy.

We have already said that the SIPs seek to challenge the apartheid patterns of spatial and economic development.

I also need to mention that the Department of Public Works has a legislated mandate to pursue transformation of the Built Environment – the construction and property sectors. My Department – working with the public entities, the charter councils

and industry stakeholders – has declared – a renewed and sustained programme of action to transform the Built Environment as a priority for the five years of this Administration:

- so that ownership and management in the sector better reflect the demographics of the country; and
- we produce many more black and female built environment professionals. [*Currently only 24% are black; 9% female.*]

In relation to transformation, I have set in motion an initial process of consultation with stakeholders in the Built Environment sector – to drive the debate forward and to assist in the development of concrete proposals.

Clearly the government's Infrastructure Roll-out and the SIPs are a key part of ensuring that transformation takes place.

In addition to the key areas of skills development which the Report addresses, I would also encourage the SIPs – and in fact all infrastructure contracts – to also adopt the CIDB *Standard for Indirect Targeting for Enterprise Development*, which sets a minimum participation goal for the development of emerging enterprises on construction contracts.

In conclusion – and let me stress this - we have to ensure that, unlike previous grand infrastructure projects, the SIPs leave behind a lasting legacy in terms of:

- sustainable infrastructure
- economic and regional development
- employment
- skills development, and
- transformation of the Built Environment.

This Report: *“Skills for and through SIPs”* – takes us forward with a clear skills plan to ensure that the SIPs will indeed deliver this legacy.

I thank you.