

Minister of Public Works
Ms S Sigcau
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GCIS Parliamentary Media Briefing

POVERTY: ERADICATION, ENABLING, EMPOWERMENT AND INTEGRATION

In his State of the Nation Address the President said:

"We know ... that the struggle to eradicate poverty and underdevelopment is fundamental to the achievement of our own national goal to build a caring and people-centred society.

"... the central question we ... have to answer ... is whether what we are doing ... is helping to lift from the shoulders of our people, the intolerable burden of poverty and underdevelopment."

In response, Public Works answers in terms of what it is that we are doing to address poverty and underdevelopment.

We are driving various initiatives via procurement, mostly in the built environment. It is however, in the rural areas, where apart from the stark poverty we encounter, it becomes important that we deal with infrastructure of both social and economic nature.

Social development through infrastructure

Under our Community Based Public Works Programme, a vital cog in the Integrated Sustainable Rural Development Programme (ISRDP), we had already been running projects in 11 of the 13 identified development nodes. We spent more than R1 billion between April 1998 and December 2001 (R999 543 667) on 2 219 community infrastructure projects, providing employment to 98 419 rural people that have resulted in more than 6 300 sustainable jobs in respect of the infrastructure. In the current financial year,

18 599 people have **to date** been employed on CBPWP projects, of which 157 jobs will be sustainable, directly related to the assets created. Women account for 47,8%, youth for 45,3% and disabled for 2,5% of labour. Four per cent of project cost is budgeted for training and during this current financial year, where figures are still growing, we have already trained 2 800 people (720 women and 933 youth) on the CBPWP projects. This training represents:

Institutional training	1 228
Technical training	1 206
Operational, Organisational, Management and Maintenance training	366

Examples of Vukuzenzele or voluntary participation are many on our projects. For example, in KwaZulu-Natal, the Umgungundlovu District Municipality initially provided 800 day-old chickens to the Eshane CBPWP poultry project, enabling the first sales and generating cash flow. The Department of Agriculture, through its Greytown office, is assisting the project committee to ensure sustainable operation. The Umzinyathi Mayor has promised to provide this project with equipment that would allow them to skin the chickens for packaging and distribution.

Another highlight is the Zamimpilo Market project within the Uthungulu District Municipality. This project is not only having business success, but management success as well. Vendors are contributing 10% of their profits to the operation and management fund of the project. This will ensure long-term sustainability of the project. The popularity of this craft production and market project is increasing all the time, with growing tourism numbers in the area.

Last year we initiated Kings' Clusters, piloting 5 in the Eastern Cape to assist traditional leaders in their public responsibilities and to restore community dignity. We are currently expanding the initiative to the Northern Province, North West and Mpumalanga.

Concerning Multi Purpose Community Centres (MPCCs), in 2000/2001 the Department of Public Works spent

R22,4 million developing, upgrading and building MPCCs in KwaZulu-Natal, Northern Province, Eastern Cape, Mpumalanga, Northern Cape and Western Cape provinces. Fourteen such MPCCs are already operational. MPCCs are one-stop service centres which dispense various useful services facilitating easy access to these social services.

For 2002/2003, about R10,4 million has been proposed for the construction and development of 16 MPCCs in KwaZulu-Natal, Northern Province and Eastern Cape due to the high rural and poverty levels in these areas.

During the respective Imbizos there has been a demand from communities for such centres, indicating that the concept actually addresses a very acute need.

The same concept has been applied to the area of criminal justice, health, welfare, sport and recreation as well as arts, culture, science and technology, where Community Safety Centres have already been provided at Thembalethu (WC) (R11 339 604), Leboeng (NP) (R16 217 000) and Nsimbini (KZN) (R10 777 000).

At Khutsong (GP) (R12 534 303), Centane (EC) (R18 365 480), Galeshewe (NC) (R28 500 000) and Tshidilamolomo (NW) (R8 576 732), Community Safety Centres are currently under construction with a further three centres in planning phase for Thabong (FS), Redhill (MP) and Augrabies (NC). Community Safety Centres will provide various basic social services to the communities from a one stop centre with easy access.

Addressing the huge inherited maintenance backlog due to historical neglect of State properties, we introduced the Repair and Maintenance Programme (RAMP), with private sector companies repairing and maintaining specific facilities and buildings on contracts up to five years. Our aim is to ensure that State properties facilitate social service delivery they were intended to do.

Since November 1999 to date, repair and maintenance contracts valued at more than R1,4 billion (R1 407 686 568) have been awarded.

Of contract value, 71% (R993 516 439) was awarded to Affirmative Business Enterprises and 29% (R414 170 129) to established business enterprises.

The major clients benefiting from this cyclic repair and maintenance programme are Correctional Services (R1 176 796 987), Defence (R154 512 755), Labour (R4 596 828) and Justice (R1 321 445). Lifts (R70 458 553) are also repaired and maintained through RAMP.

Economic development through infrastructure

As of 1999, we have broadened our focus to provide infrastructure of a nature that not only enhances subsistence, but in itself contributes to significant economic development. Moving away from community gardens, we initiated the rehabilitation of neglected agricultural infrastructure at Ncora, Lambasi, Ndaya, Makhatini Flats, Upper Arabie and Elandskraal to become Community Production Centres (CPCs) that have sustainable commercial potential. The impact on poverty alleviation is also much greater, as each of these CPCs can affect around 50 000 people. Depending on the area, this concept can be extended to activities relating to mining industry, tourism and other industrial businesses, light manufacturing, etc., where partnerships will enhance the viability of the initiative. In the first CPC, Lambasi, results are already indicating the ultimate success of this concept. This success confirms the assertion long held by Statistics South Africa that agricultural revival is essential for rural economic regeneration.

Another area of change regarding our approach on infrastructure relates to the sale of redundant State property. In the past, mere price was considered. To address government's socio-economic objectives, we are inviting development proposals for the respective sites. I believe this approach to be successful, as illustrated by both the Midrand and Silvermine sales, where the proposed developments will further generate and stimulate sustainable economic activity.

The redundant properties at Brookes Hill, Midrand and Silvermine have been disposed off. Waterkloof Heights Ext 7, two prisons in Boksburg (Cinderella and Old ladies prison) are in process to be disposed of soon. The Department will announce the sale of Saldanha (Toothrock) in two weeks time. Since April 2001 to 8 February 2002, 242 properties in extent of 95 374 ha, to the market value of R86 809 124, have been disposed of. The successful completion of these transactions is a history making event in the history of this department.

Human resources

Throughout, on all construction and facilities management activities, we have stipulated through the procurement process, that technical and operational training should form part of projects. The Department of Labour has worked with us to ensure that empowerment, through skills transfer and training becomes a reality. The training complies with SETA requirements. This is evident from diverse projects such as the Youth Working for Environmental Accessibility, APOPS, ECDP and Women in Construction as well as the CBPWP as I have indicated. For example, at the King Sandile Cluster, we experienced the real empowerment of a young contractor, Siviwe Jayiya, 23 years old, who has now formed his own construction company.

Future dynamics to optimise the contribution of the State's property portfolio to social and economic development will unfold in the proposed implementation of a State Property Management Company. A draft Bill will soon be submitted to Cabinet.

CONCLUSION

In conclusion, in particular within the built environment, I am confident that procurement mechanisms championed by Public Works answer to the objective of Black Economic Empowerment, that micro-financing negotiations with IDC, Ntsika and Khula, for example, are reaping results and that Small, Medium and Micro Enterprises are indeed encouraged and assisted to participate and grow.

This is the work we will continue doing on the creation, maintenance and management of infrastructure owned by the State.

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