Minister of Public Works Ms S Sigcau 18 February 2003

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Colleagues Ladies and Gentlemen

Public Works' Contribution to Human Resource Development and the Employment Strategy

In his State of the Nation Address on Friday, the President referred several times to the expanded Public Works Programme.

The overall objective of this Government-wide programme is to facilitate and create employment opportunities for the poor, vulnerable and alienated groups through integrated and co-ordinated labour-intensive approaches to government infrastructure delivery and services provision.

Despite real economic achievements that the President referred to, government still recognises the need for higher levels of investment and economic growth to simultaneously address the racial, gender, and geo-spatial inequalities inherited from apartheid. We are responding by targeted job creation for the unemployed. The Social and Economic Clusters of Cabinet were mandated to formulate the expanded Public Works Programme as a key intervention, based on the recognition that infrastructure development is one of the primary drivers of growth, employment and development.

As a stepping stone, the 1995 Framework Agreement between business, labour and government on conditions of Employment and Skills Development provided a foundation for an expanded Public Works Programme. This Agreement took recognition of the fact that infrastructure development is a key driver to economic growth and social development with outcomes that lead to job creation, poverty eradication and income generation through an approach of labour-intensive methods of construction, development and maintenance. This has further been supported by government's procurement reform as a way that broadens access to economic opportunities that prevail in government business.

The **focus** of the expanded Public Works Programme will be to re-align current governmental infrastructure and maintenance investments targeting initiatives such as:

- National, Provincial and local government infrastructure investment and service delivery
- State-owned Enterprises infrastructure, community and poverty alleviation programmes

By focusing on the use of labour-intensive technologies as well as community involvement, the overall work opportunities will be increased.

Outcomes

At its best, the expanded Public Works Programme shall, in a coordinated and consolidated fashion:

- Align current infrastructure programmes of government and state-owned enterprises to maximise work
 opportunities for the unemployed
- Ensure that all participants receive on the job training related to the construction industry and service delivery in general
- Provide specific opportunities for women, youth and the disabled by targeting these vulnerable groups
- Create useful public assets which will provide social improvements as well as facilitate participation by micro enterprises, especially emerging contractors.

Key Performance Indicators (KPI's)

will include:

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- · Percentage of project budget set aside for work opportunities for the unemployed
- Number of unemployed provided with work opportunities
- Total person days of work provided for the unemployed
- Average duration of employment created
- Percentage of unemployed women, youth and disabled provided with work opportunities
- Type and duration of skills training provided.

Alignment of Existing Infrastructure Programmes

All public sector departments and State-owned enterprises are expected to formally respond to the expanded Public Works Programme to indicate which of the overall targets they will contribute to.

The objective of providing work opportunities to the unemployed should not only be applied to infrastructure construction, but as importantly, it should be extended to also apply to the maintenance of existing and newly created infrastructure as well as service providing projects.

The alignment and co-ordination of programmes within the ISRDP and the URP is of the utmost importance. Projects such as Zivuseni in Gauteng (directly productive, social cohesion and services) and Gundu Lashe rural road project in Limpopo and Working for Water are concrete examples of labour-intensive programmes that should be at the core of the expanded Public Works Programme. Programmes like Land Rehabilitation could also be suitable for labour-intensive methods.

Position

With our experience in piloting procurement reform in the construction industry, as well as the policy development and practical implementation on Community Based Public Works Programme and within the construction industry, Public Works is ideally positioned to not only share experiences with other departments but also to roll-out and record results on the expanded Public Works Programme.

The success of such projects, and the programme in its entirety will depend on sound programme and project management, where many lessons can be learnt from the existing Community Based Public Works Programme and the Emerging Contractor Development Programme. The latter in particular, is one of the components driving the promotion of the growth, development and transformation of the construction industry.

To demonstrate the potential of the proposed extended Public Works Programme, I want to draw your attention to some achievements of the existing programmes in my Department in terms of job creation and training:

- A total of 80 000 temporary jobs have been created
- A total of 33 970 women have been employed
- A total of 32 977 youth have been employed
- A total of 2 011 disabled people have been employed
- The Community Based Public Works Programme (CBPWP) has created 2 182 community assets

In 2002 alone:

- o 29 400 Cyclical jobs have been created through construction projects
- o 6 853 women have been employed to date
- o 6 711 youth have been employed to date
- o A total of 340 people with disabilities have been employed to date
- A total of 260 sustainable jobs have been created
- A total of 560 CBPWP projects have been implemented in the 2002/2003 financial year to date, employing 13 982 local workers
- Currently over R100 million of construction projects are undertaken by women-owned enterprises
- With each big construction project, workers could receive up to a 45 day intensive training in specific areas such as carpentry, electrical supply or plumbing
- $\circ~$ About 150 project managers from the 27 district municipalities with whom we work have been

trained on the Management Monitoring Information System as part of capacity building. Others have attended accredited institutional building training with emphasis on ownership, operation, management and maintenance of fixed assets.

 As part of human resource development in the construction industry, about 100 contractors were assessed and accredited through the Recognition of Prior Learning project, while 90 contractors where trained in contracting and business management skills.

Given all of this, it is clear that the expanded Public Works Programme has the potential to offer much more impressive employment and human resource development figures.

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