Minister of Public Works Mr J Radebe 20 April 1995

At the University of Cape Town's Graduate School of Business

Under the apartheid regime, the Ministry of Public Works was a Cinderella department, providing other government departments with traditional services. Its 1993 Mission Statement for example, stated that its task was to "provide, maintain and manage ... infrastructure for central government bodies" because the Department acted "as the State experts in the field of fixed property, accommodation and related service".

A major paradigm shift in the Mission Statement of the Department was effected during the course of 1994 in order that the Department fulfils additional roles and responsibilities in line with the demands of the Reconstruction and Development Programme. The most significant goals of the Department include the implementation of a purposeful, well-planned and multi-faceted national public works programme. For the first time, the Department has emerged in its own right, not tied to other departments, such as Defence, Housing, Transport, and other combinations.

The old apartheid ways of doing things resulted in neglect of Public Works as a whole. But his new mandate has placed a challenge before my Ministry to play a pivotal role in achieving the key objectives of the RDP, namely meeting basic needs, building the economy and developing human resources. These elements are central to the larger challenge of building a truly democratic South Africa.

The flagship function of my Ministry is the National Public Works Programme.

The objectives of the NPWP are as follows:

- To reduce unemployment and create labour absorbing jobs;
- To create, rehabilitate and maintain physical assets which serve to meet basic needs of the poor communities and to promote broader economic activity;
- To educate and train those in the programme as a means of economic empowerment;
- and To enhance the capacity of communities to manage their own affairs.

The NPWP is therefore a programme that aims at simultaneously generating assets and incomes, and developing functional, administrative and productive skills.

We regard the National Public Works Programme as only one of a number of measures that the Government of National Unity needs to take in relation to creating jobs. Others relate to land reform, support for small business and the encouragement of investment in the economy.

The distinctive nature of a public works programme's ability to create jobs is that it aims to create the maximum number of jobs per unit of expenditure through the introduction of labour intensive construction in the provision of infrastructure.

The RDP commits the government to a large scale infrastructural programme to address the basic needs of our people. The sectors of the economy that are amenable to labour intensive construction include road construction, provision of water and sanitation, including dams, and the provision of bulk infrastructure for houses.

The objective therefore of a national public works programme is not to set up a specific programme of job creation within government, but to ensure that the infrastructural provision of the State is done in a way that creates employment, provides training and empowers communities.

To achieve the objectives of the programme the NPWP has two components:

- The Community-Based Public Works Programme, to which a variety of government and nongovernmental organisations receive funding, provided they meet criteria consistent with the objectives of a national public works programme. This is to ensure short term delivery, particularly in rural areas where there is a lack of institutional capacity and great need.
- A programme to re-orient public expenditure on infrastructure and transform the institutional capacity of

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line functions of national and regional government to ensure much more larger scale job creation, skills development and capacity building through the provision of infrastructure.

Over time, the focus of the public works programme will shift away from providing funding through the Community-Based Public Works Programme and the majority of the funding would occur through line functions of national and regional departments where the National Public Works Programme could be integrated into sectoral or regional development plans.

By year five or six, we should be able to reach the RDP target of 300,000 job opportunities to be provided per year.

The main residual function of the NPWP would then be to provide co-ordination of technical support in design, training and capacity building and monitoring to ensure that public works expenditure effectively achieves multiple objectives.

A number of structures have been established to assist the implementation of the programme, including a task team and an inter-departmental committee at national level; a resource and advisory group, drawing in expertise from civics, trade unions, the private sector and non-governmental organisations; and a contact group within the Department to ensure institutional transformation of this Department.

R250 million has been allocated from the RDP fund for Community-Based Public Works Programme, of which R70 million has been allocated to the independent Development Trust, which has already granted R14 million to over 400 communities in rural areas.

A further R12 million has been allocated to the South African Sugar Association's Community Development Programme, covering the Eastern Transvaal, KwaZulu-Natal and the Eastern Cape with emphasis on the rural communities along the sugar cane belt.

Negotiations are under way to allocate a substantial sum to the National Youth Service Initiative Programme.

The remaining R150 million will be disbursed by provinces. Provinces have been given indicative amounts of funding, based on the extent of poverty, unemployment, lack of skills and lack of infrastructure relative to the size of the province and population. Five provinces have had their business plans approved, and the rest are in the process of preparation. Upon approval, provinces will begin implementing the programme.

The Framework Agreement for Labour intensive Construction is being incorporated into the NPWP. As labour intensive construction has now become government policy, the system of accreditation of pilot projects will be phased out and all projects which are directed to fall within the NPWP by public sector founders will be monitored to ensure compliance with the NPWP objectives. Since November 1994, funding for the implementation of the Agreement has been provided by the Department.

Experience in the rest of the world has indicated that the success of public works programmes rests on their ability to proceed only as fast as technical development and training proceeds. To proceed too rapidly would lead to the creation of unsustainable assets and thus discredit the programme for years to come.

We will thus be focusing on building these capacities in 1995 and then begin to initiate medium to large scale labour intensive programmes with infrastructural sectors such as roads and water provision, which is conducive to large scale job creation.

We will be established a regulatory legislative, budgetary and institutional frame work to ensure that infrastructural programmes are, where possible, carried out according to the principles of the NPWP.

By 31 March 1996, all construction, upgrading and maintenance of all gravel roads, minor urban roads and water supply and reticulation systems should occur on the basis of NPWP approaches.

A programme of work will continue, in close co-operation with infrastructural departments and the private sector, to develop appropriate labour intensive designs for relevant infrastructure, contract documentation for established and small contractors.

In co-operation with the Department of Labour, Department of Education, the Civil Engineering Training Board, training NGOs and others, appropriate curriculum for the various aspects of the NPWP will be

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developed.

Urgent attention will be given to ensuring that there is adequate capacity within the civil engineering industry to implement the RDP lead projects using labour intensive construction methods. Training programmes will utilise the expertise and assistance of international agencies such as the International Labour Organisation.

By June this year, a monitoring system will be in place to both establish whether projects within the NPWP are conforming to the NPWP criteria as well as to learn from experiences and improve the programme. It is intended that a large scale evaluation of the programme should be conducted by the end of 1996 so that problems in the programme can be detected early on.

Together with the Department of Labour, it is intended to develop a national framework for the setting of wages for labour standards for job creation initiatives by the end of 1995.

The NPWP has adopted an inclusive approach, reaching out to all sectors which have an interest in infrastructural provision and job creation. We have established and will continue to work with initiatives such as the National Youth Service Initiative, the National Women's Resource and Service Centre and the Service Brigade of the South African National Defence Force.

Insofar as the role of business is concerned, the partnership between the NPWP and the business sector is critical. Obviously, the construction industry is central to the implementation of a labour intensive approach to delivery of infrastructure. As demonstrated by our partnership with the South African Sugar Association, there are opportunities for the business community to suggest partnership and new methods of using our combined resources to address the backlog in socio-economic amenities. Achieving such goals, as articulated in the RDP, is critical for a sustainable growth path in the country.

In the new dispensation, the joint interests of the business sector and the government call for a collaborative and co-operative framework. On our part, we facilitate involvement by the business sector and invite their sustained participation to realise the objectives that we believe will serve the interest of the nation.

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