

**Minister of Public Works
Ms Stella Sigcau
24 April 2001**

[Back](#)

**At the launch of the
Construction Industry Development Board**

Chairperson
Colleague Ministers
Members of Parliament
MEC's
Representatives of the Diplomatic Corps
Leaders of the Construction Industry
Distinguished Guests
Ladies and Gentlemen

1. PURPOSE OF THE GATHERING

Tonight we are gathered to witness the long-awaited birth of the Construction Industry Development Board. We have come together with a two-fold purpose: - to celebrate our achievement and to recommit ourselves to the challenges ahead.

The new CIDB, as we have fondly nicknamed this baby organisation, is the product of partnership, a partnership between government and all industry stakeholders.

Tonight we are therefore celebrating our collective labour spread over several years. You may congratulate yourselves and each other - and the many who could not be with us tonight for this joint contribution to the new South Africa.

I include in these congratulations the friends who have joined us from Southern Africa, from Africa and the wider global village - all of you who have shared your experience with us and who rejoice with us today.

2. THE TASK TEAM PROCESS

Ladies and Gentlemen,

Our journey to this historic launch of the CIDB has been a path-finding one. Led by the Inter-ministerial Task Team the construction industry development process has engaged the creativity and support of all stakeholders, including the people's representatives in Parliament, in defining the industry's growth and development.

Supported by industry focus groups, the Task Team process has played a significant role in developing strategic outputs and recommendations for the new CIDB. This is reflected in the Task Team close-out report, which is an impressive record of the work that has been accomplished, - and the depth of thought that has gone into these outputs and recommendations.

This process, which was longer than originally envisaged, has allowed all those involved to internalise the complexity of the challenges we face. This learning curve has contributed to a high level of common understanding as demonstrated in such outputs as the Register of Contractors and the Register of Projects. It facilitated the passage of legislation at the end of last year.

To the Task Team, on behalf of my colleagues on the Inter-ministerial Committee, I thank you all for your unwavering commitment to this process, and for maintaining focus and tenacity in the face of great challenge. I also thank the Task Team Secretariat, which has so ably supported the Task Team.

The establishment of the CIDB marks the end of the Task Team's exceptional beginning towards construction industry development.

In taking forward this process, the new CIDB must build on all that has been accomplished.

3. THE CIDB

Ladies and Gentlemen,

The CIDB Act equips the CIDB with statutory functions and instruments to drive implementation and to promote the outcomes that we want.

We have developed this Act together and I would like to summarise some of the objectives, which we all believe are fundamental to the CIDB's purpose:

- The CIDB should provide a focal point for leadership in Construction Industry Development.
- It should promote industry stability and sustainable growth to promote South Africa's economic and social objectives.
- The CIDB should work towards unlocking bottlenecks, promoting best practice and enhancing our capacity to deliver quality infrastructure to our people.
- It must promote transformation and the inclusive participation of all role players in the mainstream construction economy. This includes suppliers and subcontractors, the workforce and women.

The CIDB Act empowers us to fulfil these objectives through the various instruments such as the Register of Contractors and the Register of Projects. It also empowers the Board to enlist the broader expertise of industry through the establishment of a Stakeholder Forum.

The Act also establishes the CIDB's accountability to fulfil its mandate. The CIDB is accountable to the Ministry of Public Works and ultimately, to South African society.

In terms of this accountability, Government will not shirk its responsibilities. Government will not establish a statutory body that will be impeded by a lack of resources, either financial or otherwise. We will ensure that the CIDB is adequately funded to fulfil its mandate and to implement its business plan.

The CIDB will be funded by the Department of Public Works and will have a first year budget allocation of 11,5 million Rand. Projections anticipate that this may rise to approximately 20 million Rand by its third year of operation when its capacity and business operations should begin to peak.

To ensure that the public is receiving value for this financing, the Act entrenches Government's right to carry out independent evaluations of the CIDB's impact on Construction Industry Development - and from time to time we will do so.

4. THE APPOINTMENT OF THE CIDB

Following the enactment of the Legislation in December last year, my team moved swiftly to ensure the appointment of the first members of the Construction Industry Development Board.

Over 100 nominations were received. A short-listing panel of senior government officials and eminent private sector individuals was appointed to ensure that the recommended Board reflected the spirit and intent of the Act.

The panel was led by Lydia Bici and Jerome Govender of the Department of Public works. It further comprised:

- Mr. Junior Potloane of the Department of Water Affairs and Forestry,
- Judge Antonie Gildenhuys of the Land Claims Court and Civil Engineering Foundation,
- Ms Ntombiyakhe Kwinana of Kwinana Associates Chartered Accountants and Auditors,
- Mr Paul le Sueur of Group Five Building and the Task Team, and
- Mr. Caswell Makama.

To this panel, I say thank you for doing an excellent job. The panel had both the good fortune, and the difficulty, of short-listing from a wide range of talent.

The challenge that the panel faced was to recommend a Board with leadership capability and a breadth of expertise and knowledge in Construction Industry Development - while maintaining a reasonable balance of competence, race, gender and geographical composition.

The Board members who have been appointed surpass these requirements without exception. The new Board broadly embodies not only the branches and expertise of the industry, but also our vision for its development.

Ladies and gentlemen, the members of the Board will be introduced to you shortly. In congratulating them all, I wish to say a few words about the selection of the Chairperson, Brian Bruce and the Deputy Chair, Pepi Silinga.

Both Brian and Pepi have distinguished themselves in their roles as Chair and Deputy Chair on the Task Team. They have demonstrated strategic leadership and a firm grasp of the issues central to construction industry development. I believe that their continued leadership of the process will ensure continuity of purpose and will enhance the ability of the CIDB to move swiftly into implementation.

5. CHALLENGES AHEAD

Ladies and Gentlemen,

The establishment of the CIDB is the beginning of a new phase in our epic journey towards construction industry development. Our launch of the CIDB is more than just a celebration of accomplishment. It is a commitment by all of us to the challenges ahead.

To fulfil its role the CIDB must move swiftly to establish executive capacity. It must also establish the Stakeholder Forum as the formal expression of the industry-wide partnership that supports its role.

Implementing our vision demands of us that we establish concrete and measurable targets. We are aware that many of the CIDB's goals are of a long-term nature. But the time for implementation is upon us.

I therefore call on the industry to support the CIDB and Government to establish medium term targets for construction industry growth, performance, delivery and transformation.

In support of this objective my Department is initiating a benchmarking study to establish a departure point for the development of key performance indicators.

We must establish concrete targets for performance improvement in terms such indicators as:

- delivery cost, quality and time,
- health and safety, as well as
- emerging sector participation.

We must establish targets for improved public sector delivery management. One possible indicator would be the time taken by public sector agencies to pay for work completed. We must also establish realistic, but definite targets for growth.

To achieve these objectives will require the full support and participation of clients and investors. It may require demonstration projects. I therefore call on the CIDB to establish a Client Forum through which we can determine client, investor, and financier expectations of the industry - and can mobilise their support.

These are some of the immediate challenges from the perspective of Government. Concrete improvement targets will enable all of us to measure the performance and value added by the new CIDB.

Finally, on behalf of Government, I call upon the CIDB and industry to convene a conference a year from now, at which we can adopt and commit to a process of improvement that is measurable and attainable.

6. CONCLUSION

Ladies and Gentlemen,

We have arrived together at base camp. Our partnership is intact. The mountain of implementation looms before us. Together, as from tomorrow, we must pursue the systematic industry development and improvement path that we have mapped out. We must do so in a way that ensures benefits to investors and

clients of the industry, industry participants and South African society in general, through the strong economic multiplier effects of construction.

I would like to conclude by thanking the members of the Board for making themselves available to serve on the CIDB. They have a challenging time ahead of them. I take this opportunity to assure them of our support and to wish them every success.

[top](#)