

**Minister of Public Works
Mr J Radebe
25 November 1996**

[Back](#)

At the Tribute Forum

"PUBLIC WORKS: TOWARDS MEETING SOUTH AFRICA'S SOCIO-ECONOMIC NEEDS IN THE 21ST CENTURY"

Master of ceremonies, ladies and gentlemen. I feel very honoured for having been invited to address the Tribute Forum today. The Tribute Forums have over the years come to be highly respected and have assumed an authority of their own.

Many great thinkers and political analysts have passed through the Tribute Forums. On that basis I would like to express my gratitude to S'bu Mngadi, editor of Tribute magazine, and his staff for granting me this opportunity to explain the way forward for the Department of Public Works into the millennium.

A very serious and profound transformation is taking place within the Department. Some of the changes have taken place at the initiative of government as a whole, while others have been at the instigation of the Department itself.

At entire government level, we are guided by government's macroeconomic strategy for growth, employment and redistribution which stresses that careful management of the overall government wage bill is central to our fiscal strategy. It says that in implementing the three-year public service salary adjustment and right-sizing programme, affordability considerations, maintenance of public services and macro-economic constituency are paramount.

The internal readjustment within the Department began with a transformation process that was steered through by a firm of management consultants and has culminated with the Green Paper on Public Works, which we unveiled a month ago. Following that, an extensive consultation with all stakeholders is now in motion, leading to a White Paper on Public Works at about March 1997.

Our transformation process goes beyond simply ensuring that we execute our core functions effectively, but also has to ensure that the socio-economic objectives embodied in the Reconstruction and Development Programme are infused into the core activities of the Department.

Our transformation process is underpinned by a number of principles that ensure that we offer a good and valuable service to the public. To do that we have to ensure that we carry out our constitutional mandate by

- investing and managing effectively and efficiently;
- by ensuring optimal return of investments not only in financial terms but also in the extension of our skills base;
- by empowering the people through the creation of sustainable employment and the multiplier effect thereof;
- and in establishing physical, social and economic infrastructure which will not only ensure stability, but also a meaningful contribution to growth, employment and overall development to South Africa and its people.

The Green Paper enables the Department to tackle its own inherited challenges, such as the lack of client focus, regulatory impediments, lack of a common vision and an inappropriate organisational structure and approach to management.

For the first time in its history, the Department's undertakings provide a meaningful and well-targeted service to both government and society as a whole. The ultimate test is the extent to which the Department's performance enriches people's lives through its distinctive contributions to overall government objectives.

The National Public Works Programme constitutes a radical departure in terms of the way the Department has traditionally performed its responsibilities. As Opposed to being a department obsessed with operations founded on outdated norms and standards, we now have tested policy to inform these operations and impact on service delivery.

It is only in this way that Public Works can enhance its operational capacity, thereby becoming a productive, effective and successful delivery mechanism. The programme fulfills a leading role in the transformation of the construction industry and going beyond just a community-orientated developer in the relief programme sense of the word.

Whereas a variety of government initiatives aim at creating employment opportunities in various sectors, the Department's job creation role is particularly critical in that it is mostly targeted at the unskilled and low-skilled labour, the very types of labour that suffer the highest rates. Women and youth require special targeting, and we are committed to opening up appropriate opportunities for workers with disabilities.

According to the GEAR document, assuming a six per cent growth rate is achieved by the year 2000, a quarter of the 400 000 new jobs will be created through accelerated labour-based infrastructural development and maintenance of public works in urban and rural areas.

The importance of the public works programme also lies in building the capacity of civil society to engage with development issues. Community structures are developing capacity to manage projects while NGOs are being given opportunities to manage delivery and to provide training.

International experience confirms the centrality of programmes of this nature during periods of economic stagnation and in countries going through a major political or economic stagnation. We are working closely with other line function departments, provinces and local authorities to ensure rapid and effective delivery of the programme.

As a recognition of the leading role we are playing in this field, we were appointed to lead the government delegation to the Development Chamber of the National Economic Development and Labour Council (Nedlac).

Public Works will also be restructuring delivery of services and construction of facilities to meet its socio-economic objectives. It will be conducting pilot and training projects from which lessons learned will be incorporated into larger-scale initiatives of a long-term programme. During the implementation of the pilot programmes, the Department will strengthen its own monitoring and evaluation capacity. Systems will be developed to see how socio-economic objectives are being met and the results will be fed back into the processes.

We acknowledge the need for projects to adhere to strict socio-economic criteria, including addressing a specific recognised need, being appropriate to the intended climate and locality, making optimal use of local resources, contributing to skills development and jobs, promoting entrepreneurship, protecting the environment and conserving energy.

The Department will ensure that all its capital projects are structured in such a way as to provide technical and entrepreneurial training, and are targeted to promote local resources and utilisation of construction-related small, medium and micro enterprises. In particular, capacity-building for SMMEs is critical.

The Department will use its position as policy maker and client to foster SMME capacities. This will help us to identify the capacity-building that is required, commit resources to long-term maintenance and institute not just training programmes but a broader process for community capacity-building in each project.

Public Works has a crucial role to play in creating an enabling environment for reconstruction, growth and development in the construction industry. Our strategy, which is aimed at overcoming existing constraints, promoting performance and developing capacity is underpinned by the following principles:

- Address growth and development objectives holistically and in collaboration with all stakeholders
- Build efficient public and private sector capacity for the delivery of cost effective construction goods which meet the expanding social and economic needs of the nation
- Encourage the participation of those previously disadvantaged in the industry
- Promote sustainable employment and the productive utilisation of the nation's human and other resources in the delivery process
- Develop appropriate, equitable and co-operative relationship between client and supplier, public and private sector, contractor, subcontractors and the construction workforce.

- Measure objectives and progress against the benchmarks of international best practice.

The Department will ensure that maintenance work on its properties continues to be done labour-intensively. Furthermore, in collaboration with the Department of Education, we will champion a significant expansion in the development of artisan skills through existing technical colleges.

Maintenance also provides alternative methods of delivery. It should be possible for many maintenance services to be provided by the private sector, especially SMMEs, depending upon the balance between in-house departmental capacity and out-sourcing; the method of out-sourcing and the effect of the legacy of the past upon development, quantity and pace of supply of subcontractors and SMMEs.

SMMEs will be given priority consideration in maintenance out-sourcing, and the limited scope for entry of new and less experienced providers will be addressed, including reducing the severe limitations imposed by existing procurement requirements. Support will be provided to small maintenance contractors in four main areas: continuity of work, access to advice, training and finance.

In addition to maintaining facilities, the Department must manage what are at present superfluous assets. Some properties or land holdings within the public works portfolio will be sold or leased out, with the aim of meeting socio-economic objectives.

To fully implement these and other initiatives, we will continue to examine and restructure the way in which we provide public facilities. Internally, the Department will apply strategic management procedures in pursuit of sound business practice, in the context of socio-economic objectives. This will entail a process of rightsizing the Department over a five-year period, in which through natural attrition, severance packages and voluntary transformation of employees into entrepreneurs, our staff complement will be significantly reduced.

The Department will incorporate social objectives into property investment decisions, complying with other key statements of government policy, by

- packaging properties into smaller units for disposal and easier acquisition by SMMEs;
- considering soft loans for purchasing properties designated for disinvestment at market value;
- considering employment enhancing human resource development in the property industry, promoting alternative production regimes -including labour-intensity- in the construction industry, promoting the construction of government facilities in under-serviced areas in consultation with client departments, increasing the quality and standards of property development and maintenance in underdeveloped areas, protecting the environment, conserving energy, increasing the public's access to natural resources, recognising the needs of people with disabilities, and embarking upon other creative affirmative action initiatives with respect to race, gender and youth participation in the property industry.

In conclusion, ladies and gentlemen, the Department has restructured itself so as to contribute more effectively to government's socio-economic objectives and initiatives such as the National Public Works Programme are particularly important examples of the Department's commitment to creating employment, increasing appropriate public investment, and enhancing economic growth.

I thank you.

[top](#)