Minister of Public Works Ms Stella Sigcau 30 August 1999

Parliamentary Media Briefing

Chairperson, representatives from the media, ladies and gentlemen...

We all acknowledge that the first five years of our democratic state saw us through legislation and other forums of participation building a solid foundation on policy and strategy for the future.

Now delivery and accelerated delivery is what it is all about. Our President has made it very clear in his opening to Parliament - if we are to ensure a better life for our people.

Our delivery is aimed at accelerating the provision of basic service to all South Africans, creating sustainable jobs for the county's citizens, promoting sustainable rural development strategies, and utilising the resources available to the state to grow the economy of this country.

Public Works has a central rote to play in ensuring a better life for all in South Africa.

It is our vision to be the leader in Africa and the Developing world in the provision and management of state property and Public Work Programmes.

Our mission is to ensure that the national state departments of South Africa have a built environment that meets their financial, technical and social requirements through the:

- Provision, development and maintenance of accommodation
- Acquisition and disposal of fixed state property
- Management and maintenance of the state property portfolio

And

To implement the National Public Works Programme by:

- Creating assets through the Community Based Public Works Programme
- Influencing and stabilising the construction and property industries and ensuring that infrastructure is provided in a way that creates jobs, empowers communities and develops human resources.

As custodian of the state's fixed property portfolio, estimated at a value of R120 billion, this Department has an obligation to manage the portfolio efficiently and effectively, enabling the different critical components of government to function properly in an environment conducive t their appropriate performance.

This property portfolio also allows us the opportunity to unlock the latent economic potential of under-utilised state property via the promotion of creative partnerships with the private sector, thereby generating revenue to the state coffers. Public Works does not only expend state resources, but also has the ability to generate revenue to the state - a subject on which I have recently made several comments, in particular referring to the investigation of a possible establishment of a property agency.

The skewed development and investment in infrastructure over the last four decades has resulted in uneven development, with two parallel societies existing within our country - one fully developed and the other underresourced. We have an obligation within Public Works to reconcile these two parallel streams, to build a united nation and via careful targeting of our resources where under-development has occurred. It would be naive to assume that we could eradicate backlogs overnight. Our journey of delivery has just begun.

The last four years have seen a range of policies being developed and my predecessor has presented us with a policy framework to take Public Works into the 21st century. The focus from now on is thus no longer on new policy development, but on operationalising the policy already developed. Clearly, implementation will lead to refinement of policy, as experience on the ground will further enable us to critically review some positions and to effect the necessary changes to ensure accelerated delivery.

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An area that we will be focusing on in the next five years is our contribution to an integrated rural development strategy. With the shedding of jobs in the mining sector, and the increase in migration to urban areas, rural development remains critical to ensure that even development takes place across the country. Our rural development strategy also addresses the marginalised sectors of our society, namely women and the youth. The National Public Works Programme and its objectives. have to be located centrally in such a rural development strategy, and Public Works, both nationally and provincially, should intensify its focus on the various rural areas.

With the current confirmed budget allocation, the Community Based Public Works Programme (CBPWP) is expanding its operation and dozens of our poorest communities are gaining new hope in the viability of the rural areas, primarily in KwaZulu-Natal, the Eastern Cape, the Northern Province and also in Mpumalanga, Free State and the North West Province.

The CBPWP is also addressing a number of special projects. This is in line with the Department's belief in partnership. These include the Clean and Green Campaign (partnership with SA Breweries); Local Industrial Parks (partnership with Department of Trade and Industry) and Mbuzini Road (partnership with Mpumalanga Department of Public Works).

The most notable of the special projects Is the Youth Working towards Environmental Accessibility (YOWOTEA). This special project is undertaken in co-operation with the National Youth Commission and the Office of the Status of Disabled Persons (OSDP). This is a challenging project, promoted by our President, to instil a new ethos of service in our youth and indeed in us all. The project will equip public buildings in urban and rural areas with access and enabling facilities for disabled persons. The construction of these facilities will be performed by groups of unemployed young people who will be trained and developed during the delivery process.

Challenges confronting us in the coming five years:

- Better provision and maintenance of state accommodation
- Unlocking the economic potential of the State's fixed property portfolio
- Intensifying the National Public Works Programme in specific focus on rural development.
- Co-operative governance at all three tiers need to be further promoted, and
- Project management should be further deployed.

Priorities in the next twelve months:

- Completion and effective management of the National Asset Register, with reinforcement of the provincial and national land committees' work
- Intensification of the deracialisation of the South African economy by providing entrepreneurial
 opportunities to black people and women in all spheres of activity. To this end, the application of the
 affirmative procurement policy needs to be intensified at all tiers of government
- The intensification of the National Public Works Programme as an integral part of the country's rural development strategy
- Combating corruption in all its forms within Public Works, and the concurrent improvement of financial management within our Department
- The proactive development of a cadre of competent technical and managerial expertise within our Department linked to enhanced representivity in spheres where this is lacking.

CONCLUSION

I conclude my presentation by summarising the key challenges and opportunities for the Department of Public Works as I see it:

- The Department should be managed as a business, on sound business principles with due cognisance of accountability required and designing systems and procedures in such a way as to conform to the requirements of the Auditor-General. Notable progress has been made in drawing up business plans, linked to the performance contracts of senior management, to serve as management instruments.
- The Fraud Awareness and Special Investigation Directorate should intensify its endeavours in rooting out al forms of corruption affecting delivery by the Department and should prepare suggestion to this effect

- The economic potential of the huge property portfolio must in all respects be utilised
- Properties, including Prestige Properties, should be managed as cost units over a particular life cycle
- The maintenance backlog must be addressed, considering the huge potential for training and
 employment in this sector to realise socio-economic objectives while restoring the state properties to a
 level of suitable occupancy in order to reduce the amount of leasing from the private sector. This
 should happen in conjunction with assessing occupancy levels of large buildings by clients and the
 optimal utilisation of state accommodation by having Departments share buildings
- The creation of a Property Agency should be investigated in conjunction with State Expenditure and Finance, as well as an opportune environment for disposing of redundant state properties to generate income for the upkeep of the retained fixed property portfolio
- Throughout, systems and staff (including training, technology programmes, procedures, measures and mechanisms) fit to execute appropriate business management, should be improved and skilled to operationalise and ensure accelerated delivery.
- Regional Offices should be reorganised via decentralisation and upgrading. There should be a particular focus on assistance to clients, contractors (emerging and women included) and the public via help desks, which will strengthen the client orientation of the transformed Department. Stemming from the overall transformation of the Department since 1996, Head Office will be a core of strategic policy-making and management expertise, with regional offices dedicated to implementation. Regional offices will function as business units with enhanced autonomy, responsibilities and accountability. A regrouping of regional offices is to be effected for management and reporting purposes, upgrading the overseeing of three regional offices in Cape Town, Durban and Johannesburg to the level of Chief Director.
- Public Works will be introducing legislation relating to the built environment during the current session of Parliament. This legislation emanates from a recently published policy document on the statutory regulation of the built environment. Both the policy document and the legislation are the products of a thorough and all encompassing consultation process over a period of five years with all the relevant stakeholders as well as the public at large. The new body to be created by this legislation is the Council for the Built Environment which will play a co-ordinating and capacitating role for the various professions. The various laws regulating the professions which are the administrative and legislative responsibility of this Department are also re-enacted and aligned with the said Council for the Built Environment these are:
 - o Architectural Profession Bill, 1999
 - o Engineering Profession Bill, 1999
 - o Landscape Architectural Profession Bill, 1999
 - o Valuation Profession Bill, 1999
 - o Construction Management Profession Bill, 1999 and
 - o Quantity Surveying Profession Bill, 1999
- The establishment of the Construction Industry Development Board would be a milestone to achieve, as will the continued poverty alleviation, particularly in rural areas and our continued contribution to the further roll-out of the Affirmative Procurement Programme throughout the public sector.

The policy environment has been created, refinements now should focus on implementation and accelerated delivery, and that is what I expect the Department to do.