

**The Minister of Public Works, Ms Thoko Didiza, MP, addresses the Construction Week Breakfast to mark the end of the Campaign in the Western Cape**

**Venue:** Cape Town, Western Cape

**Date:** 03 August 2006

- The MEC for Public Works & Transport, MEC Fransman.
- Construction industry participants and other stakeholders
- Government Officials.
- Ladies & Gentlemen:

Government remains an important role-player in the development of the South African economy, both as a regulator and a consumer of services and products. A strong political framework, backed by functional institutions of government, creates an enabling environment for business to thrive and for wealth to be generated. Also government uses its procurement might to purchase necessary services, and products mainly from the private sector, thereby releasing necessary capital to the market while stimulating demand and supply and creating a strong value chain in our economy, characterized by brisk production, agile distribution and responsible consumption.

Historically, government has engaged with the construction sector, as part of this value chain, to source necessary infrastructure in support of service delivery and development. The relationship with the industry has

been symbiotic, benefiting both parties. Like with most relations prior to 1994 this partnership was influenced by the dominant culture of apartheid which excluded mainly blacks and women. In the development of its business plan to govern, the ANC-government committed to reversing the effects of apartheid and promoting a non-racial, non-sexist society evidenced by equal development amongst races and genders. Twelve years into democracy, this belief remains strong, and continues to influence government policy development, hence the recent adoption of the construction transformation charter to guide the **development, growth** and **transformation** of the industry.

Although the charter was only signed in March 2006, the process of transformation is as old as this government. In recognition of the existence, and preponderance of unequal opportunities in the construction sector, the Department of Public Works initiated major policy developments and other strategic interventions to drive the transformation of the industry since 1994, not least the efforts aimed at the promotion of blacks, women and small businesses. Our objective with transformation agenda is to strengthen the weak without weakening the strong hence our insistence to talk about the **transformation** within the context of the industry **development** and **growth**. We continue to be driven by the vision as enshrined in our White Paper of “creating an enabling environment for Reconstruction, Growth and Development in the Construction Industry, the vision which envisages a construction industry policy and strategy that:

- Promotes stability

- Fosters economic growth & international competitiveness
- Creates sustainable employment; and
- Addresses historical imbalances.

The fact is that the current stunted growth of blacks, women and emerging entrepreneurs in the construction is the remnants of the apartheid economic design. Government and civil society have begun to co-operate to address these. **The South African Construction Industry Status Report** of 2004 acknowledged this disparity. According to the report as late as 2001, blacks (including Coloureds and Asians) and women represented only 14% and 8% respectively at management level in the construction sector. Therefore the efforts and other initiatives of government need to be understood against this background.

In response to the status quo, the Department of Public Works on behalf of government launched and implemented the Construction Industry Transformation Charter. The Charter is consistent throughout its pages in its objective to “achieve a substantial change in the racial and gender composition of ownership, control and management, in the sector”, among other scorecards. With regards to black women the Charter has called for 10% ownership, 20% control and 16% senior management representation (as part of employment equity) by 2013. These and other deliverables were adopted by the industry in the presence of government when we signed the Charter in May 2006, thereby negating the myth that construction-transformation-phobia had permeated the sector. South Africa, its people and the business sector are waking up to the reality that transformation is both necessary and imperative to social stability

and equitable economic prosperity. The Charter is in the process of being gazetted and the Department is formulating its implementation strategy.

Away from the government gaze, the civil society continues to mobilize for the advancement of women. According to the USAID report:

*“More than 800 million women are economically active world wide – in agriculture, small and microenterprise, and increasingly, in the export processing industries that drive globalization. Over 70percent of these women live in the developing regions of Asia, Africa and Latin America. Women’s unemployment rates remain high relative to those of men, and when employed, they are paid less than the men for the same work. It is not surprising, then, that women constitute 60 percent of the rural poor”.*

Fifty years on since the brave women marched onto the apartheid South Africa to stake their demand for dignity, studies indicate that progress is being made in the promotion of women and their related development agenda at both the factory floor, the boardrooms and in Parliament and other echelons of public service albeit at relatively slow pace. This was recently summed up at the launch of the South African chapter of the KPMG Network of Women (KNOW) whereat it was mentioned that:

*Women make up 52% of South Africa’s adult population, yet comprise only 41% of the working population and a mere 4.7% of all executive managerial positions, according to the latest Businesswomen’s Association census.*

These are the developmental challenges we have got to rise to if we are to meet our Millennium Development Goal. Some of the recognized key constraints in the promotion of gender equality and women advancement are inherent in the power relations existent in many cultures and include factors such as 1). Women tend to be less assertive than men due to cultural norms and so women's voices are often missed 2). Women also tend to be less flexible than men due to family demands and obligations, so women are often overlooked for promotions; and 3). Given their entrenched positions in society and the corporate world, men tend to prefer male managers, thereby limiting opportunities for women moving into management positions. This is the conclusion of the African female researchers working for a Gender & Diversity Programme in the field of agriculture. There is familiarity with the construction industry and most sectors in our society.

With the Transformation Charters in place, government needs to develop a robust implementation strategy to meet and exceed the stated targets, only then will we begin to notice a shift in the patterns of women exclusion. The strategy will need to be punctuated by rigorous monitoring and evaluation exercises which will inform the rate and effectiveness of additional strategic interventions necessary to overhaul the culture of exclusion, disempowerment and deprivation.