

Speech delivered by the Minister of Public Works Ms Thoko Didiza during the welcoming ceremony for Vuk'uphile Learners.

Date: Thursday 29 June 2006

Venue: Nkangala, Mpumalanga Province

Theme: Vuk'uphile Learnerships

Time: 10:00

The MEC for Public Works Ms Candith Mashego-Dlamini

The Executive Mayor of the Nkangala District Municipality

Mayor of the Emalahleni Municipality and other local mayors

Learners and members of the community

Ladies and Gentlemen

It is a pleasure for me to address you today on an occasion to hand over certificates to learners in the Vuk'uphile Contractor Learnership programme. It is an even greater pleasure that this function is taking place in one of my favourite provinces Mpumalanga, and does so in the month of June. As the whole world knows June is the month in which we celebrate the role played by our youth in the

struggle for liberation as signified by the 1976 protests. On a personal note June is not only the month in which I was born, but also the month in which I started in my previous role as Minister of Agriculture and Land Affairs in 1999. As luck would have it, in my current role as Minister of Public Works June it seems, will become a rather significant month for me.

So, if you allow me, we are seeing a confluence of several forces: my birth, a relatively new role for me and Youth Month. I am sure that we will from today onwards harness these energies to rid the country of poverty and unemployment, to rid the country of the shortage of skills and to set it on the growth trajectory that is adequate to address all our socio-economic challenges. Let us remember that we are here to mark our own collective contribution to the development of this country: as government, as the private sector, as community organizations and as all other social institutions of our people.

As the Department of Public Works (DPW) we are implementing skills creation programmes through the

combination of theory and practice. This we believe is the only unity that will give our people a real chance to move from the Periphery of the Economic Centre, to the Centre of the First Economy.

One such skills creation programme is Vuk'uphile which means "wake up and live" and which is what we are celebrating today. Vuk'uphile is jointly managed by DPW, the Construction Education and Training Authority ("CETA") and participating public bodies (i.e. provinces and municipalities). These structures are in turn supported by the Department of Labour and Absa. The involvement of Absa is important because it seeks to address one of the most problematic areas in the construction sector and business world, namely the lack of crippling lack of access to finance.

In this programme Absa gives qualifying learners access to working capital and funding for equipment, access to credit and training, and helps them build a sound financial track record. Learner contractors apply for learnerships through Vuk'uphile, which entitles them to receive formal institutional training as well as workplace training. The latter is provided

by way of ring-fenced contracts issued by participating public bodies. Training is also provided for learner supervisors and labourers.

The learners selected for Vuk'uphile learnerships are assigned to newly formed close corporations comprising three individuals: one contractor and two technical supervisors. Each learner has access to a qualified and experienced mentor throughout their learnership, ensuring that they have the necessary capacity to tender for and execute Expanded Public Works Programmes (EPWP) projects once their two-year learnership is complete (i.e. they are in a position to take advantage of long-term income opportunities). Each learner graduates with a National Qualifications Framework ("NQF") level 2 certificate, with skills in managing a business.

The Expanded Public Works Programme (EPWP) is one of Government's most aggressive initiatives to fight poverty, improve services and create job opportunities. A key component of the EPWP is the imperative to provide skills training for project beneficiaries. We consider this an

important differentiator, a way of overturning the injustices of the past, and addressing the gross distortions resulting from the iniquitous system of apartheid. Today we know that the lack of proper skill in the country has returned to haunt all of us and stands squarely on the road to our sustained economic development as individuals and as a country.

The EPWP and Vuk'uphile represent some of the many programmes that government has designed to reverse this skills challenge. The task may be massive and the backlog immense, but today we are certain that these obstacles can be overcome. In the process, little by little, people's lives will improve and their prospects for a better life enhanced significantly such as through the Expanded Public Works Programme (EPWP). So as Public Works ours is not a Bing Bang job, it is incremental and often takes place quietly, far from the gaze of the media. It is if you like akin to the sound of a forest growing, rather serene yet signifying the figurative oxygen that is necessary for our democracy to thrive.

One of those ways in which we supply that oxygen is through increasing the skills base in the country. The EPWP aims to create one million job opportunities in its first five years. Figures we released after the first year indicate that more than 200 000 job opportunities were created in that period. I am certain Ladies and Gentlemen, that the programme will easily accelerate to 300 000 work opportunities per annum by the end of its third year.

By utilising government expenditure on goods and services in labour-intensive EPWP projects, we aim to draw as many people as possible into meaningful work, across the length and breadth of this vast country of ours. This we cannot achieve without the crucial role played by local, provincial, and national government stakeholders.

In this context I am therefore pleased MEC to note that Mpumalanga Province is one of the more active participants in Vuk'uphile. In this province we have signed learning agreements for 282 learners, who are at various stages of their respective learnerships. In addition there are numerous public bodies that are implementing learnerships in this province. These include the provincial Department of Roads

and Transport, Nkangala District Municipality and Emalahleni Municipality. I am pleased to tell you that the first group of Vuk'uphile learners has already implemented two labour-intensive infrastructure projects.

Nationally learners from 122 close corporations incorporated under the auspices of Vuk'uphile will graduate from the programme during the first half of 2007. This will boost the pool of companies which have competence in labour-intensive construction and will also increase the number of people who are employed under the EPWP. By the time the last of the Vuk'uphile learners have graduated in 2009, we will have completed 2 205 labour-intensive projects. We estimate that these will cost an estimated R3billion which will include R1.3billion in wages paid.

Through these projects Vuk'uphile is also demonstrating that with the right construction technology, South Africa can successfully address infrastructural backlogs in a cost-efficient way and to acceptable engineering standards. We are saying we can do this while maximising job opportunities for the unemployed. Through the Vuk'uphile mentorship

model, we have significantly reduced the risk posed by beginners and we have instead ensured that projects are constructed to specification, within budget and on time. Based on this evidence, public bodies are likely to continue supporting emerging contractors – which, in turn, will unlock the rich commercial expertise our country has to offer.

In concluding my remarks this morning let me say why it is important that we continue with the development of skills for our people. As far back as March 2004, prior to the launch of the EPWP in May 2004, a symposium was hosted by the Institute for Justice and Reconciliation to address issues of nation building and poverty relief. The symposium was titled “Beyond Budget 2004: Job Creation & Poverty Alleviation in SA: What Should We Be Doing?” Dr Iraj Abedian, then still Chief Economist of the Standard Bank Group, made the following statement:

“Given good management and planning, the EPWP can create valuable assets – roads, dams, bridges, urban facilities – in under-serviced areas. They can impart useful skills, while providing people with some income and experience that mark a real improvement in their lives at present and potentially for their future options. For many



new, small municipalities, they will make up the great bulk of their capital expenditure”.

In an address at the National Skills Conference held in Gallagher Estate on 3 March 2005 which also saw the unveiling of the National Skills Development Strategy (NSDS) 2005 – 2010 Minister of Labour, Mr Membathisi Mdladlana said:

“It is my belief that through the NSDS 2005-2010, together with our social partners, we will support the broader goals of government to halve unemployment and poverty, and reduce inequality by 2014, and further to ensure that the institutions of skills development, which in the main are the SETAs and the National Skills Foundation, use their resources to advance our skills revolution.”

It is important Ladies and Gentlemen, that I express my appreciation at this stage to the national political principals, provinces and municipalities who have already signed Memoranda of Agreements to implement the Expanded Public Works Contractor Learnership Programme. I would

also like to thank all the private sector companies which have supported this programme. I would also like to thank the learners who have taken the step to acquire skills and knowledge that will allow them to take charge of their own futures, and hopefully form an integral part of the national economy in their future careers.

Equally critical is the support provided by partners, ranging from the private sector, to Non-Governmental Organisations, Community Based Organisations and the media. All of these bodies can play their part in educating, lobbying and providing management input for the implementation of EPWP projects and in particular Vuk'uphile.

MEC, members of the legislature, Mayors and councilors, together we must ensure that we not only comply with the law but create opportunities for the unemployed in their areas to train and get work experience.

Let us all join the skills revolution. Let us spread the word so that no government official, potential partner, media representative or future learner is ignorant of the EPWP, its

learnership programmes and its capacity to bring about meaningful change in people's lives.

I THANK YOU.

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