

**KEYNOTE ADDRESS BY MEC FOR PUBLIC WORKS KZN, MRS
LYDIA JOHNSON AT THE BMF KZN PROVINCIAL WOMEN'S
DAY CELEBRATION HELD AT THE ROYAL HOTEL**

03 August 2007

Programme Director

Acting Provincial Chairperson, Mr Bheki Ntshangase

Members of the Provincial Committee

Members of the Black Management Forum

Invited guests

Ladies and Gentlemen

The month of August in the South African Calendar is always marked by a range of activities that are meant to celebrate the achievements that our country has made in championing women's development since the democracy dawned in 1994. Similarly we also examining the challenges that confront women of our country whilst at the same time seeking solutions that can address these varied problems.

President Mbeki addressing Women Award Dinner in Sun City 1999, said, "there may be some amongst us who will suggest that there is little reason to celebrate this day and that we should instead only reflect on violence against women prevalent in our society".

Today we are able to express our concerns, our fears and ambitions because of the great women leaders that came before us and sacrificed their own

lives in order for us to attain freedoms and the liberties that come with it. This is especially true of heroins like Lillian Ngoyi, Helen Joseph and others, who stormed the Union Buildings in protest against pass laws.

It is for this reason that every year on August 9 we spend some time reflecting on the heroic deeds of the women of 1956 and those who followed them because their contribution has given birth to a democratic, non racial, non sexist and prosperous South Africa.

As we commemorate the heroes who have blazed the trail in a range of fields, we are also looking at what organizations like yours can do to deepen the success of our women business leaders. I believe that your organization has built enough human capital in its 31 years of existence to be able to drive greater participation for women in the economic life of the country.

In 1994 women were amongst those who took part in the first democratic elections of our country. These women were also part of the first cohort that went into the legislatures and Parliament. They have been instrumental in the setting up of policy and the legislative processes that finally created a platform for women policy and institutions that support women development such as the Office on the Status of Women, Commission for Gender Equality as well as a range of women empowerment organizations on the business front.

Programme Director, we are all aware that challenges that face women cannot be addressed by interventions of government alone but rather a range of stakeholders in our society. It is therefore encouraging to note that organizations like yours are committed to this massive task. We need a lot of investment in women leadership in the business sector.

At this point I am also tempted to quote what the late Oliver Tambo, said during the first conference of the Women's section of the ANC 1981, '... as revolutionaries, (we) should stop pretending that women in our movement have the same opportunities as men... on the other hand women should stop behaving as if there was no place for them above the level of certain categories of involvement. They have a duty to liberate us men from antique concepts and attitudes about the place and the role of women in society. The oppressor has at best, a lesser duty to liberate the oppressed than the oppressed themselves'.

A number of private sector companies have invested on issues affecting women through their Corporate Social Investments. These investments are in the main, in areas of education, social development and health. Few of the companies have also invested albeit minimal to enterprise development. A lot more is needed to really make a difference to women's business leadership and acumen.

We also need to examine the gaps that are there in existing programmes both at the public sector and private sector.

Acting Chairperson and delegates, you have asked me to share with you on what are the opportunities in the public works environment. Let me take liberty to also explain that this portfolio straddles all state assets in built environment. It comprises of construction and management of state assets.

The role of construction to society is invaluable because it provides infrastructure, value to those that derive economic benefit and social benefit from the built environment. Construction creates the foundations of our economy and the basis for human advancement. In our country growth rates in construction spend is around ten percent per annum and this is the highest that it has been in the last 30 years.

In fact construction spend is now growing at higher rates than the Gross Domestic Product. It is providing much needed employment and dignity to million of our people. The construction industry operates in a particularly project specific environment that has its own drawbacks, characterized by a fragmented delivery process.

The industry is mobile, and every project brings together new combinations of technology and resources, of professional disciplines, of contractors and subcontractors, skilled and unskilled workers, plant and equipment. Construction is therefore a competitive and high risk business for both clients and the industry.

Our government is determined to increase public sector budgets at an unprecedented rate of 10 – 15 percent per annum and to raise the Gross Domestic Fixed Investment from 15 to 25 percent of Gross Domestic product.

To achieve these levels of infrastructure investment, our construction industry will need to double its output by 2014. This constitutes a central challenge of partnership facing industry stakeholders in our country.

The legacy of uneven development and under-development in our country is well known. It continues to inhibit our capacity to deliver infrastructure that supports the full participation of developing societies in global economic endeavor. Our reality ensures that infrastructure development continues to occupy a central position in government's agenda to roll back the underdevelopment of decades of apartheid and centuries of colonialism.

The inherited backlog of uneven development coincides with the need for new levels of infrastructure investment to deliver South Africa's *Accelerated and Shared Growth Initiative* (ASGI-SA). ASGI-SA aims to achieve an economic growth rate of 6% and to halve poverty and unemployment by 2014 in line with our commitment to the UN *Millennium Development Goals*.

Our government is therefore determined to increase public sector capital budgets at an unprecedented rate of 10 – 15% per annum and to raise Gross Domestic Fixed Investment (GDFI) from 15% to 25% of Gross Domestic Product (GDP). To achieve these levels of infrastructure investment our

construction industry will need to double its output by 2014. This constitutes a central challenge of partnership facing industry stakeholders in our country.

Ladies and Gentlemen

Confronted with these challenges our government is clear in its conviction that the South African construction industry is a national asset in the strategy to achieve economic growth and improve the quality of life of the majority of South Africans. Therefore, our role as government is equally clear - and over the past few years we have worked relentlessly to facilitate an enabling framework for industry growth and transformation.

The Register of Contractors established by the CIDB to regulate the industry now equips government and stakeholders with an important development tool and a clear understanding of the nature of contracting capacity and empowerment gaps across the industry.

The CIDB's mandate includes the promotion of client and industry best practice, an enabling procurement and delivery environment, a national research agenda and the creation of a knowledge network.

Ladies and gentlemen,

Construction industry growth cannot be seen in isolation from the pressing need to transform the industry into one that performs better in terms of quality, employment, skills safety, health and the environment.

My Department is determined to transform the skewed racial ownership and participation profile of the industry. Giving practical expression to this determination, we have directed public procurement towards the empowerment of historically marginalized population groups and the creation of productive employment. Realizing fewer numbers of women in the construction industry in this province, the Women in Construction Programme was developed. This Programme contends that 40% of contract work must be awarded to women and:

- Youth 20%
- Priority Population Group 35%
- People with Physical Disabilities 5%

The total value of contracts awarded to women by the Department of Public Works countrywide in 2006/07 financial year was approximately R184 million, which is approximately 30% of all contracts awarded. In this financial year, 2007/08, the department has set a target to award 40% of all contracts to women.

An increasing number of black and women-owned companies are now competing effectively in this sector of the economy. The established industry has also responded positively to this aspect of transformation and last year signed the Construction Charter, which commits the industry to concrete targets in terms of Black Economic Empowerment.

I am pleased to say that most of the major companies have made progress towards these targets, encouraging us to believe that together we can address many outstanding challenges. In my Department, we have programmes that speak and seek to address the economic challenges of not only faced by women, but youth as well.

In response to address issues of Broad Based Black Economic Empowerment (BBBEE) the provincial Department of Public Works has opted to come up with a structured Emerging Contractor Development Programme (ECDP) called “Masakhe” meaning “let us build” This programme focuses on the empowerment of SMME’s in construction. Projects up to the value of R5 million per project will be set aside for this programme.

The Expanded Public Works Programme (EPWP) is also proving to be a great lever for us in providing opportunities for small contractors to develop. We are currently developing plans to expand this national focus on contractor development and sustainable enterprises. Sustainable enterprises perform better. The EPWP aims at creating labour intensive construction, the Department set a target of creating 13,000 jobs in 2006/2007 but has exceeded that target as more than 16,000 jobs have been created by the end of the financial year.

One of the challenges the Department is grappling with is the participation of women and youth in the construction industry, which historically has been dominated by men. The Department has awarded work to women to the value of R178,028,332.19 and youth to value of R104,007,131.83. This

is an effort we are making to advance women economic empowerment and to deal with the challenge of youth unemployment. My Department will hold Women in Property and Construction Summits during the women month, to sensitise and encourage them to participate in opportunities in the Department.

The Independent Development Trust, which is an entity that reports to National Department, will also intensify its focus on women in construction, ensuring that women are employed and developed as contractors.

Construction skills are critical to the goals of Asgisa and Jipsa. As part of the National Youth Service that we launched in April this year, Public Works has identified a range of interventions to support the industry in developing both artisan and professional skills.

In this context my Department, through the NYS, is undertaking to train six hundred (600) youth on its maintenance programme and to ensure that these exit into permanent employment or entrepreneurial job opportunities.

Acting Chairperson and delegates, the creation of assets in the construction sector does not only relate to physical infrastructure such as roads, railway lines, dams or even power states. It is also about the creation of buildings for office space, retail and residential. These assets are what we use for our varied needs. These assets require maintenance and management for them to realize revenue.

We do have facilities which can assist us to fulfill this task, however in certain instances and localities we do not have such facilities and therefore rely on what we can get available from the private sector.

Every year government spend about R10 billion in leases. We also do not have enough capacity in managing all the facilities that we own. What this means is that there is a space for entrepreneurs to participate in this industry.

In facilitating this process at a government level we have worked with the industry in the development of the property sector charter because we realize that not only can we rely on the portfolio that the state owns if we seek to empower those who were historically disenfranchised, but the private sector itself must and should create space for inclusion.

I wish you well in your endeavours to provide skills and entrepreneurial leadership for women in our province. I hope that women will use all the opportunities that have been afforded to them in this sector.

“Building communities through construction”

“Sithuthukisa imiphakathi ngokwakha”

I thank you.