

**SPEECH DELIVERED BY THE MEC FOR PUBLIC WORKS,
MRS MAGGIE GOVENDER AT THE YOUTH IN CONSTRUCTION
AND PROPERTY SUMMIT HELD ON 10 JULY 2009 AT
ETHEKWINI REGION OFFICE, MAYVILLE**

- The Programme Director
- His Worship, Mayor Obed Mlaba
- Head of Department
- Members of the Public Works and Human Settlements Portfolio Committees
- Invited Speakers
- Members of the Media
- Distinguished Guests

I greet you all

It gives me great pleasure to be able to interact with so many of our youth who have gathered here today. This event was originally scheduled for June, National Youth Month when we commemorate the actions of our youth who sacrificed their lives fighting against apartheid and poor education.

The youth of 1976 were able to demonstrate that they had the ability and will to stand up for what is right and to make a stand against injustice. Through their actions they were able to contribute to the achievement of freedom in our country.

This event happens just two months after the ANC won the national elections by a decisive majority nationally and, for the first time in this province as well. There was a huge voter turnout on election day that saw large numbers of young people casting their votes. We are proud of our youth. The skeptics anticipated youth apathy but you proved them wrong. You demonstrated much needed youth patriotism and vibrancy – qualities that can undoubtedly contribute to leading our country to prosperity.

Importantly, what the actions of the youth demonstrated is that our youth are prepared to come out and do things for themselves.

We are in the throes of a recession. Currently, jobs are being lost, unemployment is in ascendancy and times are hard. An event such as this one offers some hope to our youth to skill and empower themselves so that they become self-reliant. It also calls on you to pick yourselves up and make use of the opportunities that are being afforded to you for self-empowerment.

The new administration has declared war on poverty and will need your support in achieving this. President Jacob Zuma set out the following as our country's key priorities in his recent State of the Nation Address:

- Speeding up economic growth and transforming the economy to create decent work and sustainable livelihood
- Building economic and social infrastructure
- A comprehensive rural development strategy linked to land and agrarian reform and food security
- Strengthening the skills and human resources base
- Intensifying the fight against crime and corruption
- Building cohesive, caring and sustainable communities
- Pursuing African advancement and enhanced international cooperation
- Ensuring sustainable resource management and use
- Building a developmental state, improving public service and strengthening democratic institutions.

These national priorities are aimed at creating an environment that is conducive to economic growth and social development.

As the province of KwaZulu-Natal we have also outlined our programme which derives from the National Priorities and focuses on poverty eradication. The Provincial programmes as outlined by the Premier of KwaZulu-Natal, prioritises:

1. Rural Development and Agrarian Reform
2. Education and skills for all
3. Creating decent work and ensuring economic growth

4. Nation building and good governance
5. Building social and economic infrastructure

Our role as the Department of Public Works in relation to this programme is to;

1. Eliminate waste and improve service delivery by intensifying the fight against fraud and corruption
2. Ensuring caring and efficient Public Works Department geared to provide service
3. Developing programmes which will contribute to rural development and agrarian reform
4. Streamlining our programme such that they respond positively to poverty alleviation and creation of job opportunities

Our country is in the grip of a skills shortage and the government has identified skills development and training as part of its priorities. It is crucial to increase our spending in terms of investment in human capital because this will improve the productivity of our country's labour force.

Our Department is entrusted with the responsibility of ensuring infrastructure delivery and management of government properties. For our Department to implement these programmes successfully we need to recruit a number of people with professional skills.

The challenge of scarce skills has impacted negatively on service delivery within the property and construction sectors. The shortage of these skills has forced the Department to outsource many of its activities to the private sector at high cost. In this time of recession it is critical that we attempt to minimize costs by utilising the Departmental professionals, artisans and people we can train to do these things.

It is on this basis that our Department has intensified its Bursary and Internship programmes. The bursary and internship programme is available for students who specialize in disciplines such as Engineering, Architecture, Quantity Surveying, Construction Project Management and Property Management.

Through programmes such as the National Youth Service (NYS) the Department is building a cadreship of young people who are prepared to put ahead the interest of their country first. We are aiming for a skills revolution and empowerment of our youth. Our Department has produced 174 NYS graduate of which some of them have already started their construction businesses and they provide jobs for others.

The government has invested millions in the training of professionals within the built environment but they are attracted by better offers from the private sector. The time has come for our youth graduates to embrace patriotism and serve their country first.

Programme Director, I wish to applaud the contractors who have worked cooperatively with our Department in training the NYS learners. This speaks volumes in terms of the importance of sound Public-Private Partnerships. Our collective effort and dedication will see us through the challenges we are faced as a country - "Together we can do more".

During apartheid some of the racist laws relating to ownership disenfranchised black people and women and precluded them from entering the property market both as owners and entrepreneurs. This resulted to a skewed pattern of property ownership which left millions of black people as land less class. This deprivation led to black people and women playing a very limited role in the property business.

Our government has developed the Property Construction Charter in order to address such challenges. The objectives of the charter include:

- Unlocking obstacles to property ownership and participation in the property market by black people.
- Promoting property development and investment in under resourced areas
- Achieving a substantial change in the racial and gender composition, control and management.

In responding to this Charter, our Department has introduced the Property Incubator Programme. This programme seeks to create an enabling environment for historically disadvantaged property managers and developers to enter this industry. They will benefit in terms of property business management and mentorship support.

The construction industry is also faced with a number of challenges. Many small construction businesses have failed due to various challenges they confront them daily. These challenges as outlined in the Construction Transformation Charter include:

- The declining investment and increasing demand volatility combined with an unstable employment environment.
- The private sector has inadequately addressed the BBBEE
- There is vast inequality in ownership with little transformation taking place
- A depleted skills base due to factors such as disconnection of the academia from the needs of the sector, the sector's lack of appeal as a career, low salaries etc.
- Inadequate investment in skills from across all sectors, despite funding from the Construction Education and Training Authorities
- Unacceptably low working conditions in other construction sites.

In responding to these challenges, the government has introduced the Construction Transformation Charter. The main objectives of this charter are to

- Provide a framework for the construction sector to address BBBEE, enhance capacity and increase productivity.
- Achieve a substantial change in the racial and gender composition of ownership, control and management in this sector.
- Expand the employment potential and absorption capacity of the sector
- Address skills development in a manner that accelerates the advancement of black people.
- Increase the procurement of goods and services from BBBEE enterprises.
- Enhance entrepreneurial development and promote sustainable growth of micro, medium and small BBBEE enterprises.

It is crucial for both the public and private sector to ensure that transformation is given priority. The Department of Public Works has made significant strides in terms of responding to transformation of the construction industry. The Masakhe Emerging Contractor Development

Programme (ECDP) was introduced specifically to address the issue of transformation.

The objectives of Masakhe ECDP are

- To create an environment that is conducive to growth through access to contracts and training
- To create a credible data base of targeted beneficiaries
- To create a development mechanism that allows for progressive grading and mentorship
- To create enhanced partnership

Through this programme contractors are afforded the opportunity to compete among themselves, not with well established contractors as it happened before. It is therefore incumbent on us as the Department to ensure that the information about such opportunities is disseminated so that all entrepreneurs will benefit from these programmes.

On Tuesday, 07 July 2009 we held a Breakfast Briefing with professional consultants within the built environment. The main purpose of this session was to introduce the new Departmental roster system which promotes transformation. I was pleased to see that the well established professional consultants accepted this change and promised to assist the Department in its implementation. This illustrates that communication between the Department and stakeholders is crucial for the improvement of service delivery.

In conclusion I wish to emphasize that our Department is committed to ensure fair business practices and will fight corruption in all its manifestations. I therefore call upon all of you to report corrupt practices so that our government will succeed in delivering services as outlined in our election manifesto.

Our country and the rest of the world has experienced severe recession. Many South Africans have lost their jobs especially those in the mining, metal and manufacturing sectors. It is therefore important for all of us to ensure efficient use of resources so that we will swing to the path of recovery. Failure to deal decisively with corruption which results in the loss of millions of rands of public money can only make the situation worse.

I also wish to encourage you to support our national team, Bafana Bafana as we count down to the 2010 FIFA World Cup to be held in our country next year. They made us proud by their performance during the Confederations Cup. They need our moral support for them to perform better.

You are also encouraged to support Mandela Day on the 18 July 2009. Please make it a point to do something for our community and country on this day. We all know and respect the role played by former President, Nelson Mandela. Therefore let us heed the call made by President Jacob Zuma and engage in community service on the 18 July 2009.

I thank you