

Speech Delivered by the MEC for Public Works Mrs. Lydia Johnson at the Youth in Construction and Property Summit: 27 June 2008.

Programme Director
Members of Portfolio Committee
Head of Department
General Managers
Representatives of IDT
Distinguished Guests and Contractors.

We gathered here today with the purpose of engaging on issues affecting young people within the Construction and Property industry. However I would like to draw your attention to the rationale for the department to organize this summit during the month of June.

The government declared June a youth month because of the mark and sacrifice made by young people in 16 June 1976. These heroes and heroines fought for liberation of the oppressed and better education. They said no to Bantu Education which was designed to make black people to be submissive and to keep their self esteem as low as possible. They maintained that education is a right not a privilege. The agenda of the apartheid regime was to deny black people access to quality education because they knew that education would equip them with knowledge which is power. Therefore we pay tribute to these young people because today we have a democratically elected government because of their selflessness.

The government has made a significant improvement in terms of ensuring a better life for all. However, we can not run away from the fact that the new dispensation has brought about new socio-economic challenges for young people. The government is committed to address all of these challenges mainly through

empowering our youth with skills and by creating an environment which is conducive for youth to engage in various entrepreneurial activities. It is the responsibility of young people to ensure that they utilize these opportunities to the fullest.

The soaring food and fuel prices coupled with a decline in the purchasing power of our currency due to inflation has made it necessary for country to encourage young people to be involved in entrepreneurship. Most of the best performing economies in the world attribute their success to high level of entrepreneurship among the citizens.

Economic challenges will always be there but it is of utmost importance for us to begin to respond properly to these challenges. It is crucial to understand that these are external shocks which are beyond the control of the government. Therefore it is not correct to claim that our brothers and sisters from other African countries are responsible for socio-economic challenges we are faced with. However means are made to moderate the situation. I am raising this issue because due to lack of understanding some people have started to blame the government.

For our country to be able to meet the challenges posed by the Millennium Development Goals of halving unemployment by 2015 there should be more emphasize on labour intensive methods of production of which the construction sector can easily implement. This has been successfully implemented through Extended Public Works Programme (EPWP). This can also reduce the backlog in terms of service delivery while creating job opportunities.

The government has invested huge billions for infrastructure delivery. This speaks volumes in terms of opportunities in the construction and property sectors. You have to grab this opportunity to be part of development in your country. It is also

imperative for the youth to optimally utilize and understand the roles of institutions like the Youth Commission, Umsobomvu, SEDA, Khula Enterprises etc. Services provided by these institutions are meant to assist aspiring entrepreneurs of which youth constitute the majority.

As the Department of Public Works we are committed to youth empowerment. Our objective is to make a meaningful contribution in terms of increasing the number of young people within the construction and property sectors. It is common knowledge that the previously marginalized people have played a very limited role in these sectors hence the Department has developed a BBBEE Strategy to ensure their active participation. The application of the BBBEE principle in normal supply chain processes in 2007/2008 resulted in black owned enterprises earning R495 Million of which the youth owned enterprises attracted R195 Million.

As a caring department we have also initiated various programmes which are geared towards creating an enabling environment for emerging contractors and property developers to prosper in their respective undertakings. For instance the Department has successfully facilitated the establishment of Durban CIDB Outreach Centre which became fully operational in August 2007. To date 12951 contractors have been registered, with 4216 being youth owned. A total 897 contractors have been upgraded, of which 213 of them are youth owned.

The Department is currently engaging the CIDB on decentralization of the outreach centres to rural municipalities to enable eligible contractors to register more easily.

The Department has also approved the Masakhe Emerging Contractor Development Programme (ECDP) in March 2008 which is aimed specifically at developing contractors through entrepreneurial skills. In this programme the Department works

very closely with contractors until they are able to cope on their own.

Provincial and District Contractor Forums have been established for the purpose of strengthening consultative processes and dissemination of information on business opportunities. This is a very effective platform for contractors to discuss issues affecting their day to day business activities and challenges.

The Department has initiated a programme called Izandla Ziyagezana. This programme focuses on clearance of vacant, provincially owned sites. This programme will also benefit the unemployed youth as they will be selected through community structures to participate in this programme.

Lastly, the programme called Property Incubator Programme has been initiated. This programme seeks to identify and develop youth and women in property business and give mentorship support to them. The programme is due to be launched in July 2008. All of these programmes demonstrate the commitment of our department to empowerment of priority groups and implementation of resolutions taken in the summit held last year in June.

We look forward to have very effective and efficient discussions which will take our partnership to another level. I wish to encourage you to participate as much as you can because those discussions and inputs will be used to formulate new policies and to make amendments to the existing policies if need be.

With those words I wish to pose a challenge to you to use opportunities created by our government to the fullest. The time has come for you to be job creators rather than job seekers. The future of this country is in your hands. Without vibrant and ambitious youth the country will never prosper. The road to success requires discipline, dedication, commitment, focus and

hard work. “No pain no gain”. I also wish to encourage you to unite and fight against xenophobia, crime and HIV-AIDS. Remember that the hardest hit is the youth. Therefore this fight is yours and you must be determined to win it.

I thank you.