

3rd EPWP Summit

26-28 November 2012, St George Hotel, Gauteng

Mr TW Nxesi MP, Minister of Public Works: Closing Remarks

CHECK PROTOCOL

- Programme Director
- Deputy Minister of Public Works: Hon Jeremy Cronin
- SALGA chairperson
- MECs present
- Executive Mayors
- Chairperson of the Portfolio Committee on Public Works
- Chairperson of the Standing Committee on Appropriations
- Members of Parliament
- Councillors
- Heads of departments
- Municipal managers

- Senior staff members and officials in all spheres of government
- Invited guests

Good morning colleagues. I am honoured to be a part of this important event. I regret that due to other commitments – particularly cabinet committees I had to attend – I have been unable to be with you for longer.

By the way, my first public engagement as Minister of Public Works was to deliver the opening address at the 2nd EPWP Summit a year ago. At the time this is what I had to say:

“I was appointed a week ago as Minister of Public Works and I am still trying to grapple with the new tasks and responsibilities. But I am certain that it is absolutely fitting that my first public task as Minister should be to open this Summit of the Expanded Public Works Programme.

The EPWP is the lead flagship programme of this Department. It seeks to address the single greatest challenge facing this country today: that of unemployment and poverty. To the degree that we succeed in the tasks and targets we set for ourselves, then we bring hope and opportunities to those who are desperate to improve their conditions of life.”

That is as true today, as when I said it a year ago.

On a lighter note colleagues: the fact that I am here today - participating in this Summit - means that I have been Minister for more than a year now. That must be a record for Public Works – certainly in the recent past.

By the way this phenomenon of ‘public works’ – in the sense of job creation – has a long history. I was addressing a group of American trade unionists recently who were attending the World Congress of the PSI (Public Service International) in Durban. They were very interested to hear about EPWP – which of course resonates strongly with their own history – and the ‘New Deal’ policies of the 1930s to combat unemployment during the Great Depression. The New Deal also used massive infrastructure projects to create employment.

I need to acknowledge the hard work and commitment that goes into EPWP and organising this Summit. DDG Stanley Henderson – a big word of thanks to you and your staff – not just for organising this successful Summit – but for the work you do all the year round in driving EPWP and supporting projects and stakeholders.

I also need to acknowledge the support and contribution that is provided by the Construction Industry Development Board (CIDB), Agrément South Africa (ASA), the Council for the Built Environment (CBE) and the Independent Development Trust (IDT). These are the entities of Public Works that contribute immensely towards the successes achieved by the Department of Public Works.

The South African Local Government Association (SALGA) remains a vital ally in making the EPWP a better Programme. It is through you that municipalities across the country are participating in the implementation of this Programme at the local level.

As the Department of Public Works we lead the Expanded Public Works Programme. But of course we can only implement through and alongside our colleagues in the provinces and municipalities. So let me add a special word of welcome to the representatives from provinces

and municipalities – without you there would be no Expanded Public Works Programme.

Looking to the future it is to the non-state sector that we will be increasingly looking for accelerated growth in the roll out of EPWP. So to the non-profit NGOs, CBOs and Faith-based organisations – for those that are represented here – a big thank you for the work you do.

In the remaining time available I want to cover the following:

- The progress made since the 2nd Summit
- The decisions of the 3rd Summit and the tasks in the year ahead

The progress made since the 2nd Summit

You have already received an excellent presentation on the progress made in the implementation of the 2011 Summit resolutions – so I will not repeat what has been said. But I do want to highlight some of the achievements. It is important that we celebrate the positives –especially at a time when we are faced by so many challenges. This gives us hope and certainty that we can succeed – with commitment and hard work. In the words of the newly re-elected President of the USA: “Yes we can.”

Let me list some of the most impressive achievements:

- 277 out of 278 municipalities have signed the protocols
- In 2011 only 3 municipalities had endorsed EPWP policies. That number is now 24, with a further 102 municipalities having draft EPWP policies.

- 1212 municipal officials have been trained in Labour Intensive Construction methods – and we have had an 11% increase in the labour intensity rate since the last Summit.
- 64% of districts have established District Forums – this includes 100% of districts in the following provinces: Free State, N Cape, W Cape and E Cape.
- As a result of revisions in the incentive grant, 139 municipalities – especially small rural municipalities – received additional funding. By the end of the second quarter for this financial year, 52% of the total allocation for EPWP integrated grants had been claimed. Colleagues, I would like to commend all the municipalities who have reported and claimed these incentive grants. They have directly impacted to alleviate the plight of poor and unemployed South Africans.

Until now this funding mechanism has only been accessed by the infrastructure and environment and culture sectors. This is changing. The Social Sector, as part of the EPWP, will also access the grant in 2013/14 for projects which deliver health, social and community safety services.

- The rate of reporting by municipalities of work opportunities created has increased – with technical support by EPWP. I need to emphasise the importance of correct reporting. It is important to have correct figures – which guides future planning. Also, I have to tell you that one of the tasks of the Parliamentary Portfolio Committee is to

scrutinise our reports. The good work that you do can be forgotten – as MPs concentrate on instances of incorrect reporting.

More generally, it is important to remind ourselves – and to share the achievements of EPWP against the overall five year targets. Since the inception of the EPWP Phase 2 till September 2012, the EPWP has cumulatively created 2.6 million work opportunities across all its four sectors.

The municipalities represented in this house have cumulatively created a total of 665,729 work opportunities since inception to date which is 48% of their 5 year targets.

Another key achievement in the implementation of the 2011 Summit Resolutions is in relation to the Environment and Culture Sector which has seen an exponential increase in the number of work opportunities reported.

The resolutions of the 3rd Summit and the tasks in the year ahead

Over the last three days this Summit has deliberated on the challenges you face, the obstacles you have to overcome, and what needs to be done to take EPWP to new heights.

By the way, I am just from a Cabinet meeting, so let me assure you that the EPWP programme is appreciated and supported at the highest levels of government. In fact they want more. So the responsibility rests on all of us to meet these high expectations.

As I read through your resolutions, I am impressed. I don't see vague and unrealistic targets or unsustainable short-cuts. Rather, I am struck

by a sense of steady progress, consolidation of the programme and clear evidence that you are building a solid foundation for future growth.

This is the message I am getting from your resolutions:

- 1. The summit notes progress made in signing of protocols. Progress on implementation of protocols agreements should be monitored and sent to municipal councils on a quarterly basis.*
- 2. The summit notes progress made on development of EPWP municipal policies. The summit resolves that all EPWP municipal policies must be endorsed by 30th June 2013.*
- 3. The summit resolves that municipalities must have dedicated officials for EPWP at an appropriate level of seniority.*
- 4. The summit notes progress made in the establishment of District Forums and summit resolves all outstanding EPWP district forums or similar structures should be established by 31 March 2013.*
- 5. The summit resolves that proper record management will be ensured by municipalities on their EPWP projects to comply with audit requirements of the Auditor General's Office.*
- 6. Municipalities must continue to prioritise EPWP in their Integrated Development Plans.*
- 7. Municipalities must design EPWP projects to so as to optimize the use of labour intensive methods.*

The resolutions also remind us that EPWP is a partnership – whilst delivery takes place in the municipalities, the EPWP branch of DPW has a responsibility to provide technical and other support. Your resolutions continue as follows:

8. *The DPW will streamline training business processes so as to ensure that quality training is provided to EPWP beneficiaries.*
9. *The DPW will continue to provide technical support to municipalities across all sectors to promote implementation of the EPWP.*
10. *The National DPW will strengthen the coordination between municipalities, NPOs and implementing agents so as to promote the implementation of the Non-State Sector.* – Let me stress the importance of this if we are to succeed in growing EPWP and the creation of work opportunities.

This is the point colleagues. Going forward we have to be thinking about growing the size and reach of EPWP. It is no longer seen simply as a short-term programme to mitigate unemployment. This was a point that Deputy Minister Cronin made on Monday. Given the on-going international economic slow-down, given the continuing high rates of unemployment, EPWP has to be mainstreamed into the work of government at every level – as well as in the non-state sector.

We have to conceive of EPWP as a systematic intervention to transform the lives of beneficiaries, their families and communities – providing training opportunities as well as a small income.

Through this Summit, we continue to challenge municipalities to raise the bar in innovation and creativity to encourage implementation of projects that employ large numbers of the unemployed, and provide much needed goods and services to local communities.

The Department of Public Works will help you to implement your identified projects and encourage you to undertake more of such projects.

We call on all municipalities to come up with ingenious proposals to diversify the nature of the EPWP and further expand on the core mandate of creating labour intensive work opportunities and to use the EPWP as a strategic innovation hub of employment creation.

We are closing this successful Summit, but colleagues: let the debates continue. Some of the questions we have to seriously address as we undertake the mid-term review, and plan for Phase 3 include the following:

- How do we radically expand the scope and content of the Expanded Public Works Programme?
- We have to be very creative here. I am not talking about creating jobs as an end in itself – where only the affected individuals benefit. We are talking here about creating employment opportunities as part of a broader strategy to develop communities as a whole.

- In rural development we talk about building ‘vibrant, equitable and sustainable rural communities’. How does EPWP fit into that vision for example.
- In turn we have to ask: how do we build our own capacity - as DPW, and in partnership with provinces and municipalities – to better create work opportunities and to monitor, manage and report on such projects?

Concluding remarks

In conclusion, let us just pause briefly to reflect on the importance of the work we do as part of the EPWP. We provide employment opportunities to the unemployed. We seek to transfer income directly into poor households. In so doing we bring hope to families. That additional income – small as it may be – has to go a long way to support family members. That small income and the training received also provides a gateway back into education, training and eventually employment.

Additionally we are helping to revitalise poor communities – those additional family incomes are spent on goods and services helping to grow and sustain local small businesses.

Moreover, in our choice of projects we seek to enhance the social wage and improve the quality of life of our poorest communities. Just some examples:

- Large scale infrastructure projects which provide skills training to young people.

- Social sector programmes such as community based care and Early Childhood Development. As a former teacher, I have to emphasise this one. All the international research indicates that good ECD provides a sound basis for subsequent success and optimum throughput rates in the schooling system. So not only do we provide work opportunities, we also directly impact on the quality of education provision in the country. In every sense – a win-win situation.
- In this connection we need to mention also our contribution to the national literacy campaign, the school nutrition programme and in relation to school sports and club development.
- Let me mention again the Environment and Culture Programme which includes projects concerned with management of water, fire, waste and coastal regions. As well as non-state sector community programmes.

You can see then that the Expanded Public Works Programme is an exciting place to be. We must feel privileged to be able to contribute in such a concrete way to the empowerment and betterment of our poorest communities. By the same token, it is a heavy responsibility. We dare not fail.

I thank you.