Public works programmes are an important initiative in South Africa, but also around Africa and the world. These programmes are geared at alleviating unemployment, and at creating a foothold in the economy for the marginalised, unskilled and unemployed.

"There are of course many priority issues on the agenda of the developing world. Few of these however assume the same urgency as the issues of infrastructure deficiencies, backlogs and disparities," said South Africa’s Minister of Public Works, Ms Thoko Didiza yesterday.

The Minister addressed local and international delegates at the opening session of the 12th Regional Seminar on Labour Intensive Practices at the International Convention Centre (ICC) in Durban yesterday.

The conference, due to run until Friday 12 October, will highlight initiatives implemented in other countries, thus exposing all participants to a range of possibilities. One noteworthy project is the International Labour Organization’s (ILO) development of an Employment Impact Assessment methodology that will assist decision-makers to predict and increase the employment impact of infrastructure projects.

Another important conference focus will be that of road maintenance, which has proved to be a highly effective way of combining the need for road maintenance, with affordable dignity and income to the poor, particularly in rural areas. This has been demonstrated around the world and South Africa has its own example in the Zibambele programme in KwaZulu-Natal, which will be inspected by delegates during conference site visits through the week.

This conference will also showcase efforts to move beyond infrastructure related activities to other labour-intensive initiatives in areas as diverse as waste collection, home-based care, land care and the protection of wetlands.

"The ILO, together with African governments, have provided an important lead in creating a regional focus on a key economic challenge facing our continent and our global village – the inability of millions to access work," the Minister noted.

"South Africa’s Expanded Public Works Programme (EPWP), in its design and implementation, incorporates the fruit of international experience refined over more than a decade of collaboration punctuated by these seminars," she said, adding, "It is an expression of our government’s commitment to global change and a better life for the people of our country and our continent."

cont. page 2
Minister Didiza expressed the wish that the 12th Seminar would enable all participating countries to scale up their labour-intensive programmes in the infrastructure, social and economic sectors. She added that it would also make possible the expansion of regional partnerships for infrastructure development, job creation and the development of human capital.

The South African Public Works Minister also referred to the legacy of uneven development and under-development in Africa and elsewhere in post-colonial societies and how this inhibited overall capacity to deliver infrastructure aimed at providing employment and the full participation of developing societies in global economic endeavours.

However, on a more optimistic note, she lauded the African continent for making great strides in ensuring a better and more sustainable future for all. “The New Partnership for Africa’s Development (NEPAD) is a pledge by African leaders, based on a common vision and a firm and shared conviction to promote accelerated growth and sustainable development, to eradicate widespread and severe poverty, to halt the marginalization of Africa in the globalization process, and to accelerate the empowerment of women,” the Minister said.

Concurrent to the sessions, a Ministers’ Round Table Discussion is scheduled to take place as part of the seminar to explore opportunities of contributing to the goals of infrastructure delivery and the potential to establish a Regional Infrastructure Forum. This would be aimed at supporting the ongoing sharing of best practice, as well as a common agenda for the development of the regional construction economy.

Objectives mentioned include common procurement and delivery management standards, procurement targeting strategies that support regional and local development; common minimum standards for employment; and access to construction-related skills in the region and regional co-operation agreements between professional institutions.

Minister Didiza proposed a collective regional approach be developed to define and promote a set of principles to guide international development assistance, which would support regional industry capacity, job creation and development.

“In South Africa, 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 (AngSA),” the Minister said. AngSA 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.

She reiterated the South African government’s commitment 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).

“We are totally committed to ensuring the growth, development and transformation of our construction industry, and to increasing its inherent ability to create employment.”

The South African government’s commitment to the programme is underpinned by budget allocations that prescribe the objectives of labour intensity and skills development as central to the delivery of infrastructure, social and economic services. This year’s original EPWP budget of R1.5 billion to provinces and municipalities has since been increased by a further R1 billion allocated to the provinces for the labour-intensive construction and maintenance of access roads.

Further responding to President Thabo Mbeki’s call to expand the scope and impact of the EPWP, both national and provincial departments of public works this year launched the EPWP National Youth Service, underpinned by a vision to support the employment, growth and development of South Africa’s youth, as well as their ability to contribute to South Africa’s ongoing journey of transformation.

The involvement of the Department of Labour, which plays a critical role by providing all the training in the programmes, either directly, or through the various sector education and training authorities, is crucial, the Minister noted.

In addition, a series of practical manuals have been developed by the Construction Industry Development Board (CIDB) to support the design, implementation and training in labour-intensive construction methods. These manuals have gained considerable international use, enabling South Africa to contribute to job creation in many parts of the world.

“This 12th Regional Seminar is about the right to work, the right to life and to human dignity. The conference theme, “Promising Employment Creation in Government Policies, Investments and Infrastructure Programmes” aptly captures the call of millions of jobless people for intensified action,” Minister Didiza concluded.

**DELEGATES ARRIVING AT 12TH REGIONAL SEMINAR**
Welcoming delegates to the 12th Regional Seminar on Labour Intensive Practices, KwaZulu-Natal Premier Sibusiso Ndebele said the presence of SADC Ministers was an indication that Africa was working in unity and that the Ministers were concerned about job creation.

Premier Ndebele gave an economic overview of the province with particular reference to economic growth, infrastructure investment, poverty alleviation, skills development, unemployment and tourism.

With a general construction boom in the country, KwaZulu-Natal (KZN) has implemented projects worth R20 billion. These include the construction of a new R2.2 billion stadium for the 2010 Soccer World Cup currently underway in Durban, while R4 billion will be spent on the construction of the new international airport. The Dube Tradeport at La Mercy will contribute an additional R2.4 billion to the economy and create thousands of new jobs.

The Premier added that despite all the economic milestones, the province is still faced with some challenges such as the HIV/AIDS pandemic, literacy, lack of basic services and increasing backlogs.

A large number of the people in KZN are poor, while the Provincial Government has a backlog of 264 houses without access to electricity; at least 44% of the people do not have access to sanitation, while 52% do not have access to electricity despite progress being made in the provision of these services.

Economic growth only has meaning when it starts to reduce levels of unemployment and poverty and begins to have a positive impact on the lives of our people, especially the poor,” said Premier Ndebele.

KZN also has some EPWP success stories, one of which is the Zimbabwele (which means “doing it for ourselves”) Roads Project, a labour-intensive road maintenance project initiated by the Provincial Department of Transport. This project targets women-headed households with the aim to provide sustainable job opportunities and they have savings clubs which empower them to invest in business enterprises.

Another project is the Systemslink Community-based Waste Management project which was launched in April this year. The project originated from travels to Brazil by government, it will result in poor households exchanging waste for food products,” the Premier explains.

The province’s Agricultural and Environmental Sector was allocated R88 million in 2006, of which R50 million was used for 173 projects. KZN’s agricultural competitive advantage lies in its mass scale agricultural development in the second economy. Consequently the province built relations with countries like India and China for programmes such as ploughing and planting, mushrooms and dryland rice and invasive alien species eradication.

Approximately R63.5 million has been allocated to the EPWP over the medium-term expenditure framework (MTEF) through the Department of Transport and an additional R128 million grant has been allocated to the province’s Infrastructure Sector.

Another important programme, called Early Childhood Development (ECD) is co-ordinated by the Department of Social Welfare and Population Development. The EPWP provides training to ECD practitioners with accredited training in the form of mentorship and they in turn work with vulnerable children living in poverty.

Despite all the EPWP and economic highlights, Premier Ndebele expressed concern about the number of illiterate people fifteen years and older. Two million people are illiterate in the province and the crisis is being addressed through the Madikane Campaign. “We are certain we will eradicate this phenomenon by 2009. The province has secured R100 million from the Department of Labour to empower communities in literacy and basic skills,” said the Premier.

The province also takes skills development and entrepreneurship seriously with further Education and Training Colleges offering learmings, skills programmes, vocational programmes and short courses. Cooperatives have already been trained in skills including garment making, brick making, welding, construction and baking.

Black Economic Empowerment (BEE), a government initiative to redress historical economic imbalances, particularly to benefit the majority of black people as the economy is currently predominantly white, is also on the provincial agenda.

The Premier said that creating job opportunities for the development of the province, the empowerment of women, rural communities, youth and the disabled would add that this can either be through the creation of economic opportunities or business ownership. Taking into consideration the seven pillars of the generic BEE scorecard which are ownership, control, skills development, employment equity, preferential procurement and enterprise development.

The Premier expressed optimism about the benefits the 2010 Soccer World Cup would have for the province, particularly ensuring that the young and SMMEs are empowered.

“Our approach to the EPWP is by no means the best solution, but we believe that we are proceeding slowly along the way towards a prosperous, non-racial, non-apartheid, KwaZulu-Natal,” Premier Ndebele concluded.
In her opening address at the 12th Regional Seminar on Labour Intensive Practices on Monday, the Director of the International Labour Organisation’s (ILO) Pretoria office, Ms Judica Amuri-Makhetwa reiterated the ILO Director General’s comments some six years ago that job creation was still the top priority.

“Governments of African and other developing nations have fully endorsed this view and recognise the centrality of employment as one of the major means to alleviate poverty and empower people to be part of the social, economic and political processes,” she said.

Ms Amuri-Makhetwa cited the 2004 African Heads of State Extraordinary Summit for Employment and Poverty Alleviation in Ouagadougou, Burkina Faso, where delegates resolved to among other things “place employment creation as an explicit and central objective of their economic and social policies at national, regional and continental levels, for sustainable poverty alleviation and with a view to improving the living conditions of their people.”

She added that the ILO remained committed to assist member states to achieve this, through its Decent Work Agenda. For Amuri-Makhetwa, “employment creation is therefore a fundamental pillar. Finding ways and means to create employment therefore stands as our number one priority in the fight against poverty.”

The ILO Director said that infrastructure was the key to driving employment creation and that all governments should make the delivery process afford the opportunities to create jobs, but the resulting social and economic infrastructure assets that were created, if properly planned, would also provide the means to access opportunities to work and to fulfill one’s basic needs.

In Africa, as in many other developing countries, the twin challenges of employment and infrastructure have been recognised as the most pressing if the national and regional development goals set by ourselves and those we have agreed to collectively, i.e., Millennium Development Goals, are to be met. Employment-intensive investment approaches present an opportunity through which the two challenges can be addressed simultaneously.

Tapping into such opportunities would require carefully articulated and coherent policies, appropriate institutional frameworks and capacities, and implementation strategies that ensure that public investments are employment focused, making use of local labour, materials and skills.

It would also require a closer interaction and concerted effort between the different stakeholders that influence decisions and actions, such as social partners, various government ministries, their development partners and the ILO.

In addressing the issue of public investments, Ms Amuri-Makhetwa said: “The ILO assists member states to optimise the employment potential of investments in public infrastructure. For several years now, the ILO has provided technical advice, capacity and skills development, and has supported the generation, dissemination and sharing of knowledge on employment-intensive approaches.”

The ILO has seen some successes over the years, where in Kenya for example, the Minor Roads Programme (which started in the early 70s) sees that country’s government working to its Economic Recovery and Employment Creation Strategy (ERS) through the implementation of the nationwide Roads 2000 Road Maintenance Strategy. She added that Kenya viewed this as key to meeting the dual objectives of improving infrastructure delivery and creating employment.

For Ms Amuri-Makhetwa, of greatest significance though, is the success now witnessed in the implementation of large scale government funded public investment programmes. The national programme, the first of its scale in Africa, involves creating employment opportunities for the unemployed, while ensuring that workers gain skills and on the job training.

The EPWP is designed to meet the dual purpose of creating employment opportunities and providing essential infrastructure and basic services to beneficiary groups aimed at improving their lives. “The ILO is proud to be associated, and to partner, with this nationwide programme that has far reaching impact,” she said.

Despite what has been achieved however, much more has to be done to improve the lives of millions of people around the world.

According to the Decent Work Agenda, in 2006 the overall unemployment rate in Africa was estimated at 12.8%, and in sub-Saharan Africa at 21.1%, compared to the global average rate of just over 6%. These figures do not include the working poor. Africa has the largest number of working poor in total employment of any region.

Estimates are that around 55% of all people employed in sub-Saharan Africa do not earn enough to lift themselves and their families above the $1-a-day poverty line and that about 80% exist on under $2 a day.

These proportions have changed very little over the last ten years. Despite a pickup in economic growth in most African countries over the last three years, employment is only expanding by around 8.5 million a year, short of the 11 million per year required to reduce Africa’s unemployment rate to the world average by 2015. Achieving this result and ensuring that the jobs created are decent jobs, requires either faster growth or a more employment-intensive pattern of growth, or a combination of both.

The ILO Director added that she was encouraged by this 12th Seminar’s theme of prioritising employment creation in government policies and investment in infrastructure programmes.

“The ILO has put the focus on the concrete means of action that our governments can put in place to optimise the employment creation in public investment. This year’s event will mark a shift of focus beyond simple promotion of labour-intensive technologies, to a focus on increasing employment impact of public sector investments and programmes in particular.”

This seminar will provide the opportunity to link political commitments in the fields of employment creation, public works programmes, investment and infrastructure to concrete areas of action.

Although Ms Amuri-Makhetwa expected the week-long seminar to be challenging, she hoped delegates would leave Durban inspired to continue the war against poverty and take the necessary actions at work and in society in their respective countries.  

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Passing the torch to South Africa

The Kenyan Deputy Minister of Roads and Public Works, Eng. Johana Tora, representing the previous host of the 11th ILO Regional Seminar in Mombasa, Kenya, was honoured to pass the torch on to the Government of South Africa, whom he congratulated for hosting this 12th Regional Seminar for Labour Intensive Practices.

In his welcoming remarks, Deputy Minister Tora drew attention to the urging efforts of the International Labour Organisation to promote labour-intensive practices in the region, and the objective of the year’s programme to build on the resolutions and decisions made at the 11th Seminar. He made particular reference to upholding and scaling up the use of labour-based approaches in infrastructure and service provision. The Deputy Minister reported on the steps taken by the Kenyan Government and other governments to upscale and mainstream the labour-based approach, singling out the following examples:

- **Roads 2000 Road Maintenance Strategic Plan 2003 – 2010**: a flagship programme within the Kenya Economic Recovery Strategy to revitalise the economy through infrastructure revitalisation and employment creation
- **The Government and the ILO’s efforts to actively build capacity and develop appropriate tools for implementation**
- **The lessons learned from the South African government’s successful implementation of unprecedented strides in uplifting labour intensive approaches previously unknown in the region.**

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Speakers at the Opening of the 12th Regional Seminar on Labour Intensive Practices

From left to right: MEC Transport KQN, Mr B. Cima; MEC Public Works KZN, Mrs L. Johnson; Premier KZN, Hon. S. Nkabinde; Minister of Public Works Ms Thoko Didiza; Deputy Minister Public Works, Kenya, Mr J. Tosa; Director ILO Pretoria, Ms J. Amuri-Makhetwa
Expanded Public Works Programme: The South African Experience

South Africa’s Expanded Public Works Programme (EPWP) is one of the country’s flagship short- to medium-term programmes aimed at poverty alleviation and skills development.

Launched in 2004 by President Thabo Mbeki the EPWP aims to reduce poverty and create one million jobs—with the targeted sectors of society being women, youth and the disabled by the year 2009. Currently the programme has a potential target group of 5.8 million unemployed people.

The intention of this countrywide programme is to create a national framework to promote the use of labour intensive methods of construction and to introduce new practices for the absorption of the unemployed into the service delivery mandate of government.

In his presentation yesterday (Monday), Deputy Director-General of the EPWP in the National Department of Public Works, Mr Bongani Gwisle, said the programme was not entirely new but an expansion of initiatives—many of which were part of the Reconstruction and Development Programme (RDP). He added that the need and potential to expand poverty alleviation and skills development programmes was recognised and based on the experiences from 1994 when there was a need for a more decentralised way for the implementation of these programmes. “To avoid displacement, the EPWP should take place in growing sectors of the economy and to be sustainable the EPWP must be economically efficient,” Gwisle said.

Since its inception the EPWP has created a total of 716,399 job opportunities—362,257 in the Infrastructure Sector; 269,333 in the Environmental Sector; 57,064 in the Social Sector and 10,003 in the Economic Sector.

According to Makele Lieuw Kei Song, Labour Intensive Specialist in the National Department of Public Works, the EPWP has largely been implemented as planned, is on track with its targets and has made a positive impact on its beneficiaries although there were some concerns. “The programme faces some challenges and could have a bigger impact. Operationally what can be done is to improve management and implementation of the programme,” he said.

Giving an international perspective on unemployment and job creation, President of the Levy Economics Institute, Mr Dimitri B. Papadimitriou, in his presentation showed that South Africa had a high unemployment rate (26.5%) compared to other countries.

An example of how unemployment has been handled previously, Papadimitriou referred to the time of the Great Depression in the United States where it was addressed through direct job creation. Through this policy, government firstly establishes wages and benefits that will be offered to anyone who is willing and able to work and secondly anyone who wants to work in the public sector is employed thus creating full employment in the country. Thus government "buys" all unemployed labour in the country at a fixed wage or "sells" to the private sector at higher wages.

Papadimitriou also said that some of the direct job initiatives are the United States’ New Deal Public Works Programme, Sweden’s Right to Work France’s Professional Transaction Contracts, Botswana’s Labour-Based Relief Programme and South Africa’s EPWP.

In addition to these, there’s also the Amakhoshestha’s Employment Guarantee Scheme which is the biggest employment guarantee in the world and has been in operation for more than 40 years. The programme costs less than one percent of the GDP and allows for financial stability.

Another example of direct job creation is Argentina’s Plan Jefes de Hogar which compensates a monthly stipend to a head of the household programme participants work in community services and other small construction or maintenance activities or are directed to training programmes including completing their basic education.

Touching on the Employment Policy Options, Papadimitriou stated that such options include the reduction of the work week whereby a person works less days in a week however certain countries such as Belgium, Japan, France and Belgium have tried this option but have not been successful.

Professor Robert McLaughlin of Wits University highlighted the socio-economic context of the Expanded Public Works Programme in South Africa, the origins of the skills void in the country, the democratic government’s response, and the challenges. He said that the South African context was characterised by the need for work, unemployment and infrastructure work needs skills, but the legacy of Apartheid legislation, the Bantu Education Act and the Job Reservation Act resulted in a lack of skills.
The premise of the programme’s methodology is that, whereas on average conventional capital-intensive construction of public works creates one job, employment intensive construction would create three to five jobs. However, McCutcheon said, there are still those who want the EPWP to fail, among them, free market ideologists, ‘Business as Usual’ proponents, pessimists and the media. This he noted points to a lack of understanding of the objectives, scope, scale and timescale of the programme.

The Professor added that funds for the EPWP are available through formal channels – the Medium Term Expenditure Framework – and yet, many authorities most likely do not know how to access these funds. The tendency to continue with “Business as Usual” is impacted by the following:

- Funding is only available late in each financial year.
- The Provincial and Municipal financial years are different.
- Money has to be spent immediately.
- Three parties fund the training process: namely the local Municipality or Provincial Authority, the Construction Education and Training Authority (CETA), and Donors, but he added, this disposes final responsibility, and makes it difficult to manage.

Anne Pitchett highlighted the importance of work and skills necessary to be able to work and the central role played by work to our existence, as a means of recertifying ourselves and the world around us.

She said that the skills of anyone involved in the construction process generate additional employment opportunities, whether the skills be those of “hands on” site supervisors, stoneworkers, bricklayers, manufacturers of construction materials and so on. However, in order to be able to work, she stressed, people needed skills and opportunities to work.

Ms Pitchett, labour-intensive methods can generate a significant increase in employment per unit of expenditure, providing three times as many productive jobs than by machine intensive methods. The key to achieving this, she suggested, was innovation, retooling and re-engineering.
MAKING INFRASTRUCTURE EMPLOYMENT FRIENDLY

The ILO estimates that the 1.3 billion currently living in absolute poverty are supported by about 500 million working poor and that over the next decade, an additional 500 million jobs will need to be created worldwide.

In a paper delivered by Messrs. Sakooyin and Tsesem (ILO), it was noted that growth alone would not address the poverty reduction and employment needs of developing countries and therefore strategies are necessary to encourage and support sustainable growth which lays emphasis on creating employment opportunities, particularly for the poor and unskilled. It follows that both private and public investments can play a major role in creating employment opportunities.

Having identified unemployment and lack of basic infrastructure as major constraints to development, African countries are increasingly appreciating the potential of linking infrastructure investments to employment creation and poverty reduction, thereby addressing both deficits in the fight against poverty.

Although national governments, development partners and international financial institutions have now started earmarking resources to fill the gap in basic infrastructure and service delivery, priority infrastructure has been constructed without realizing the full potential it could have on employment creation and poverty reduction. Consequently, communities have been more observers and have thus not gained much benefit in terms of employment or skills acquisition. Likewise, local entrepreneurs have not been given sufficient access to markets.

This approach now has to change and due attention has to be given to the direct and indirect employment creation of the investment, as well as to the involvement of emerging entrepreneurs in the delivery process.

The current development context and agenda are increasingly challenging and complex. Due to the increasing unemployment and poverty in sub-Saharan Africa, the issues of optimising employment creation opportunities in the provision, operation and maintenance of infrastructure and services have become more and more relevant to development strategies.

Lack of physical infrastructure has been identified as one of the causes of increased poverty. However, physical infrastructure alone may not bring the expected social uplift of the beneficiary groups. However, infrastructure can provide forms of social protection that move people beyond safety nets, especially when employment concerns are linked to mainstream investment policy.

It is therefore essential to plan and implement infrastructure investment programmes in such a way that they better contribute to the national development agenda — and integrated agenda advancing inclusive growth for social and economic development.

Despite conventional construction in Africa having inherited the practice of using capital-intensive technologies without consideration of other technology options, local resource-based approaches developed over the years have proved to be a cost-effective, viable, sustainable and pro-poor delivery means for infrastructure development and maintenance, providing the means through which unskilled, semi-skilled and skilled local workers can be effectively and efficiently engaged in the infrastructure process.

There are many clear indicators of the success of this approach, both in terms of direct employment created, and through the multiplier effect of the opportunities for local resource based support industries and the investment of money earned into other ventures. Such interventions, said the speakers, have in many instances been the mechanism to kickstart the local economic activity.

Governments have a key responsibility in making infrastructure investments better contributing towards commitments made and to the achievements of their strategic plans. Key areas governments have to consider include policy development, strengthening delivery capacity, partnering with the private sector, and monitoring implementation.

The speakers concluded by citing examples of different national governments’ commitments towards employment creation through investments in infrastructure.
Delegates attending the 12th Regional Seminar last night attended a gala dinner at the Sibaya Casino on the North Coast, which was described as a “vivacious, energetic affair”, “breathtakingly beautiful and filled with the magic of Africa”. Guests were welcomed by drummers, and were privy to a whole range of entertainment including what one delegate referred to as “hip-dancing meeting gum-boot dancing.” Master of Ceremonies was Ms Lydia Johnson, MEC of Public Works, KwaZulu-Natal. The Welcome address was delivered by the Premier of KwaZulu-Natal, Mr Sbu Ndebele, followed by a short introduction by the ever dynamic Mr Bheki Cele, MEC of Transport (KZN). National Minister of Public Works Mr Thoko Didiza welcomed the esteemed guests, whereas DJ Syanda took the stage, getting everyone into their dancing shoes.

Premier of KwaZulu-Natal addressing guests at the Gala Dinner. Mrs Julia Ndebele and Mrs Thembekazi from the Department of Public Works, Eastern Cape attended the function.

Mr. Allan Zimba, Mrs. Linezi Dikgale and Mr. Ken Jacobs preparing themselves for an evening of entertainment.

Spotted: Mbonengi Muvunzi from DPW (left) with Mr. Enweka Egbeuzu, the real Nigerian affiliated to WITS Engineering Department in Gomagw.