

# Siyasebenza

we are working

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## AN EXCITING DAY for conference delegates

The sunny skies which the city of Durban is world-renowned for set the mood for an exciting day for ILO conference delegates yesterday morning as they took to the roads of KwaZulu-Natal to visit some of the EPWP projects in the region. Delegates agreed that it was heartening and informative to see the labour-based methods of public infrastructure developments at work. The site visits indicated that government is walking its talk and also put the all-important human touch to a subject of discussion and concern that has attracted almost 400 people to Durban to engage in exploring ways to make our world a better place – particularly for those marginalised through poverty and unemployment.

### NORTHERN SITE VISITS COMBINE THE BEST OF BOTH WORLDS

The site visit arranged for delegates yesterday to the Mtunzini P240 Road Project and the King Shaka Heritage Route proved to be a great hit with delegates. "This must be one of the most beautiful parts of your country," one of the international delegates said.

Ilembe's District Mayor, Councillor WELCOME Mdabe, showed true South African hospitality to his guests when he met them at the KwaDukuza Town Hall. After discussing the Expanded Public Works Programmes (EPWPs) in the region, he hosted a luncheon that featured a mouthwatering spread of African cuisine comprising delicacies such as tripe, samp and beans, beef stew and the ever popular mathumbu's (cow's intestines)!

The Mtunzini P240 Road is a labour-intensive construction project in tandem with a conventional road infrastructure delivery project for the EPWP. This first phase of the project is estimated at R230 million; with a projected cost by its completion in 2009 expected to be R550 million. To date, five kilometres of the road has been constructed.

P240 is located in the Mtunzini area of Zululand, and is 28km in length. The topography of this area can be described as rugged and mountainous. Large lengths of the existing road have gradients up to 20% and six streams or rivers are crossed, added to which the road passes through the ecologically important Coastal Scarp Ongeyo Forest.

This project is funded by the KwaZulu-Natal Department of Transport, with each worker, who incidentally resides in the area, earning R480 a month. The Department explained that they have an exit strategy (sustainability programme) designed to assist the beneficiaries survive after their contract with the P240 project has expired. This exit strategy will also help them form their own business enterprises, such as co-operatives.

The KwaZulu-Natal Department of Transport's African Renaissance Roads Upgrading Programme (now commonly referred to as 'ARRUP'), is a bold infrastructural investment initiative aimed at fast-tracking rural development in the province.

ARRUP has now been expanded to align itself to the principles of the EPWP, as part of a national initiative to create one million job opportunities within 5 years, and to provide skills training to participants. The Department of Labour was approached to provide technical and life skills training to these individuals, which among others, include: First Aid level 1, HIV and AIDS awareness, personal finance, basic concrete skills, etc.

A total of 192 certificates have been issued, and the employability of the recipients – both on the remainder of the road construction and further afield – has been improved immeasurably. Currently, the project employs 33 people, consisting of 18 women and 15 youth.

Construction of the layer-works and wearing courses has largely been undertaken by emerging contractors. In line with the guidelines of the EPWP, however, the Department has instructed professional consultants and technical support staff to identify activities, operations and sub-operations which could be implemented labour-intensively without compromising the critical operations within the road prism.

Operations identified include gabion baskets and other retaining structures; side/surface drains and kerbing; guardrail erection; footways and bus lay-by construction; grass-planting; low-volume access road construction; and maintenance of deviations.

In terms of work performance, they are expected to excavate up to 2m<sup>3</sup> of Class 1 material per day, and this has been achieved by more than half of the participants. With regard to concrete work, all batching is undertaken by hand, and this is allocated as a "Team Task" in terms of which 8 people are required to batch, haul, place and float 5 m<sup>3</sup> of concrete per day. This too, has been achieved more often than not, and progress is satisfactory.

The onsite engineers at the P240 Road Site proved to be a wealth of information as they engaged with the eager conference delegation and answered many questions. They were able to exchange ideas and experiences with their international counterparts, particularly with Kenyan, Namibian and Ugandan delegates.

The Ilembe District is also home to the major battle grounds of the great Zulu monarch, King Shaka. The delegation thus rounded off the trip to the northern region with a visit through the King Shaka Heritage Route. Here they took the opportunity to learn more about one of Africa's greatest heroes.

Public Works  
Labour

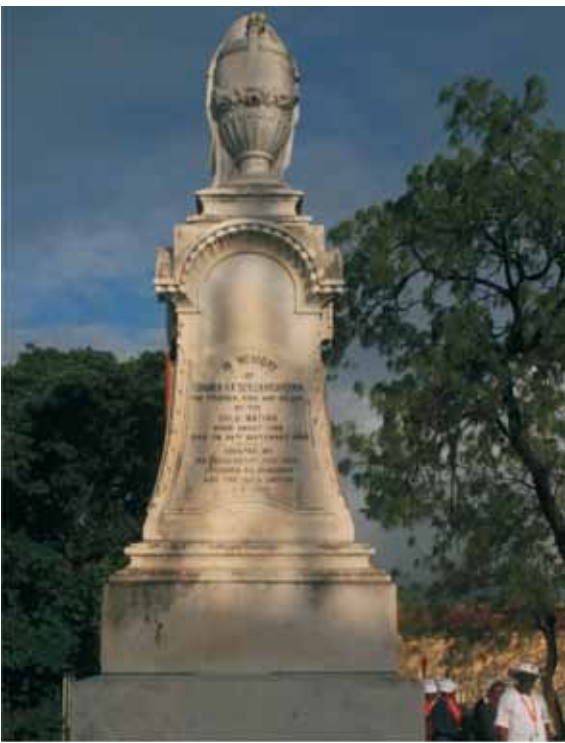


The primary objective in developing this tourist route is to develop a cultural and historical tourism route, which will encapsulate the rich culture and diverse history of the region, but most importantly to open up new and geographically diverse commercial opportunities.

The King Shaka Heritage Route, which through the attraction of a significant number of tourists into the area, will contribute towards the sustainability of a wide range of culturally based social and economic activities, including craftwork, dance forms, music, poetry,

drama and storytelling, acting/drama, photography, local cultural and heritage research and documentation, as well as arts management and entrepreneurship.

Some delegates also managed to pay a visit to the home of one of the pioneers for democratic change in South Africa, Chief Albert Luthuli. A wax figure of Chief Luthuli proved to be a popular attraction as delegates made the most of the opportunity to be photographed with the image of an icon of African pride and liberation.





# Western route

## offers diverse interventions

Delegates who went on the western route site visits soon found that the slow start to the morning's activities belied the busy and exciting itinerary they were to follow.

This route covered the area from Inanga, to KwaDindi and Cedara, which is near the political and administrative provincial capital city of Pietermaritzburg (also known as Umgungundlovu). The region shows various economic activities that the poor and unemployed are engaged in, as government's response to alleviating poverty and creating jobs, through the Expanded Public Works Programme (EPWP).

Inanga is one of several locales where the eThekweni Municipality's Rural Water Sanitation Programme) is being implemented. The city has committed

itself to providing acceptable basic levels of water and sanitation to all households in the municipality's rural and peri-urban communities by 2010 through the supply of urine diversion (UD) toilets and 200-litre yard tanks.

This is a multi-million rand project, which entered its fifth year of operation this year. It provides useful lessons on how to tackle the rollout of a new technology. The city provides over R300 million annually to this programme, which is for the most part funded by the Municipal Infrastructure Grant (MIG).

In addition to the eradication of

water and sanitation backlogs, the project aspires to stimulate the local economy through using local contractors and assisting local people to become suppliers of materials such as bricks. Through the project steering committee, needy households in the community are identified for preferential access to employment opportunities through the project.

Further up the road, the excursion took a turn into the KwaDindi Juncao Mushroom Producers' scheme. The KwaDindi site is the pilot site in KZN. The technology was developed in China by

Professor Zhanxi Lin, Director of the JUNCAO Research Institute, Fujian Agriculture and Forestry University, who is now contracted by the KZN Department of Agriculture and Environmental Affairs in partnership with the Department of Transport to assist in establishing a Juncao mushroom production industry in KZN.

This method has been preferred for its ability to create viable new livelihood opportunities. Juncao technology enables the production of edible and medicinal mushrooms on agricultural waste and grass.

As the intention is to promote mushrooms as food security, it is noteworthy that a per capita consumption of some 20 kg per annum in KZN alone would result in an income equivalent to more than R5 billion and create more than 400 000 jobs.

The KwaDindi model has been designed to assist the essentially unemployed/part-time employed to become gainfully self-employed. Ideally, they would be assisted to exit the Zibambele road maintenance contract system to become self-employed fulltime mushroom farmers.





# Western route ...cont

The Eco-Coffins Project in Cedara is an initiative committed to ensuring environmental and social benefits through the control of invasive alien plants, creating employment opportunities in the manufacturing of coffins, and the growing of indigenous plants for rehabilitation and healing. The project's motivation is to give dignity to the poor in their time of bereavement, at the lowest possible cost, through the provision of quality eco-friendly coffins along with pastoral support at the funeral. It also lobbies the formal and informal insurance industry on behalf of the bereaved, to ensure they obtain the maximum benefit from their funeral pay-out. The venture aims to create more sustainable work opportunities for target groups including women, disabled, ex-prisoners, and the long-

term unemployed. The invasive alien plants include pines, gums and wattles, which pose the greatest threat to South Africa's rich biodiversity, added to which these have a significant impact on water security, the productive potential of agricultural land, the severity of wild fires, and other impacts. It is labour-intensive at all stages, in compliance with the EPWP, from the clearing of invasive alien trees, undertaken by the Invasive Alien Species Programme, to the manufacturing of coffins. The long road trip back to Durban took a welcome detour to the picturesque city of Pietermaritzburg, where a delicious and leisurely lunch was enjoyed by everyone at the stylish Golden Horse Casino.





# SUNNY SOUTH

## ALIVE WITH JOB OPPORTUNITIES

**The scenic road down to Port Shepstone gives one a striking perspective of the beauty of KwaZulu-Natal's south coast. Adding to the upbeat vibe of the region, the EPWP's P68/2 Road Project provides work opportunities and training for 170 emerging contractors drawn from local communities in the Assisi to St Faiths district in Port Shepstone, and looks forward to creating opportunities until the year 2010.**

Project manager, Sunil Rupee, told delegates on the southern route site visit that 170 emerging contractors are engaged in what is known as the Vukuzakhe programme, a KZN development initiative aimed at providing a series of skills and training to contractors and unemployed people in the region.

"The plan adopts a phased approach that identifies a range of activities needed for implementation of the project at each stage, with skills training underscoring every phase of implementation. Contractors are provided with a grader, roller and a truck - while, for instance, a contractor might enter Stage 1 as a labour-only contract, or tender for an earthworks contract, but by stage 4 of the programme, they will most likely be in a position to tackle more advanced tasks," Rupee explained.

A key differentiator is that the project manager and engineers are responsible for facilitating skills transfer to the

contractors, in addition to the normal functions for supervising implementation on EPWP projects.

The project constitutes the construction of a two lane main road 24.9 km in length, traversing mountainous terrain. Design and implementation began in 2003, and will continue until March 2010, with the latest total projected budget of R158 million. As with all EPWP infrastructure sector projects, all tasks are deployed using labour intensive methods, and to date, 705 local jobs have been created, with men and women having equal share; and 60% characterised as youth.

Development Initiatives will include CETA Learnerships for construction roadworkers and contractors (both NQF2), school learner sponsorship, PC sponsorships to local schools, survey assistance, materials testing assistant, S3 Civil Engineering technician in-service training, more community weirs if

feasible, upgrading Oshabeni sports field with proper drainage, spectator stands, and change rooms.

One unskilled labourer on the project, Sipho Shazi from Mehlumnyama, said, "I'm relieved that now I'm able to provide for my family, pay school fees and buy groceries. Since I started on the project, my life has changed for the better because the stipend we get is better than not getting anything at all."

A delegate from Zimbabwe, Mubato Mazodze said, "This is a good example of a modified direct labour project, I think that it is very efficient and it works."

The site visit proceeded to the Hibiscus Coast Municipality and KZN Department of Transport's initiative, the Siyazenzela waste management scheme at the Ugu Agricultural Market in Port Shepstone - the same site visited by the Ministers on Tuesday.

Here community members can work by collecting and managing waste within

their living environment, so giving people a sense of ownership and pride in their own surroundings.

Three municipalities have been identified by the KZN Cabinet to pilot the programme, namely Hibiscus Coast, Msunduzi and eThekweni, and the waste management project will be implemented in Masenenge, Mkholombe, Bhobhoyi and Louisiana within the Hibiscus Coast Municipality.

The Siyazenzela Project is modeled on a pioneering waste collection project of Critical, in Brazil known as 'GARBAGE - THAT IS NOT GARBAGE'. In Brazil, the programme is designed to access communities generally not provided with waste collection services. These communities are then recruited to collect and deliver household waste to designated central depots for collection by the local authority in exchange for vegetables and food parcels. The local authority performs the function of

processing the waste and stratifying it for recycling usage.

Driven by the KZN MEC of Transport, Bheki Cele, Siyazenzela is improving and extending waste removal services in rural areas. Some of the benefits of the Siyazenzela project include sustenance of community gardens, prevention of health risks and environmental pollution and removing the dependency syndrome.

There are currently about 200 beneficiaries and eight supervisors from selected areas within the Hibiscus Coast. They are employed on a yearly basis with an option of renewing their contract at year-end and as part of the scheme, receive food packages as remuneration for their services.

The Ugu Agricultural Market also served as the venue for a hearty lunch and a time for delegates to network before making the journey back to Durban.





# SOUTH AFRICA...

## A COUNTRY ALIVE WITH POSSIBILITY



## ROAD MAINTENANCE PAVING THE WAY FOR WORK



Mr Bjorn Johannessen and Ms Glen Xaba

The dialogue around rural road maintenance as a channel for employment creation was explored during Tuesday morning's panel sessions. An attractive aspect of such schemes is that they have the potential to offer long-term service opportunities.

Bjorn Johannessen, ILO senior rural infrastructure management specialist at the ILO Regional Office Asia and The Pacific, Bangkok and Glen Xaba, a general manager in the KwaZulu-Natal Department of Transport, submitted their experiences of and research into the

viability of road maintenance programmes for addressing issues of poverty, unemployment and rural access that affects marginalized communities.

The positive effects of employment through such programmes, Johannessen said, are that direct employment generated from maintenance work is permanent and long-term, and results in improved access that stimulates local economies, local employment generation and improved access to employment elsewhere for rural communities.

He highlighted the impact of road deterioration on the poor as significant,

resulting in loss of assets, poor physical access to and from rural areas, increased vehicle operating costs, limited access to social services, education, health and basic needs, as well as limited access to economic activities, markets and employment. "It is important to consider that socio-economic benefits disappear without sufficient maintenance," Johannessen said.

In a World Bank 2006 study, documenting the Rural Access Index, interesting statistics depict the extent to which rural access is provided in a range of countries, using the equation of

populations within 2km of an all year round road. The results show that only 30% of the rural populations in Sub-Saharan Africa have access to rural roads, while the figure is at 58% in South Asia; and 94% in East Asia, with great progress in connectivity rates.

Rural road maintenance implementation has several key features that can provide benefits to rural populations, both speakers agreed, in particular the potential to optimise the use of local resources and labour. There are several maintenance arrangement options, including engaging paid permanent staff supported with equipment, paid casual workers for defined tasks (based on the Lengthman system), direct contracts with individuals or groups, contracts with small or large contractors, agreements with communities and organisations and self-help options.

In their adaptation of the Kenyan Lengthman contract system, the KZN Department of Transport's Zibambele ("doing it for ourselves") programme provides gainful employment for the poorest of the poor using labour intensive methods of road maintenance. Xaba indicated that, here too, a household, not an individual, is contracted for 12 months, extended annually, to maintain a section of road between 500m and 800m in length. The contractor works for 60 hours a month, allowing time for other chores.

The province has recognised Zibambele as ongoing and sustainable, cost effective and cost efficient, with the benefit of a skills development

component, as well as an investment and wealth creation options through savings clubs and co-operatives. An important aspect is the Zibambele Savings Clubs. Since 2003, R7.5 million has been saved, which is quite significant, considering that contractors earn R400 a month, and saving is voluntary, she noted. Accumulated savings are invested in productive enterprises.

Designed as an anti-poverty programme, Zibambele provides destitute households with a contract for life, as long as the basic criteria for road maintenance are met. Women-headed households are a particular target, said Xaba, as women constitute 53% of the population in the province, over 1 million of whom over the age of 20 have either no schooling at all, or only primary education. Consequently, 95 % of Zibambele contracts are awarded to women. By 2006/2007, 31 390 contracts had been awarded and R709.7 million invested since its inception 10 years ago. Vital to the programme's success is the extent of the political support, resulting in financial assistance. Zibambele is viewed by the EPWP as a best practice national programme.

Xaba said the programme had its challenges, which centre largely on capacity and human resources in terms of supervision, and high illiteracy levels that stifle training outcomes. However, the department has adopted a supervision approach that reviews parallel systems and fuses functions into one to maximise resources, so that one person takes care of every area of supervision.

# Prioritising employment in infrastructure investments

South Africa's plan to spend R320 billion on infrastructure over the next three years was one of the major discussion points at this week's 12th Regional Seminar on Labour Intensive Practices. Panelist Mbongeni Mondlane's exploration of the country's experience – or lack of – in applying employment investment programmes attracted much attention.



Mr Mbongeni Mondlane

As the host of the FIFA 2010 Soccer World Cup, South Africa's priority infrastructure projects include the massive Gautrain (R27 billion) and stadia around the country at a cost of R8 billion. Added to this, the Medium Term Expenditure Framework (MTEF) has also made provision for further developments in electricity (R71 billion); roads (R62 billion); rail (R46 billion); housing (R30 billion); ports (R16 billion); water and sanitation (R27 billion).

In light of the potential that these massive projects have to positively impact the country's poor and unemployed, Mondlane interrogated the relevance of the Expanded Public Works Programme's (EPWP) Infrastructure Sector and compared it to employment-intensive investment policies. "South Africa's high wages makes labour-based technologies an unsustainable endeavour," he said.

Added to this, "The demonstration of the cost-effectiveness of Public Works Programmes in distributing resources with a bias towards the poor is sustained in the short term, but unlikely to be supported as a long-term measure. This is informed by the EPWP's own exit plans that require a majority of beneficiaries after acquiring the necessary skills to obtain better employment."

Reflecting on South Africa's history during the apartheid years, there

were Public Works Programmes, but these did not make any significant contribution to service delivery or meaningful employment. Since the country's transition to democracy, labour-based methods have been intensified, firstly through the Reconstruction and Development Programme (RDP).

Flowing from this policy, the next plan of action was forming the EPWP, with the vision that it would "provide poverty and income relief through temporary work for the unemployed to carry out socially useful activities."

Mondlane further noted that the EPWP was not meant to be a solution to the unemployment crisis, but rather a tool with the potential to make a modest contribution to job creation, poverty alleviation and skills development.

South Africa's immediate challenge is ensuring that the EPWP's targets are met. A major frustration is that the country's legacy of poor infrastructure from Public Works Programmes continues to limit the expansion of EPWP to critical or large-scale infrastructure projects. The decision to fund EPWP from line function departments, provinces and municipalities functions well if that public body adheres to the conditions of the allocation, he said, adding that this trend has however been slow in adoption.

There is a strong opinion that the EPWP should be funded direct from the fiscus," Mondlane said. He also noted that the complication with an EPWP with its own funding is that the line function responsibility for the ministry (where the EPWP has a limited mandate) will result in no jurisdiction over other infrastructure, such as roads. An EPWP with its own funding source will also create further complications for infrastructure projects, as the prioritisation and budget allocation for future maintenance will require a continued contribution from the EPWP funds, which is out of line with the budget allocation framework and line function responsibilities, he explained.

When the EPWP was launched in 2004, its Infrastructure Sector was projected to spend R45 billion over 5 years. The EPWP earmarked R15 billion of that for projects using labour-based methods. Mondlane noted that from the EPWP monitoring and evaluation data, the actual expenditure of this sector stands at R9,5 billion after three years. Based on that, he surmised, "The modest target of spending R15 billion will definitely be reached considering that the programme expenditure in the 2006/07 financial year alone was R5,5 billion."

According to Mondlane the country's current wage structure complicates the implementation of labour-intensive works on large projects, where the same persons can be employed for a period of up to 24 months, but will have to be re-employed under the Basic Conditions of Employment Act.

The general term of operations for EPWP projects has therefore been limited to no more than 9 months. Although this assists the Programme in adhering to the country's conditions of employment, it also restricts growth as labour-based methods are restricted to short-term projects. "Should labour-based projects



Mr Maikel Lieuw Kie Song

thus be applied to multi-year projects, the costs will exceed the cost of implementing a similar project using machine-based methods," he said.

"In the implementation of large-scale projects, labour-based methods will continue to be confined to those activities that would have been performed by human labour anyway. The substitution of equipment and replacement by labour, owes its success to pilot projects through the Vuk'uphile learnerships. The enforcement of conditional grants for the use of labour-based methods is unlikely to be a standard practice as public bodies are struggling to spend their budgets; let alone adhere to the grant conditions," Mondlane said.

Mondlane further argued that the EPWP, with its current budgets, could still increase its gains in job creation if it monitored the extent to which labour-based methods are being applied. Also, the weakness associated with decentralisation, would remain a difficult hurdle where the vested interests of local politicians and managerial staff are not in favour of labour-intensive employment.

"The South African experience with LBM's, although modest by design, meets the essential requirements, and there is minimal correlation between the massive infrastructure development programme and the EPWP, especially as a percentage of expenditure," he said.

## THE REAL OPPORTUNITY COSTS OF UNEMPLOYMENT

Also speaking on the South African experience, Maikel Lieuw Kie Song explored the theme of The Real Opportunity Costs of Unemployment. An engineer by profession, Lieuw Kie Song said the study, which was done in conjunction with Robert McCutcheon and Anne Fitchett, aimed to provide a method of calculating the costs of unemployment from an engineer's perspective and working from the premise that the unemployed are a non-productive asset within the economy. He said that one of the goals of economic policy was full employment.

"Economic models should take into account all citizens. It is important also that we bear in mind that the unemployed are a potential resource. Surely there is a structural problem in the economy if the resources that are abundantly available cannot be mobilised to address the urgent demands of this same economy?" he noted.

Although determining the cost of living for an unemployed South

African was not easy, he said that the study looked at the average daily nutritional requirements of an individual and then considered the costs of purchasing those basic foods. In addition to this, the study also considered water costs. This complicated the data collection in that the poor and unemployed in South Africa generally do not pay directly for water, but rather obtains it through complex channels of collections, subsidies and payments.

Another way of looking at the cost of unemployment was to look at the cost of the services that government provides to this sector through different subsidies. "The most significant of these subsidies include the housing subsidy, free basic services (water and electricity) and child support grants to the children of the unemployed," he said, adding that their estimate was that in 2005-06, the South African government would have spent R27,4 billion on these services.

He stressed that this amount was actually a small portion of the total amount spent on maintaining the unemployed. "Some of the

costs not taken into account here are the need for better nutrition in the long term, investments from government in education and healthcare and other costs of living like shelter and clothing." Lieuw Kie Song pointed out that there was actually a direct annual cost of about R30 billion associated with maintaining and subsidising the unemployed, which is close to 3% of the Gross Domestic Product.

"If we add the direct costs to the opportunity costs estimated, the cost is anywhere between 6% and 9% of GDP. Finding a way to unlock this potential productivity would in turn unlock the huge growth that the South African economy is seeking.

"It is only when this opportunity cost is factored into economic models however, that we will be able to formulate policies that truly target the unemployed. The impact of the poor in South African being able to access an additional R30 to R60 billion annually would clearly transform the social landscape," he concluded.



# ❖ A world in one province ❖

KwaZulu-Natal has a profusion of world class golf courses – most of them within easy reach of Durban – that compares with Florida or the Algarve, in Portugal.

The concentration is on the South Coast – or Hibiscus Coast, also sometimes known as the Golf Coast – and three of these (Selborne Park, San Lameer and the Wild Coast Sun) are listed among South Africa's top 10 courses.

Durban itself has Country Club and Royal Durban, while Umhlali Golf Club and Prince's Grant, on the North Coast, and Victoria Country Club and Maritzburg Golf Club, in Pietermaritzburg, the provincial capital, add to the tally of top courses.

The South Coast is especially enticing for the visiting golfer because of the beauty of the setting. The courses alternate with rocky outcrops along the coastline, secluded bays and beaches and picturesque lagoons.

The coastline also offers a range of holiday accommodation and restaurants.

The courses themselves tend almost to be an experience in eco-tourism, so rich are they in bird and small animal life.

San Lameer Country Club, for instance, was designed with an emphasis on landscaping and the preservation of wetlands. More than 200 species of birdlife have been recorded there and the grasslands

and woodlands are the habitat of a variety of small antelope and other animals.

Selborne Park – described in golf terms as "somewhere between Gleneagles and Augusta" – has huge indigenous trees that flank the fairways and create a sense of repose, complemented by the flitting of birdlife among the branches.

**The golf courses of the Hibiscus Coast are:**

**Margate Country Club (039-3122340); Port Edward Country Club (039-3112589); Port Shepstone Country Club (039-695 0140); San Lameer Country Club (039-3135141); Southbroom Golf Club (039-3166051); Wild Coast Golf Club (039-3052799); Umkomaas Golf Club (039-973 1042); Scottburgh Golf Club (039-9760041); Umdoni Golf Club (039-9751320); Selborne Golf Club (039-6881891); and Harding Golf Club (039-4331738).**

