**UNREVISED HANSARD**

**MINI PLENARY - NATIONAL ASSEMBLY TUESDAY, 25 MAY 2021**

**Watch video here:** [**Vote No 13 – Public Works And Infrastructure**](https://www.youtube.com/watch?v=rYAEdZGyNEU)

***PROCEEDINNGS FOR MINI-PLENARY SESSION – NATIONAL ASSEMBLY CHAMBER***

Members of the mini-plenary session met on the virtual platform at 10:00.

The House Chairperson Ms M G Boroto took the Chair and requested members to observe a moment of silence for prayer or meditation.

The Chairperson announced that the virtual mini-plenary sitting constituted a meeting of the National Assembly.

**APPROPRIATION BILL**

Debate on Vote No 13 – Public Works and Infrastructure:

The MINISTER OF PUBLIC WORKS AND INFRASTRUCURE: Thank you, hon

House Chair and hon members. I also want to greet my fellow

Cabinet members and Deputy Minister Kiviet, the chairperson of the portfolio committee and members of the media, fellow South Africans, good morning, goeie more, dumelang, As-salam alaykum. I want to start, hon House Chair, by wishing all South Africans a Happy Africa Day.

Our seventh key priority in the Sixth Administration is a commitment to a better Africa and a better world. I believe investing in South Africa’s infrastructure will bring us closer to our continent as we link our neighbours with new ports of entries, bridges and roads and increasing trade and deepening our links with continent.

But let me report on how the excavators are breaking ground in South Africa. Hon President Cyril Ramaphosa told Parliament in his 2021 state of the nation address, and I quote: "we stand here not to make promises but to report progress in implementing the recovery plan and the priority actions we must take to restore growth and create jobs".

I am here to here today hon House Chair, to give an honest and frank account of what we have delivered, the problems we faced and what we still need to do. Let me start with

infrastructure. A year ago in May 2020 Cabinet approved South Africa’s Infrastructure Investment Plan. The plan forms a fundamental part of South Africa’s Economic Reconstruction and Recovery Plan.

In the development of the Infrastructure Investment Plan, the Department of Public Works and Infrastructure worked with the Presidency’s Infrastructure and Investment Office to set South Africa on a new path to plan, secure, investment and implement bankable projects.

We are using the new Sustainable Infrastructure Development System Methodology to assess all infrastructure projects to ensure that they are bankable. As a result, infrastructure South Africa was created as a single entry point for all infrastructure in our country.

The government’s Infrastructure Investment Plan is implementation driven with immediate, medium and long term action plans.

A total of 50 projects and 12 special projects were identified and gazetted in July 2020 as the first phase of the Infrastructure Investment Plan.

An infrastructure investment project pipeline in the energy, water, transport, human settlements and telecommunications sectors were identified.

The Establishment of Infrastructure South Africa, ISA, also assessed the historical infrastructure projects Strategic Integrated Projects, SIPs, 1 to 18 from the Fifth Administration, reviewing their current status in the project life cycle. It found that there are 46 projects completed with a portfolio value of R162 billion, 81 projects are at different stages of construction with a portfolio value of R800 million, there are 22 projects with a portfolio value of R73,1 million in procurement stage and 31 projects with a portfolio value of R215 billion at the feasibility stage.

There are apparently 80 projects and programmes with the portfolio value of R202,4 billion, 66 projects and programmes are on hold with a portfolio value of R2,6 billion. This

report was submitted to the Presidential Infrastructure Co- ordinating Commission on 22 April this year.

ISA visited the three spheres of government, the state-owned entities, visiting many provinces unblocking catalytic infrastructure projects, including private sector-led projects.

Hon House Chair, when people think of infrastructure, they think of big, "cold" projects, and there is often a disconnect about the importance of infrastructure and its impact on our communities.

Infrastructure is about people having water to drink, having decent roads, and having a bridge to cross to school or to work. It helps them connect to the internet so you can find more opportunities and access critical government services like clinics, police stations or courts.

Infrastructure is about changing people’s lives for the better. Now, putting people first, the Department of Public Works and Infrastructure developed a Social Facilitation Methodology and Framework for infrastructure this past year to

bring communities closer to every single infrastructure project.

The framework was approved by Cabinet earlier this month. Social facilitation puts the community at the centre of an infrastructure project. From the outset of the planning process, the implementation, and finally operating and maintaining. The Department of Public Works and Infrastructure, House Chairperson, is also developing a National Infrastructure Plan 2045. This plan will spell out the government’s intentions to build, manage and maintain infrastructure within a unified vision that enables South Africa to grow, address our inequality and capture the strengths of our nation, within the region and internationally, for the next 24 years.

The National Infrastructure Plan 2045, NIP2045, will provide investors with a clear picture of our future infrastructure plans. The sector experts from business, organised labour, think tanks, state-owned entities are all part of drafting the National Infrastructure Plan 2045. The draft plan will be presented to Cabinet in June 2021 and soon thereafter it will

be gazetted for further public participation and public comment.

The Infrastructure fund: Government established the Infrastructure Fund and committed R100 billion over the next

10 years.

To encourage private sector investment in infrastructure, we have established the Infrastructure Investment Committee chaired by myself and consisting of members both from the public and the private sector and the aim for this committee is to encourage crowd-in funding from sources alternative to the fiscus. Some of the projects approved by the committee so far has been funded from the Infrastructure Fund. We have approved for Student Housing Infrastructure Programme with allocated around R3,4 billion from the fund.

For the SA Connect Phase 2 Project, we have allocated R20 billion and Phase 2 of the Mokolo Crocodile River

Augmentation Project in Limpopo, we have approved R3 billion towards start-up funding from the Infrastructure Fund.

Also, for the One Stop Border Posts with Zimbabwe, Mozambique, Lesotho, eSwatini and Botswana, we have allocated around

R1,5 billion from the Infrastructure Fund. This project will be done through a public, private partnership.

It is important to note again that these funds from the Infrastructure Fund will be allocated over the next few financial years.

Hon Chairperson, in seeking solutions to provide more secure border infrastructure, the Department of Public Works and Infrastructure advertised a request for proposals for borderline infrastructure for the country to deal with fixing the porous border fencing around our country.

The requests for information closed on 26 April and this process is aimed at providing borderline solutions for our whole country about 3 000 kilometres of our borderline.

We have received 16 bids and the department is currently evaluating the proposals and this is expected to be concluded by 15 June 2021. Thereafter, the various options will be discussed with the Department of Defence to finalise the

specifications before it goes out for tender. We are exploring using the Build-Operate-Transfer model for this project.

It is clear that Isa and the department are playing a pivotal role in unlocking infrastructure investment. This places us at the forefront of infrastructure delivery.

Hon House Chair, I now turn to Budget Vote 13. The department budget allocation over the medium term three financial years or the Medium Term Expenditure Framework, MTEF, period is R25,5 billion, and the funding will be spent to meet the 7 Priorities of government and specific to: Accelerated infrastructure investment for economic growth. Transform our economy the built environment and enable job creation.

Proactively ensure spatial transformation and redress through leveraging state assets. And to provide a dignified experience for our client departments, the civil servant working in a government building, be it a police officer or a nurse or ultimately to every South African that visits a government building. So, the budget of this financial year is

R8,3 billion.

The department budget for transfers and subsidies with the inclusion of transfer payments to the Property Management Trading Entity and also Extended Public Works Programme, EPWP, is equivalent to about R7,3 billion for the 2021-22 financial year. Also for this financial year, the department will be disbursing allocations to eligible public bodies in the EPWP for the following sectors: An amount of R1,18 billion for Infrastructure, Environment & Culture and the Social sectors through the integrated grant incentives for provinces and municipalities, with an estimated total number of 81 850 work opportunities estimated.

An amount of R1 billion of the money will go to the Non-State Sector Programme, with an estimated total of 52 189 work opportunities.

An amount of R414 million in the social sector for provinces, with an estimated total of 16 243 work opportunities. For the financial year which ended at 31 March 2021, the EPWP department has transferred 99% of the budget, with

R1,8 million being withheld due to non-compliances by certain provinces.

For the financial year ended 31 March, the following demographic targets were achieved in EPWP opportunities: At least 69% of EPWP opportunities went to women, 42% opportunities went to youth and just over 1% for people with disabilities.

House Chairperson, the Auditor-General of South Africa and Members of the Portfolio Committee in Parliament have raised concerns about the reporting by provinces and municipalities on the EPWP spate.

So, in the 2021 financial year, the department conducted a social audit pilot study in the City of Ekurhuleni, the Steve Tshwete Local Municipality and Nkangala District Municipality to assess the impact of the EPWP programmes on communities.

I now turn to the budget allocation for the Property Management Trading Entity, PMTE, is R4,2 billion for the 2021-

22 financial year. The PMTE will focus on refurbishing and maintaining government buildings in its portfolio and also develop 12 small fishing harbours in our country.

Under the PMTE allocation, an amount of R945,7 million is allocated for the Department of Public Works and Infrastructure specific infrastructure projects and Will be used for: An amount of R256 million will be used for Land Ports of Entry, R116 million will be used for Dolomite Risk Management where government buildings are at risk to collapse because of a dolomite sinkhole and or doline problem especially in Gauteng, Mpumalanga, Limpopo, the North West, the Northern Cape and also the northern part of the Free State.

An amount of R23 million is set aside for the retrofitting of facilities that have not catered for people with disabilities, R20 million is projected spend for this financial year for the refurbishment to parliamentary villages to ensure that they are compliant and that we remove the asbestos buildings out of the parliamentary villages, R35 million projected spend in this financial year for the refurbishment of the Parliamentary precinct in buildings such as the NCOP, Marks Building, 100 Plein Street and also to upgrade security infrastructure.

An amount of R131,7 million on other infrastructure projects such as the Port Elizabeth Eben Donges building, building

alterations and refurbishments including air conditioning and also the upgrading of 10 water treatment plants and the upgrading of the Department of Public Works and Infrastructure and Durban regional office.

Another bR199 million is for the precinct development in cities to support efficient and integrated government planning by grouping departments that provide similar services. One example that is in advance stage is the Salvokop Precinct mixed-use precinct in the City of Tshwane. This project includes the national offices for 4 government departments, namely; the Department of Correctional Services, the Department of Higher Education and Training, the Department of Social Development and their agencies – the SA Social Security Agency, SASSA, and the National Development Agency, NDA, as well as the Department of Home Affairs.

The process for the appointment of a contractors to install bulk services at Salvokop is currently being finalised and that will constitute the first phase constituting 350 000m2 of the development for the four government head offices. Also, we have registered four public-private partnerships with the National Treasury and they are currently in feasibility and

budget approval stages with the National Treasury. The other one is PV and Water Savings.

The Department of Public Works and Infrastructure as the landlord for all government buildings and they consume a significant amount of water and electricity. An estimated 421 Gigawatt hours and 39 million kilolitres of water each year.

This equates to about R2,4 billion expenditures on electricity and on average R1,8 billion a year on water. So, the department’s PV and Water Savings on Government Buildings Programme aims to reduce energy consumption by between 22 to 45% over the life of the programme and also to reduce water consumption by between 30 and 55%, and if we can achieve we estimate saving of up to R500 billion over the next 30 years for government.

Further, this programme will also reduce carbon emissions by 54,5 mega tonnes. The programme was gazetted in July 2020, which has enabled it to follow an expedited path. So, the programme has received National Treasury approval for phase 1 and it has been registered to be implemented in collaboration with the private sector on a full design, finance, build,

operate, transfer basis that will then allow the programme to proceed to Phase 2.

The project team and transaction advisor, together with the chief financial officers have worked with National Treasury on the structuring and governance of the various utilities budgets and are in full agreement on the way forward. So, this will mean that this Strategic Infrastructure Programme will be able to go to go to the market in the next few months.

Hon House Chair, briefly on land reform, the Department of Public Works and Infrastructure plays an active role in the Inter-Ministerial Committee on Land Reform to fast track land release. Just this weekend, I joined the President and Ministers from the Land Reform Inter-Ministerial Committee, IMC, as we handed over 31 title deeds to black farmers outside Groblersdal in Limpopo.

I also want to thank the members of the portfolio committee who joined us at this event, hon Samantha Graham-Mare and hon Timothy Victor Mashele.

The department’s real estate investment services that champions the work on land reform has been allocated

R222 million for this financial year. Last year, this branch spent about 98% of their budget.

So, what happened in the past year - in the past year, 2 574 hectares were released for Restitution Programme to the Department of Agriculture, Land Reform and Rural Development to finalise land transfers to claimants. Fifty-two parcels of land totalling more than 3 000 hectares were released to the Department of Human Settlements. One hundred and twenty-five parcels of agricultural land for land redistribution measuring by 25 500 hectares covering all nine provinces.

Further, in support of infrastructure development, 15 hectares or 11 land parcels were approved for the registration of roads, water, electricity and gas pipeline servitudes.

In the 2021-22 financial year, the department plans to release

21 132 hectares for land restitution, 10 951 hectares for Human Settlements and 180 hectares for other socioeconomic purposes.

We also have an extensive property portfolio comprising of

29 041 land parcels and more than 81 573 buildings and a total of 9 736 are land parcels of vacant land and is ready to support the spatial transformation of our cities and towns.

The Real Estate Registry and Information Services is also responsible for the Department's Immovable Asset Register, and it will receive R62 million in the current financial year.

National Treasury is currently assisting the Department of Public Works and Infrastructure to draw up the specifications to digitise the immovable asset register.

We are planning to conduct a concept to transfer the immovable asset register onto a block chain platform to enhance transparency and credibility of the asset register.

The Immovable Asset Register is a core tool for the Department of Public Works and Infrastructure that they can use to sweat the assets of the state to drive investment in infrastructure and bring about social and spatial justice.

House Chairperson for this financial year, the allocation for the Real Estate Management Services Branch is R11,2 billion and that will be spent on leases, property rates and also municipal services.

The department’s facilities management branch will be doing repair and maintenance, preventative and reactive on state- owned buildings an allocation of R3,9 billion. The department has enhanced its strategy in reducing reactive maintenance by putting in place preventative ...

The HOUSE CHAIRPERSON (Ms M G Boroto): Hon Minister, I am very sorry, I gave you extra time. I actually gave you more.

The MINISTER OF PUBLIC WORKS AND INFRASTRUCTURE: My time has

come to an end. Thank you.

The HOUSE CHAIRPERSON (Ms M G Boroto): You will actually still come back.

The MINISTER OF PUBLIC WORKS AND INFRASTRUCTURE: Yes, thank

you.

*IsiXhosa*:

Nksz N NTOBONGWANA: Mandibulele kakhulu Sihlalo ohloniphekileyo, ndibulise kuMphathiswa weSebe lezeMisebenzi neZiseko zoLuntu, amalungu ahloniphekileyo akhoyo onke kule Ndlu yePalamente namhlanje, iindwendwe ezikhoyo, kunye nabeendaba. Xa ndinibulisa nditsho ndisithi, nibe nosuku oluhle, olumnandi lokubhiyozela ilizwekazi Afrika, ...

*English*:

... happy Africa Day.

This year has been declared as the year of Mama Charlotte Manya Maxeke the ‘Mother of Black Freedom’ as she is referred to. One of the most famous quotes:

This work is not for yourselves, kill that spirit of self, and do not live above your people but live with them. If you can rise, bring someone with you.

This quote remains relevant even today. This work is not for ourselves as Members of Parliament, we must kill the spirit of self and not live above the people who made entrusted us with

the responsibility of being public representatives. We must always bring up the masses of our people out of poverty.

This budget that is presented by the hon Minister is the tool with which this government’s policies are implemented to transform and improve people’s lives.

The budget of the Department of Public Works and Infrastructure has shown some aspects of driving transformation in our country and improving people’s lives.

But nevertheless, COVID-19 pandemic has worsened the socioeconomic challenges across the world and our country was also affected by that. The challenges of poverty, inequalities and unemployment were more exposed and worsened during this trying times of our lives.

His excellency, President Ramaphosa, last year presented to the nation the Economic Reconstruction and Recovery Plan, which aimed at helping the economy recover from the ravages of the COVID-19 pandemic and the lockdowns that were implemented to curb its spread.

Focusing on this plan, the department has key matters that have to be founded by its budget and amongst those matters is, firstly, the Aggressive Infrastructure Investment, that the Minister has mentioned, which has to be co-ordinated across the three spheres of government. Infrastructure SA then becomes a critical arm to advance that through its partnership with private investors that the Minister has just mentioned now.

Secondly, green economy interventions, employment orientated strategic localization through the Extended Public Works Programme, EPWP, reindustrialization and export promotion.

Through the EPWP, the department has been at the forefront with the co-ordination of labour-intensive employment creation strategies in infrastructure and maintenance projects.

Lastly, gender equality and economic inclusion of women and youth. The Minister has listed an empowerment programme in infrastructure maintenance for women, youth and for persons with disabilities; and we have noted as the committee the focus that the department is doing on women, youth and people with disabilities.

In their reporting on work opportunities that have to be created in five years, the target was 55% for women and youth and 2% for people with disabilities. We have noted that on the report that we have received, especially after the first lockdown, these numbers have actually started to rise. We applaud the department on such an initiative.

In terms of our entities, the Property Management and Trading Entity, PMTE, struggles to look after and maintain government buildings. The maintenance of the entire property portfolio of government was not adequately funded and it leads to a backlog with the repair and refurbishment. If this continues further, it will be near impossible to get the condition of government buildings to an acceptable level to operate a sustainable business.

The Independent Development Trust, IDT, has traditionally played an important developmental role. It should be the best social infrastructure development entity of this country. And we have seen buildings that were done through IDT, the courts, hospitals, police stations, schools etc. It has an excellent record of consulting communities to share ownership and pride in their own buildings.

Over the years it has developed excellent project management and social facilitation skills, and capacity. But, once the buildings are completed, the IDT struggles to collect the management fees back from the client departments. This matter has much to do with the lack of reconfigured IDT with a strong law that enables it to collect debt and fees owed to it.

After the challenges that we have seen in IDT, we are encouraged that a new board has been appointed and we hope that this new board will implement the plan that was before cabinet to reconfigure this entity so that it can become the best social infrastructure entity in South Africa.

After two years of collaboration on the review of the Construction Industry Development Board, CIDB, Act with the Department of Public Works and Infrastructure, the amendment of the new Bill is nearing its completion. The amendment to this Act will ensure compliance to the regulatory, uniform standardization and further strengthen the fight against corruption, the transformation of the construction sector, and the equalization of opportunities in the build environment.

We acknowledge the CIDB development programme for women in construction which consists of a coaching programme and awards being made to women contractors who excel in projects.

For many years now, the Council for the Built Environment, CBE, is doing very well to attract high school learners to mathematics, science and learning areas. So many young people enter university to get professional built environment qualification. The problem is that after they have finished their qualifications and studies, they have to get a position with the established businesses in the sector to work on projects and build up their profile so that can be tested; this is through the Structured Candidacy Programme of CBE, but it is not fully supported by large built environment professional companies. And then that leads to those young black men and women who have qualified but they have no internship programme, they cannot get professional registration and cannot get on infrastructure projects. We call upon the amendment of the CBE Act so that it can enforce such businesses to participate in the Structured Candidacy programme.

Agrément SA is one of the best hidden secrets in South Africa. It tests and certifies green economy innovative products, it is recognised internationally; but the challenge is that many of the departments in South Africa do not use the innovatives that have been certified by Agrément SA. In terms of human settlements projects, they always use bricks and mortar, they don’t use the innovative products that are coming with the certificate from Agrément SA; if they would use it, I think a lot of backlogs for human settlements for schools can be done without using the traditional ways of doing such.

Human resources in the department. The department must stabilise this. There are many vacancies that need to be filled. Departmental vacancies must be filled as functioning under the current difficult conditions of the pandemic will require all the human resources possible. In this regard, capacity, skills and capability is required to ensure the delivery of programmes and plans and to ensure infrastructure development occurs on the best optimal costs and the same should apply to the entities reporting to the department.

In the coming year the department and its entities will be subjected to heightened oversight by the portfolio committee

to ensure the implementation of programmes and achievement of targets.

The department must strengthen its administrative capacity to ensure the issues raised by the committee in their report are dealt with so that we can implement plans and programmes; and that asset registers and software issues must be resolved to unlock economic value of the shareholder.

There are important legislations that are within the department right now, one of them, the Public Works Act, must be finalized as it is essential in ensuring that he mandate of the department is realized.

We are waiting for the infrastructure legislation that the Minister also mentioned about the plan that is being developed to ensure that infrastructure development occurs and to ensure that funding of this important area is available.

We also note that the State-Owned Enterprises, SOE Management Bill, which is being dealt with by the Department of Public Enterprises will assist in the proper governance of entities

and restore financial controls in these entities, the one that report to the department.

We spoke and indicated to the amendment of CIBD Act, which also crucial in assisting and ensuring transformation, especially in the built environment.

Currently the portfolio committee is busy with the public hearings of the Expropriation Bill 23 of 2020, which will also bring about the transformation in this country, especially when we refer to expropriation of properties for public purpose and public interest.

In conclusion, the department and entities are not doing well with retaining staff and employing property specialists and build environment professionals. It shows a high rate of under expenditure especially on compensation for employees.

The department has a critical role to play in important developmental programmes and job creation and these need to be intensified in this financial year. Capacity, skills and capability are key drivers to the success of the department.

In closing, when we debate this budget, we must remind ourselves that this work is not for yourselves, we must kill that spirit of self. We must think about the poor and the historically marginalised. We must raise them out of the dungeon, as Mama Charlotte Maxeke said so.

The ANC supports the budget vote of Public Works and Infrastructure.

*IsiXhosa*:

Enkosi Sihlalo ohloniphekileyo.

Ms S J GRAHAM: Thank you very much, House Chairperson, and Happy Africa Day to all. For years we have been misled into believing that the Department of Public Works and Infrastructure is merely an enabling department to allow other departments to deliver services. It may be the case in its planning documents. But we know that plans and reality are far removed from one another. And using the budget to drive plans to action is not the ethos of the Department of Public Works and Infrastructure, DPWI.

The DPWI is in fact integrally engaged in service delivery, whether to client departments or directly to the public. But it continues to suffer from an identity crisis. And it keeps having to reinvent itself.

With each incarnation, a new entity emerges with wide-ranging functions, but often with no legislative mandate or definitive plan of action. The latest is Infrastructure South Africa. If we are to believe the hype, Infrastructure South Africa, ISA is the panacea to our economic woes as it coordinates infrastructure-led growth throughout the country. Yet we still have no idea what type of entity we are dealing with.

Last week, cabinet approved Dr Ramokgopa as Head of ISA. What exactly is he heading? ISA doesn’t have its own budget. Its own annual performance plan, APP. It doesn’t even have its own Key performance indicators, KPI’s. We still don’t really know who is responsible for oversight. Despite this, we are being asked to approve an amount of R137 million for infrastructure development coordination that falls within the ambit of another Department – the, Presidential Infrastructure Coordinating Commission, PICC.

ISA aside, there actually is an infrastructure entity within the DPWI. Enter the Independent Development Trust. The Independent Development Trust, IDT was established primarily as the implementer of social infrastructure. Unfortunately, its track record has been inconsistent and the lack of support from both the DPWI and other departments has ensured that the IDT has been unable to emerge as the leading implementing agency it was supposed to be.

A year ago, we learnt that the Minister had taken the decision to close down the IDT. We heard about it in the media. When Minister De Lille finally briefed us, she said she had taken the decision to disestablish the Trust by the end of the financial year. In fact, with imminent closure, we were not even presented with the APP for that year. She was determined to cease trading. Imagine our horror on discovering that she had no authority to take such a decision! It was the mandate of the IDT Trust, and then the Board to do so. Fast forward a year. A new board has been established. APPs have been presented to us, and a budget has been allocated. This, while the IDT cannot collect debt from client departments as it suffers from a trust deficit. The R115 million that DPWI may pay to it, may very well be wasted.

The Construction Industry Development Board is tasked, mainly, with transformation of the construction sector. They are responsible for the grading of organizations, as well as the development of contractors – primarily, Black, youth and women. While they are busy compiling and maintaining a register of companies, their grading criteria are based solely on financial considerations. In simple terms, a contractor’s grading is dependent on the value of the projects completed over a specified period. This grading methodology does not give any indication of the value for money provided by the contractor. Grading should be based on a range of criteria - including the maintenance of labour relations, and the completion of work within budget and within project timeframes. Objective measurement of quality of work should also be incorporated. It is not.

Another conundrum with the Construction Industry Development Board, CIDB, is the lack of genuine development and upskilling of Small, Medium and Micro Enterprises, SMMEs. While there are development programmes, there is little understanding of the actual challenges faced by SMMEs. With the proposed amendment of the CIDB Act, more attention must be paid to addressing the real issues hindering transformation.

Under the Council for the Built Environment, there is an Engineering Council. It is mandatory that any individual who is working in the engineering profession be registered with this Council. In other words, this body has the details of every engineer practicing in South Africa. It is beyond comprehension that out of that entire database, Minister Sisulu was unable to find 24 engineers to work on her water infrastructure programme and was then forced to bring in engineers from Cuba at a cost of R64 million. Minister De Lille, why is a Council under an entity in your department enforcing mandatory registration but not fighting for its members? Why aren’t you guiding them to do their work?

No discussion of the state of the DPWI would be complete without mentioning the Beit Bridge Washing Line debacle. More than a year later, not one person has been held accountable. The two companies involved continue to trade with the department, and taxpayers are still out of pocket to the tune of R37 million. The fence is now in such a state of total disrepair that the Minister has determined that spending money to repair it would be wasteful expenditure. Consequence management flows beautifully off the tongue. Minister, we are still waiting to see what it actually encompasses.

Let’s hope that the new Infrastructure Built Anti-Corruption Forum is more effective. It can’t be any worse.

The Portfolio Committee is currently engaged in public hearings on the Expropriation Bill. We have visited five provinces and it is becoming increasingly evident that this Bill is being packaged as the answer to South Africa’s land crisis. The misunderstanding by the public as to the purpose of the Expropriation Bill is not being corrected. In every province, the call for expropriation of land without compensation and the ensuing expectation of the allocation of land to each person, is gathering momentum. But if this Bill is eventually enacted and there is no wholesale redistribution of land, people’s expectations will be shattered.

Many have threatened bloodshed if they do not get their land back. The Minister, and the ANC-led government, are creating false expectations that are going to place this country in crisis. It might be an election year, but we need to act responsibly. Our citizens deserve to know the truth. The Expropriation Bill is about giving government the right to expropriate property. There is nothing in the Bill that provides an indication of what the expropriated property will

be used for, least of all that it is for land reform. False expectations on something as critical as land are extremely dangerous. And Minister, the lies need to stop.

The allocation of the budget within this Department is like throwing darts blindfolded. There might be a lucky bullseye, but the hits and misses are likely to blind ... [Inaudible.]

... around the board. We need this department to determine its core mandate. We need human and financial resources to be utilized in delivering on that mandate. And we need real accountability, not just new acronyms.

Minister De Lille, as policy head, it is time to remove the blindfold, focus your aim and deliver a bullseye. I thank you.

Ms A M SIWISA: House Chairperson, the EFF rejects this Budget Vote for the department of Public Works and Infrastructure.

The department is possibly the largest public property owner in this country. In its name are countless houses and buildings in this country, that have mysteriously disappeared and have been appropriated by the thieving scavengers now in power.

The department is also the largest owner of public land in this country, holding over five million hectares of land, of which over 1,5 million hectares are vacant, and not used productively for anything.

With the necessary political will, and the required strategic thinking, this department could unleash state driven development at a massive scale in this country. If this department took its developmental mandate seriously, there would not be a single government department that rents offices from private companies, as is the case today with many departments. Even some police stations are rented from private owned companies.

The Property Management Trading Entity has become a thoroughly useless entity, unable to manage the portfolio of properties owned by the department, and oftentimes, has become party to the massive corruption perpetrated by officials and politicians.

This entity does not even have a reliable audit of all the properties owned by the state across the country. We know for a fact that the former homeland governments had bought houses

and farms, which have all since been looted by the ANC. We need those properties back, so that they can be used for state purposes, or else given to deserving people, not politicians.

Why are you hoarding almost two million hectares of productive land, which is now laying fallow, and which can be distributed to emerging farmers and other industrious South Africans who need land for their enterprises.

The worst of all your failures is your refusal to build internal capacity to perform the state functions you are mandated to perform. The buildings you own are maintained by private companies, while you can build this own capacity within your department.

A typical example is the maintenance of the parliamentary villages here in Cape Town. For a very long time, this department contracted the services of Broll Property Group, at a cost of over R400 million per annum. There is no reasonable explanation for this massive waste of public resources, other than that top politicians of the ruling party benefited from very generous kickbacks.

Minister De Lille, land is a very important issue to us. It is not something to be toyed with, especially not now, when the government you have decided to be part of is decidedly against the expropriation of land without compensation.

You have allowed yourself to be used for sinister purposes for bigger than you can imagine. Why are you so hell-bent on going ahead with the Expropriation Bill while Parliament is busy processing the amendment of the Constitution? What guarantees do you have that the Constitutional Amendment process will not have any significant impact on the Expropriation Bill that you are championing?

Why do you think South Africans are fools? We have repeatedly asked that you shelve the Expropriation Bill, until you know for sure what we will agree on as we are busy with the Constitution Amendment Bill. Your Expropriation Bill seeks to subvert the process, and in the end, come up with Expropriation Legislation that will leave our people worse off than they were before.

Why is your Expropriation Bill saying that the only land that should be expropriated without compensation is land hazardous to health, or land that has not been used for anything?

Black people need productive land in this country. We need land for building houses in urban areas. We need to produce food, high value commercial agricultural land. We need land for industries.

We need all this land expropriated from thieves and beneficiaries of colonialism and apartheid, without compensation. On that note, Minister, we reject your Budget Vote. In closing House Chair, let me say Happy Africa Day to the marginalized Africans not yet Uhuru. Thank you House Chair.

Mr M N NXUMALO: Good morning to you Chair and to the hon Minister, hon members, facing the dire state of our economy, we simply cannot afford any more excuses ... [Inaudible.] ... oversight and slow consequence management from government. We cannot allow these government departments to hide behind the excuses of COVID-19 pandemic.

Now more than ever, we need to ensure that our valuable resources are governed effectively and efficiently by those who serve the people of our country. Wasteful, irregular and fruitless expenditure has been a consistence occurrence with the Department of Public Works and Infrastructure, and its related entities.

In the 2019-20 financial year, irregular expenditure stood at 4423 million, of which 23,6 million was related to the Beitbridge border project alone. However, despite the magnitude of this controversy, we still see low consequence management regarding this controversial project, reflecting clearly government’s attitude.

The Standing Committee on Public Accounts is still demanding answers and have requested that the State Security Agency provide a report on the vetting of the department’s supply chain management officials. We cannot allow the department to simply continue on this part of non-compliance with laws and prescripts.

Therefore, the IFP fully supports the committee’s

recommendation that the department should provide the

committee with a comprehensive report of its consequence management plan with its phases and practical steps to ensure compliance throughout the year. We cannot continue with this repeated disregard of consequence management. The people of our country deserves much more.

Hon members, a clearing aspect addressed in the report is the need for regulatory framework to be urgently finalised.

Amending the Construction Industry Development Board Act of 2000, has been in the pipeline for the past two years and an amendment is still yet to be introduced. We need to strengthen compliance and address legislative potholes to ensure that we do not create opportunities for corruption.

Furthermore, we urgently need to ensure that this department has the legislative power to enforce its mandate. As evident in the report, this has been a long standing issue which has hindered the department in claiming management fees from clients and user department for construction and maintenance of properties.

We therefore, fully support the committee’s recommendation

that a comprehensive report must be provided to the committee

on this legislative matter by August. The IFP will closely monitor the performance of the Expanded Public Works Programme, EPWP, this year. This programme fulfils a critical role and it speaks directly to the mandate of the department. We cannot allow the department to hide behind the pandemic as an excuse of rolling out this programme.

In conclusion, hon Chair, hon Minister and hon members, we need to be vigilant on monitoring the performance of this department and its entities, and also enforce accountability. The IFP supports the Budget Vote. Thank you, hon Chair.

*Afrikaans*:

Mnr P A VAN STADEN: Voorsitter, soos wat ‘n mens deur Suid- Afrika beweeg, sien ‘n mens daagliks die agteruitgang van ons land se infrastruktuur met betrekking tot ons paaie, spoorlyne, hawens, waterwerke en rioolwerke, elektrisiteitstoevoer, stormwater en die lys gaan aan. Nie net aanskou ‘n mens die verval met die blote oog nie maar daar word ook verslae hieroor uitgereik wat die regering en hierdie departement maan om ag te slaan op die verval van ons infrastruktuur en die redes waarom dit gebeur. Maar die

regering en hierdie departement is siende blind en horende doof, en weier om ag te slaan op hierdie redes.

Intussen moet ons landsburgers tevrede wees met droë krane, met riool wat daagliks deur hul huise spoel, met slaggate in paaie wat tot die dood van onskuldige mense lei en wat plaasboere en taxi-eienaars noop om tot aksie oor te gaan, die tekort aan elektrisiteit en die algehele verval van ons spoornetwerke, die tekort aan toilette by ons skole en die tekort van water by ons hospitale en klinieke wat lei tot die dood van pasiënte. Dan ook word plaasboere in die noorde van Pretoria bedreig met misoeste omrede die waterwerke nie in stand gehou word nie en rou riool kosbare oeste verwoes, en sorg dat meer en meer mense daagliks sonder kos gaan slaap.

Dit is hoe ons huidige infrastruktuur in Suid-Afrika tans lyk.

Wat ‘n riller vir enige iemand om te aanskou.

Volgens ‘n verslag van die maatskappy Intellidex wat navorsing oor infrastruktuurbesteding in die land doen, het Suid-Afrika verlede jaar sowat R70 miljard minder spandeer aan infrastruktuur as wat daarvoor begroot was. Hierdie verslag het verskeie gebreke uitgewys. Een daarvan is dat die privaatsektor vaardighede en hulpbronne na vore bring om

infrastruktuur uitdagings aan te spreek maar dat hierdie vaardighede en hulpbronne ontbreek in die openbare sektor. Dit is daarom dat ons sien dat daar miljarde rand benodig word om ons paaie, waterwerke, rioolwerke, elektrisiteit en andere netwerke in stand te hou en op te grader. Dit is iets wat hierdie departement nie in staat is om te doen nie.

‘n Vaardigheidstekort in die openbare sektor het ‘n belangrike beperking op infrastruktuurbestuur geplaas. Die redes daarvoor is niks anders as die ANC se beleid van swart ekonomiese bemagtiging, regstellende aksie en onteiening sonder vergoeding nie. Is hierdie dalk die rede waarom die Kahn verslag in 2017 aangedui het dat daar slegs een ingenieur in die Nelson Mandelabaai-metro vir ‘n bevolking van 1,15 miljoen mense was?

*English*:

The department’s own report highlights the key risks, which are: Ineffective implementation of governance and the compliance system processes; the increase in debtors; the nonalignment of service-delivery objectives across the public works and infrastructure sector; the inadequate maintenance and safeguarding of state assets; the total collapse of

infrastructure; inadequate delivery of national government priorities in the context of job creation; and inadequate service delivery leading to the erosion of the department’s mandate.

*Afrikaans*:

Die vraag moet dus gevra word, wat is die doel van die Departement van Openbare Werke en Infrastruktuur as hierdie departement nie behoorlik omsien na bestaande infrastruktuur en of nuwe infrastruktuur projekte loods nie? Dit is so erg dat daar ‘n beduidende agterstand in die instandhouding van

93 000 staatsfasiliteite is en dat daar ‘n groot vraag na nuwe infrastruktuur is. Die feit dat regeringsdepartemente en agentskappe hierdie departement die bedrag van R3,1 miljard skuld aan uitstaande huurgeld help ook nie en hierdeur is die staat die oorsaak van die verval van sy eie bates. Maar instede daarvan om aandag te gee aan die verval van ons infrastruktuur, word miljarde in die SA Lugdiens ingepomp en dan word miljoene vermors op naamsveranderinge van stede en dorpe. Hierdie naamsveranderinge gaan nie die slaggate op ons paaie herstel nie. Dit gaan nie nuwe infrastruktuur skep en bestaande infrastruktuur opknap nie. Naamsveranderinge gaan nie sorg dat hospitale van water voorsien word nie en

naamsveranderinge gaan ook nie toesien dat ons spoorlyne en elektrisiteitsnetwerke weer ten volle funksioneer nie.

*English*:

The Expanded Public Works Programme, EPWP, aims to create work opportunities and the provision of training for unskilled, marginalised and unemployed people in South Africa, but never in any province have I seen any EPWP worker busy performing his or her duties. So, it is unclear where the total number of 837 000 work opportunities were created over all three spheres of government over the period April 2019 to December 2019, as stated by the Minister at that time.

There is also still no clarity on what responsibility Minister De Lille will take in terms of the Beitbridge corruption scandal or the mess that took place last year with the quarantine facilities. The FF Plus stated earlier that the Minister must be held accountable as she allowed this project to proceed without following the necessary procurement procedures. She also commissioned the project before the Disaster Management Act came into force, and section 27(2)(l) of the Act was severely exploited.

*Afrikaans*:

Daar is ook nog geen duidelikheid oor die Kosibaai- grensprojek, waar ‘n muur van 200 meter vir R48 miljoen gebou is nie. Die VF Plus wag in spanning dat ‘n ondersoek rakende hierdie projek geloods moet word om oortreders hier ook behoorlik vas te vat.

Dus gaan hierdie departement nie behoorlik funksioneer alvorens hulle nie van hul beleid van regstellende aksie, swart ekonomiese bemagtiging en onteiening sonder vergoeding, wat hierdie departement tans in die grond in dryf, afsien nie. Ek dank u Voorsitter.

The DEPUTY MINISTER OF PUBLIC WORKS AND INFRASTRUCTURE: Hon

House Chairperson, Mme Boroto, let me acknowledge and greet hon ...

The HOUSE CHAIRPERSON (Ms M G Boroto): Hon Stubbe, hon Stubbe, please switch of your mic! Proceed mam. As you proceed you are also representing.

The DEPUTY MINISTER OF PUBLIC WORKS AND INFRASTRUCTURE: Hon

Chairperson and a good morning to the hon members, and to you

hon Chairperson, and to the hon Minister, De Lille and all Ministers present, hon Deputy Ministers and the Chairperson of our committee the hon Ntobongwana together with the members of the portfolio committee, hon Members of Parliament, the people of South Africa, the people of Africa, greetings to you all in this very important day. Let me add my voice in wishing everyone the best Africa Day ever. For today indeed is a very important day for us all as Africans. For it was on this day that our leaders came together almost six decades ago to map up a way forward towards African Unity and liberation. Also, it was on this day in 1994 that Judge Richard Goldstone called for the establishment of the Truth Commission on apartheid atrocities because and I would love to quote him, “Victims would not be able to forgive without openness.” He said it was essential to expose the past as part of the healing process.

This was brought into law in 1995 as the Truth and Reconciliation Commission.

Hon Chair, let me start by congratulating Dr Ramokgopa for being appointed as the Head of Investment and Infrastructure Office in the Presidency. South Africa like the rest of the globe is going through the worst testing time in our relatively young democracy. The challenge we are going through

is characterised by the pandemic COVID-19 that has devastated an already ailing economy.

Both as a department and as government as a whole we are committed in rebuilding our economy and ensuring its recovery, for we have no separate agenda for our people. It is against this background that the departmental entities continue to contribute towards the fulfilment of the department’s mandate and in particular towards the achievement of the objectives that serve to build up towards the outcomes that have been set in the department’s five-year strategic plan.

If I zoom straight to our very important entity Agrément SA is an internationally credible acclaimed South African centre for assessment and certification of nonstanderdised construction related products and systems for which there are no SA National Standards. Agrément possess expect technical knowledge of the technical assessment complexities of nonstandard construction technologies which allows for safe introduction of the nonstanderdised construction systems to the South African global market place.

Municipalities and other government entities are advised to seek the specialist advice from Agrément SA prior to implementation of any project using nonstandard construction technologies.

We also have a Construction Industry Development Board, CIDB, which as an entity which is not necessarily mandated directly to create skills. Although CIDB has no direct mandate regarding skills development when want takes into account the skills and unemployment challenges that are being experienced in our country, the CIDB seeks to contribute to the resolution of these challenges. Additionally, a skilled work force within the construction sector positively impacts the performance capabilities of contractor enterprises thus contributing to the development of the sector.

During the year under review, over 500 received workplace experiential learning. The standard for developing skills through the infrastructure contracts will assist clients in providing workplace training with programmes that will result in national accreditations.

By implementing these standards, around 10% of the labour force on construction sites and in design of offices will receive structured workplace training annually.

On the public sector contracts, these will result in around R450 million spent on workplace training per year, 10 000 learning opportunities per year, for further education and training learners and artisans. As well as 1 500 learning opportunities for candidate professionals. From experienced to date, in implementing the registered contracts, it was apparent that emerging contractors also need assistance in order to fill in their applications correctly, provide requisite documentation and calculate the fees due.

As a result of these lessons learnt, and in order to support the contractor development, the CIDB decided to expand the scope of advisory services to include support to contractors on registration requirements and how to improve their grading status.

The CIDB has just commissioned the study on the causes and impact on the tender cancellation in the South African construction industry. The aim of this study is to reduce the

cost of tendering for contractors by developing capacitation programmes that will empower public clients and reduce the wasteful practice of advertising tenders that later get cancelled due to several reasons.

Hon Chairperson, talking to the Council for the Built Environment, CBE, it gazetted identification of work what is commonly known as IDoW which is critical to guide the six Councils for the Built Environment to develop their rules to enable them to regulate the registered built environment professionals. This is crucial in that it ensures the public safety, it also required that the built environment professionals conduct work in the areas that they are most proficient in and qualified for. It also guarantees consequence management for professionals that do shoddy work.

The Independent Development Trust, IDT, much and a lot has been said in the discussion around it. The IDT’s main contribution is towards government prioritise of job creation, education, skills development and health, as well as consolidating the social wage through reliable quality basic services. This it does through the implementation of the social infrastructure projects on behalf of government

clients. In doing so, IDT makes an effort to articulate developmental objectives which are achieved mainly through procurement of construction services and social facilitation.

The entity’s financial sustainability challenges have caused Cabinet to take a decision to review the state of the entity. Consideration for its reconfiguration in order to enable the entity that is IDT to deliver on its mandate efficiently and effectively.

Much against what is being said as if the decision was taken out of the blue, we need to put issues into context when we raise these matters.

Moving forward hon Chairperson, the Department of Public Works and Infrastructure will soon be embarking on an initiative that seeks to revitalise the Batho Pele principles among the staff to ensure that the department improves on its services. These principles are an obligation as determined by section 10 of the Constitution which promotes professional standards and ethical behaviour.

Publics work management including the entire staff need the revitalisation of the Batho Pele principles, hence a need for a robust culture diagnosis to be followed by a comprehensive Change Management Program. Change Management Program refers to

...

The HOUSE CHAIRPERSON (Ms M G Boroto): Hon Deputy Minister, my apologies your time is up.

The DEPUTY MINISTER OF PUBLIC WORKS AND INFRASTRUCTURE: Thank

you, hon House Chairperson. Happy Africa Day to one and all! Thank you. [Time expired.]

Mr W M THRING: Hon House Chairperson, the ACDP is aware that the Public Works and Infrastructure department with a budget of R8,34 billion in the 2021-22 financial year is one of the key department to implement economic reforms to create sustainable jobs while simultaneously overseeing the management of R100 billion Infrastructure Fund by the Development Bank of South Africa. This certainly is a huge ask.

The ACDP warned that a harsh lockdown to combat the COVID-19 pandemic will increase unemployment in the country. This consequentially make the task of the Expanded Public Works Programme, EPWP, which requires a full third of the budget, more difficult to achieve. The EPWP was established to create work opportunities, while creating and maintaining infrastructure. One of the prescripts is to use labour- intensive methods, thereby drawing on a significant number of participants into the programme.

However, this is not long-term solution either to the unemployment problem or to increase in the South African skills base. The project is focussed on short term or temporary employment, and on relatively unskilled labour- intensive requirements. In its current form, this budget will need to continue increasing at the expense of the very people it wishes to help. This may explain some of the constraints identified by the project where this has become a top down enforcement of policy on municipalities and provinces where incentives are needed to maximise the employment creation efforts.

The ACDP realises that improved long-term employment opportunities need a simultaneous focus on upskilling and on increasing employment opportunities. This cannot be on government alone. The way to do this is to create an enabling environment through a professional and streamline public service with less bureaucratic tape, good education and vocational training relevant to global trends and technological advances. In this regard the ACDP recommends that the Expanded Public Works Programme extends its focus to training, thereby having a long term benefit for the participants as well as for the construction industry.

A second concern by the ACDP that cannot be ignored by this department is the worrying lack of competency in safety audits of state property. In mid-April, the Charlotte Maxeke Hospital; saw a massive fire damage, exacerbated by numerous shortcomings and failures amongst the equipments and policies for a fire response, this despite having received a clean audit the previous week. There are three other hospitals in Gauteng that suffered fire damage as well as other government buildings such as the Bank of Lisbon - not forgetting the fire in the Parliament precinct. As the custodian and portfolio manager of government’s immovable assets, this department must

put in place safety mechanisms to resolve this threat to our assets, the safety of government employees, and the South African public working at all these sites. In conclusion, the ACDP wishes all a blessed Africa Day. Thank you, Chair.

Mr B H HOLOMISA: Chairperson, hon Minister and hon members, hon Minister, I wish you all the best in sorting out the mess you inherited from your previous Ministers. The UDM welcomes these announcements you have made today. Hon members, far too much that were inherited from the ... [Inaudible.] ... even those built by the new government are in disrepair. The infrastructure of the former homelands was never brought on par with those in South Africa and the existing infrastructure were left to rot. As much as the department claims to have created an estimated R4,5 million work opportunities, it does not address sustainability and job losses.

Regarding the practicalities, how does this department mitigate the fallibilities of tender system and the ... [Inaudible.] ... outsourcing of every job, shoddy workmanship and turning a blind eye to this and the monitoring of regular maintenance. The answer is simple - it does not! Just look at the state of our national assets. As time goes by, government

will be losing value. There is fixing of water leaks, and this is becoming more expensive to maintain. This is not rocket science, and yet the department hits it on the same rock year after year. The UDM has long being arguing that the Department of Public Works and Infrastructure has never had a clear long- term map of its activities, and no long-term implementation plan.

It is a fallacy to claim that this is true, even in service of the National Development Plan’s so-called vision. As much as the department forms an integral part in government’s arsenal weapons to combat joblessness, it is not being used to its fullest extent. Finally, government must do more, and the department must do more. Despite our reservations, the UDM supports the budget. Thank you.

Ms S R VAN SCHALKWYK: Hon Chairperson, hon Ministers and Deputy Ministers, hon members, officials of the Department of Public Works and Infrastructure, led by the acting director- general, our communities at large: Good morning to you all.

The ANC supports the Budget Vote on Public Works and Infrastructure. We are meeting today as we celebrate Africa Day with the theme: “Arts, Culture and Heritage: Levers for

Building the Africa We Want”. This is indeed a very appropriate theme during a year when we celebrate our rich heritage through the exemplary life of Mama Charlotte Maxeke.

The current economic climate requires that during this Budget Vote we focus on infrastructure development and job-creation in the context of implementing the Economic Reconstruction and Recovery Plan. This is intended to tackle the triple challenges of poverty, unemployment and inequality which are our legacy from the apartheid past. In other words, we have to fix a problem which is not of our own creation.

[Inaudible.]

The HOUSE CHAIRPERSON (Ms M G Boroto): Is this only from my side? I think the hon member has a connection problem.

An HON MEMBER: Even on my side, Chairperson, I don’t know what

is happening.

The HOUSE CHAIRPERSON (Ms M G Boroto): Okay. Let’s help her.

Hon Van Schalkwyk? We have lost you?

An HON MEMBER: Maybe she can speak, but with the video, Chair.

The HOUSE CHAIRPERSON (Ms M G Boroto): Yes, but now I don’t

see her name here. It seems it kicked her off.

Ms S R VAN SCHALKWYK: Am I in again, Chair?

The HOUSE CHAIRPERSON (Ms M G Boroto): Yes, you are. Just switch off your video so that you are able to sustain your sound with the network problems that you have.

Ms S R VAN SCHALKWYK: Thank you. Government, through this department, is strengthening its co-ordinating ability for the implementation of infrastructure development and job-creation, as well as for economic renewal. We are confident that the department will strengthen itself and its entities in the course of this financial year.

The HOUSE CHAIRPERSON (Ms M G Boroto): Hon Van Schalkwyk, just a minute. I see the hand of the hon Ahmed.

Mr A M SHAIK EMAM: Thank you very much, Chairperson. I think

you may have called my name ... I didn’t intend to interrupt

the member. I was at another debate, but I am available if necessary. Thank you.

The HOUSE CHAIRPERSON (Ms M G Boroto): Thank you very much. Fortunately, you are the next speaker. We proceed. Hon Van Schalkwyk, sorry for that.

Ms S R VAN SCHALKWYK: Thank you, Chair. The committee will focus its oversight on many of these matters, which are strong pillars for the delivery of the department’s and its entities’ plans and programmes.

Infrastructure SA was created to ensure that the department is able to contribute positively to the economic renewal of the country through infrastructure development as part of the Economic Reconstruction and Recovery Plan. This means the government will optimise and enhance the economic value of its property portfolio and contribute to local economic development through the district development model. New infrastructure projects are also intended and implementation will occur through the implementing entities reporting to the department. We are certainly going to move into areas leading to economic growth, job-creation and local economic

development through infrastructure development. This is not a single event, nor can it be implemented in a single financial year based on departmental funding.

Our honourable President, in the state of the nation address and on many other occasions, has spoken to the fact that these infrastructure projects will also occur in partnership with the private sector. The funding of infrastructure projects will therefore also occur with a blended funding model.

Infrastructure SA, the Development Bank of Southern Africa and Treasury are currently in the midst of strengthening broad co- ordination across national, provincial and municipal levels to get infrastructure development and maintenance off the ground and ensure funding.

Infrastructure development is not based on short-term projects; rather it has a long-term vision. So, while it may appear limited, it is certainly not limited to a single financial year. The notion that Infrastructure SA is a problem as funding has not yet been allocated is short-sighted. It is, in reality, a medium- to long-term strategy for the Department of Public Works and Infrastructure, the Property Management

and Trading Entity, the PMTE, and a differently structured Independent Development Trust, IDT, to deliver infrastructure and improve accommodation and maintenance services for client departments.

Infrastructure SA, the National Treasury and the Development Bank of Southern Africa will, in fact, use the technical skills and the built environment skills situated in the PMTE and the IDT to develop critical social infrastructure for an improved future. This is encouraging and must be supported as the economic benefits will be at all levels of society in terms of job-creation and improving the lives of the people.

The efforts of *Agrément South Africa* will ensure that cost- effective methods for the developing of low-cost housing and its modular development must also ensure that housing in urban and rural areas is being advanced.

The triple challenges have been acerbated during the COVID-19 pandemic. The flagship Expanded Public Works Programme, the EPWP, which received an international award for its role in socioeconomic development and the upliftment of young people in South Africa and which is recognised by the International

Labour Organisation, was created to ensure that people from disadvantaged communities are afforded employment opportunities and incomes. These people, under normal circumstances, would have had difficulty in obtaining jobs in a technologically driven economy. It also provides skills for those who are part of the programme.

In addition, the EPWP has also commenced with a skilling programme in various service-sector professions that enables those people to develop small businesses to ply their trade and earn a living. This is encouraging as it empowers people through giving them a hand-up and not just a handout. It is noteworthy – even though this programme is generally being criticised – that the department has already concluded agreements with the Department of Higher Education and Training and the National Skills Fund for EPWP training and artisanal funds. A total of R66 million of this National Skills Fund grant, or NSF grant, was earmarked to support the development of 400 artisans. A three-year agreement was also signed with the Agricultural Sector Education Training Authority, AgriSETA, for artisan training and different training opportunities, as well as learnerships and apprenticeships through the Manufacturing, Engineering and

Related Services Sector Education and Training Authority, or the MerSETA. The trades that the participants are undertaking include, among other trades, those as motor mechanics, boilermakers, bricklayers, carpenters, chefs, electricians, lift mechanics, mechanical fitters, fitters and turners, plumbers, welders and hairdressers. This will ultimately lead to the creation of entrepreneurs in communities which can create SMMEs and be financially self-sustaining or be employable artisans. Placements for these have already occurred at different institutions and training has commenced.

The committee recommended that the Construction Industry Development Board, CIDB, in collaboration with the Department of Public Works and Infrastructure, should mainstream the Expanded Public Works Programme in all built environment departments across all spheres of government.

As we are busy with the public participation process on the expropriation Bill, which is being strongly opposed by the DA, it is important to take note how much government land has been sold in the Western Cape, especially in the City of Cape Town, and to whom and for what purpose. Government land is sold to developers for development which accommodates the needs of the

wealthy only. This, sadly, cannot lead to transformation, but serves to reinforce the status quo of the apartheid past. This should not be happening in our democratic South Africa.

We really welcome the efforts of the Ministry and the department on availing buildings as shelters to mitigate the effects of the second pandemic of gender-based violence and femicide in South Africa.

We are worried about the many unfilled and vacant funded posts especially at senior management level and will therefore monitor, on a quarterly basis, the plans presented in this regard to the portfolio committee.

The many suspected officials linked to crime and corruption, including those linked to the Beitbridge debacle, is an indication that the government, especially the Department of Public Works and Infrastructure, is serious about dealing with this thorny issue. However, we need to see action being fast- tracked.

Although we are in favour of the expropriation Bill, we are opposed to land grabs and need our people to act responsibly in this regard.

The achievements and future plans of the department are geared up towards economic efficiency and value-added activity for government property and buildings, but, more importantly, towards serving the historically disadvantaged in our communities and creating opportunities.

The department should continue on its trajectory of skilling people, creating jobs and providing solutions in housing and buildings for disadvantaged communities to create a better life for all as a promise being upheld to our people by the ANC. The ANC, therefore, reiterates that it supports this Budget Vote. I thank you, Chairperson.

Mr A M SHAIK EMAM: Thank you very much, hon House Chair. Allow me to apologise for what happened earlier. Yes, first of all the National Freedom Party will support the Budget Vote tabled here. Now, Minister, it is clear that, yes indeed, we did inherit a department that was already in crisis. However, there’s been very little or no improvement till this day. And,

we do understand that it’s not going to be easy. The question that arises is, is there a need for the Department of Public Works, like is there a need for the Department of Public Enterprises? If you look at the state of government buildings in South Africa, particularly our hospitals, our clinics where lives worth and many other problems that they experience.

If we look at the SA Police Services, we’ve had the opportunity of visiting the firearm registry and other buildings, it is in a state of crisis as a result of the failure and the capacity which this department lacks to be able to deal with this this problem. Adding to that, I give you a good example, the communication center in Port Elizabeth, which I went to visit as a part of an oversight many years ago, that was going to cost R500 million and was going increase to R2 billion because public works had not secured the rights to putting up ... [Inaudible.] ... in the Eastern Cape. So, you can see the problem that actually exists in this particular department.

I also want to address another issue, corruption in South Africa we are all aware that it is rife. Billions of rands lost. However, I want to reiterate a large amount of money

that is being lost through procurement process due to infrastructure which now holds directly under public works. Minister, there is a major problem where we don’t get value for money and that is why we estimated over R300 billion a year is lost in this country. So, I want to urge you, Minister, to look at these contracts and things that are awarded in getting value for money. There’s no middle men that are making money out of the scheme.

The other issue is that, Minister, you have been the mayor in the City of Cape Town for nine years and you know and understand the plight of the people in the Western Cape and City of Cape Town, particularly, and you know about how the prime land is being sold to developers how kickbacks are coming, you know it all, Minister. I am now pleading with you to put measures to intervene in these things while some of this land may not fall directly under public works but yes together with your other counterparts in the other departments, Minister, you can do something about it and make sure that this prime land is available for human settlement given the fact that there is more than 600 000 people on the waiting list in the City of Cape Town. I can see the

Chairperson is reminding me ... Thank you very much. The National Freedom Party will support the Budget Vote.

The HOUSE CHAIRPERSON (Ms M G Boroto): Thank you very much, hon Monsoor. When I show my face, you must know you have a minute to round off. Anyway, thank you very much.

Mrs M B HICKLIN: Thank you, House Chair. Thank you so much. Minister De Lille, a little the Public Finance Management Act, PFMA, dictates that you are responsible to provide leadership to the Department of Public Works and Infrastructure, DPWI. This department’s mandate is to promote growth, create jobs and transform the construction and property industries across South Africa. Yet, in May 2021, we are presented with a rudderless Department of Public Works and Infrastructure, DPWI, beset by serious leadership deficits.

This is reinforced by councils and entities tasked with leading transformation and job creation, who themselves are grappling with governance challenges, significant senior leadership deficits and even bigger costs deficits than the department itself. Senior leadership deficits challenges are currently hampering the Council for the Built Environment,

CBE, Construction Industry Development Board, CIDB, property management trading, PMT, and AgremarSA, to name a few. With the registrar and other senior councilors of the South African Council for the Architectural Profession being investigated for improper appointments of senior members from sexual harassment, bullying, intimidation and the marginalisation of black counselors.

Minister De Lille, it is your responsibility to provide leadership to this department. You did not. You tell us you are not responsible for how the boards and councils perform and that your oversight responsibility in terms of sacred, for example, is limited by the architectural profession Act 47 of 2000. However, you failed to make use of the Department of Public Works and Infrastructure, DPWI, women empowerment forum established to represent all women organisations within the construction and property sectors and to chant a way forward through the continued empowerment of women under your leadership.

The truth is not told. Minister, the Department of Public Works and Infrastructure, DPWI, has an incomplete nonfunctional immovable asset register that has already cost

the department in excess of R68 million over the last seven years. The contract to digitize the immovable asset register, IAR, using ended in 2018. Despite it being a pin module system, it has been completed but only three are active and there is a complete inability of Sage and Archibus to communicate. This is a department in crisis. The slow progress in establishing a credible, legal and financially compliant immovable asset register relates to the property management trading, PMT’s ability to unlock the value of states immovable assets.

It renders the property management trading entity into a property management interview because it cannot trade, it cannot collect outstanding revenue and it cannot manage user department baseline expenditure resulting in significant refurbishment backlogs and the deterioration in the condition of the portfolio it is supposed to manage without of some lead to turn around strategy, the property management trading, PMT, will fail. The truth is not told.

I digitized immovable asset register, IAR, should document where and what land is and property is owned by the Department of Public Works and Infrastructure, DPWI. ...[inaudible.] ...

which budgets and social construction projects are determined? This immovable asset register, IAR, would also determine which land and buildings could be made available to needy South Africans where human settlements, agriculture and recreational purposes as mandated by section 25 of our Constitution. South Africans are crying out for land, land upon which to live, to perform, to flourish, to contributes to economic growth and job creation. However, because the immovable asset register is not digitised and is nonfunctional, this lazy ANC government has opted rather to force the expropriation Bill on the South African public. The truth is not told.

Let me categorically state that the DA is 100% committed to land reform and land restitution. We firmly believe that the countries existing land reform policies are not the reason the land reform process has failed. The land reform initiatives have failed because of those who perpetrate and perpetuate corruption and maladministration, the expropriation Bill 23 of 2020, will not solve SA land reform question. The truth is not told. One of the Department of Public Works and Infrastructure, DPW, eyes biggest asset, AgremarSA, is also its best kept secret. It is the perfect vehicle through which

the Department of Public Works and Infrastructure, DPWI, will grow the acceptance of innovative green economy interventions.

Innovative building methods and products could help create mass public employment interventions through social construction projects and the Expanded Public Works Programme, EPWP. But, there is no action plan, there is no marketing strategy to make this innovative hub a money spinner. Instead, it receives an annual grant of R31 million. It is unsustainable and it is doomed to failure, but the truth is not told. Minister de Lille, we often hear you refute your own administration's plans to perform you abdicate responsibility in terms of the Public Finance Management Act, PFMA. You have failed to ensure that corporate governance is key to all boards of the ... [Inaudible.] ... You have failed to ensure the transformation of the built environment.

The Department of Public Works and Infrastructure, DPWI, cannot fulfill its mandate of aggressive infrastructure investment. This is not the norm. This is a disaster. A disaster led by a department corrupted by deficient leadership and an ANC leadership who will surely stare defeat in the face in the upcoming local government elections. I thank you.

Mr E F MATHEBULA: House Chair, my greetings to you House Chair, to the Minister, Deputy Minister Comrade Noxolo Kiviet, our committee Chair, Comrade Nolitha, committee Whip Comrade Lindiwe Mjobo, Members of Parliament who are part of this committee, and all those who are present in this particular virtual meeting. Chair, let me take this opportunity and join those who have wished a Happy Africa Day to all people of Africa. Chair, the department’s budget is occurring not under normal circumstances due to the effects of COVID-19 pandemic, which persisted throughout the past financial year. This created many difficulties for the department to effectively implement its plans and programmes in a manner that it would have hoped to do. Under challenging conditions, the department and its entities are making set progress. They have been able to implement its plans and programmes.

The COVID-19 pandemic has negatively impacted on the economy, as this has created a hardship for many in the community. The ANC-led government alleviated this economic hardship through the special appropriation budget, grants and benefits as well as funding to ensure the survival of companies and ... [Inaudible.]. Chair, the current socio conditions highlights the necessity of the plans and programmes with a renewed

vigour so that impact can be realised in terms of skilling, job creation and enhancing of small, micro and medium enterprises, smmes.

On corruption, I heard the political parties talking as if the ANC government is not doing anything. It is an open secret, Chair, that those who are speaking as if the ANC-led government is doing nothing. They are doing nothing but political point scoring. We know that some of them are using this platform to mend fences with their votes that they have lost to other parties, in particular the DA, in this instance.

Chair, let me say this, the executive and the legislature of the Sixth Parliament inherited the situation of corruption in the department and many of its entities. It is important that the fight against corruption continues, and legal actions and consequence management must occur to deal with such instances. As this negatively impacts on the functioning of the department and its entities, and reduces the financial value of budgets. A number of cases of corruption have been dealt with by the law enforcement agencies. They have been dealt with in the media. A number of these corruption cases are being successfully prosecuted in different courts of this

country. This must continue until the scourge of corruption, as it raises its ugly head in a red overall, is collapsed and eradicated.

It is therefore critical that entities under the department operate on the highest level of corporate governance and strict financial controls, as this will enhance the implementation and delivering of plans and programmes by the department and its entities when its mostly economically needed. The irregular, fruitless and wasteful expenditure must be dealt with and strategies put in place to deal with this issue. Supply chain management in this department must follow the proper procedures and processes.

In the final analysis, there is a need for quality of spending and value for money in the context of budget reduction due to fiscal constraints. The departmental budgets need to be utilised for the implementation of plans and the programmes.

The unspent budget reflects underperformance.

The department has a number of regulatory entities and implementation entities that impacts on the sector such as Construction Industry Development Board, CIBD, and PMET. It is

important that the regulatory entities function effectively to ensure the smooth functioning and development of the construction sector. This should include the work which is carried out by PMET and Independent Development Trust, IDT. These entities are engaged in property and infrastructure development. It is understandable that the functioning of the construction industry was negatively affected during the disaster management regulations. These regulations were geared toward preserving lives and flattening the curve for the spread of COVID-19 and ensuring that economic activities can continue.

The service sector of the construction industry has been functioning for a while and the construction industry is starting to recover, Chair. There is a hope for these people of this country. In this regard, the department and its entities have a critical role to play in ensuring revival of this sector through the infrastructure development and maintenance.

A key focus has to be on job creation, skill development and fostering of smmes. This alleviates the plight of people who are faced with poverty and unemployment in this particular

country, which is under the leadership of the ANC. The programmes and plans of the department and its entities must ensure social delivery and transformation.

Regarding expropriation, I think we need to expose double standard by the DA, so that they stop howling about the issue of them not supporting the Expropriation Bill, when they are actually inconsistent and continue with their double standard. This Bill, I must indicate, Chair, has introduced the correction of the historical injustices of the past. It is a legislation that seeks to ensure a legal process and a basis for expropriation. It is a transformative piece of legislation which is not intended as a punitive act, as it intend to increase economic activity in the urban and rural areas.

Most countries in the world have such acts, it is intended to be an improvement in the Act of 1975, to ensure that the majority of the communities benefit from the land, in this country to improve their living standards and conditions.

There has been much resistance to this legislation from the opposition parties such as the DA. To one of the notions contained in the Expropriation Without Compensation Bill however, it is strange that there is an opposition from the DA

to expropriate without compensation. However, without the compensation while it is currently practising this expropriation, the DA what is currently doing in Cape Town – it’s expropriating land without compensation – that is happening in Cape Town where the DA is in government.

It should be obvious that the apartheid deprived the African, Coloured and Indian communities. The communities there in Cape town they sought to develop on these particular land, sporting facilities. The sporting facilities that the DA intends to take away without compensation. Worse, they did not even consult those people from whom they are taking this land away from.

The department played a critical role in providing health facilities over and above hospital facilities to cope with COVID-19 pandemic. The creation of these facilities came under criticism from the opposition parties. These facilities were created to ensure that the health facilities are complemented and were important in dealing with the COVID-19 pandemic. The country has felt the negative effects of the pandemic. No person or family was left unaffected through the loss of their loved ones.

It is fortunate that our country is not going through what India went through with a second wave. Therefore, the work of the Public Works and Infrastructure Department in this regard is commendable as it contributed positively to the saving of lives of the people of this country who are affected by the pandemic.

In conclusion Chair, the department needs to continue to make a steady progress in its programmes and plans as it is playing an important role in infrastructure development, which will positively contribute to the inclusive, economic growth and renewal. Stay focus on the implementation of the plans and programmes. Do not be distracted by criticisms which do not add value to enhance the level of delivery of the department. Chair, as the main component of the ANC in this portfolio committee, we do support the Budget Vote of Public Works and Infrastructure.

*IsiZulu:*

Ngiyabonga.

USIHLA WENDLU (Nk M G Boroto): Ngiyabonga baba. Ngemuva kwakho lapho kuyezwakala ukuthi bayasebenza.

Mnu E F MATHEBULA: Ngiyaxolisa, kubese kwazwakala, Sihlalo.

USIHLA WENDLU (Nk M G Boroto): Ibisiphazamisa kancane kodwa uzwakele.

The MINISTER OF PUBLIC WORKS AND INFRASTRUCTURE: Thank you,

hon House Chair. I want to thank all members for their support for our Budget Vote and also for their advice and input.

As we all know, we launched the anticorruption forum yesterday, together with the Special Investigating Unit, the SIU, and all other law enforcement agencies and civil society. Certainly, the emphasis will be on the prevention and detection of corruption. So we are investing more in prevention now.

Regarding some of the 30-day payments, I can report that we have paid 96% of our invoices in the Department of Public Works and Infrastructure and 92% of our invoices in the Property Management Trading Entity, or PMTE. That is because we placed special importance on paying small and medium enterprises on time to avoid them from going under. We have

also launched 281 consequence management cases against officials who failed to pay within 30 days.

Regarding the supply-chain management process in our department: the 30% subcontracting requirement, in the past financial year we awarded 15 tenders above R30 million – worth R836 million – and subcontracted 30% to designated groups to the value of R251 million. We will continue to use the preferential procurement procedures from Treasury to achieve our objective of transformation.

Also, in terms of Infrastructure South Africa, ISS, I’ve heard it all before. It is not the panacea for all infrastructure, because the various departments and spheres of government will still do the implementation. Infrastructure South Africa is there to assist with technical advice and to raise some funding for government projects.

On the Expropriation Bill, we must separate the two processes. The amendment to the Constitution is led by Parliament in terms of Parliament’s mandate. What we have done is to repeal the 1975 apartheid Act on expropriation; and that is the difference. We have proposed a Bill of general application

that can be used by all government departments to drive expropriation as but one mechanism of acquisition.

Lastly, I want to deal with this issue of leadership. The Deputy Minister and I are determined to drive a greater level of urgency into the Department of Public Works and Infrastructure. I want to say to the hon Hicklin that she must just look at the old party’s trust and leadership deficit and ask the last Black person to leave to switch off the lights.

That would be my advice to her. Thank you, hon Chairperson.

Debate concluded.

The mini-plenary session rose at 11:59.