



**MINISTRY
HUMAN SETTLEMENTS
REPUBLIC OF SOUTH AFRICA**

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**Minister Sisulu Calls On Municipalities And Provinces To Pay Undisputed Housing Invoices
In The Next Seven Days Or Face Withholding Of Funds**

Boksburg: The Minister of Human Settlements, Lindiwe Sisulu and Provincial MECs of Human Settlements today met with more than 500 contractors and developers to discuss how to immediately resolve and pay all due and payable invoices that are outstanding for more than 30 days as required by law and a Cabinet decision.

Minister Sisulu convened the urgent meeting following a National analysis of all unpaid projects and invoices as reflected in the payment systems which found that more than R1 billion has not been paid to contractors, by the Provinces in respect of invoices submitted by contractors for payment.

“As Government we cannot sit with millions worth of work done by mainly black small contractors in the housing sector and not paid for, I want those undisputed invoices to be settled within seven days by Provinces and Municipalities”, said Sisulu.

Minister Sisulu told Human Settlements Consultative Conference that she will be meeting the Minister of Finance, Mr. Pravin Gordhan to request relevant measures in order to ensure that the National Department is able to facilitate payment of backlogs, due and payable to contractors within seven days.

“The legislation stipulates that anybody or company that does business with government should be paid within 30 days “added Minister Sisulu.

The Minister also indicated that her Department will after, the State of the Nation Address establish Ombudsman Office to deal with issues of conflicts between the contractors, Provinces and Municipalities. “With the Ombuds Office, we are setting up a structure that will mediate, work with all stakeholders to resolve dispute and cut through red tape for the best interests of the human settlements sector as a whole”, said Sisulu.

“Contractors are an integral part of human settlements delivery and we are committed to solving the payment challenges faced by the sector in order to sustain a healthy business environment. Contractors help us to restore the dignity of our people and we have to provide an environment that assist them to perform at their best” added Minister Sisulu.

“I want to build a two way communication channel with you, build quality BNG houses, employ Youth Brigades, and support small contractors and military veterans. On my part I will ensure all your challenges are resolved including payment being made on time and unblocking all red tapes”, concluded Sisulu.

Minister Sisulu and MECs listened to complaints and suggestions on how systems can be improved and how non-payments are leading to retrenchments and collapse of small companies and promised to give feedback on all issues raised within 90 days.

Issued by Ministry of Human Settlements
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28 January 2016