

**VOTE 11 - FINANCIAL YEAR 2004/05**  
**BUDGET SPEECH FOR DEPARTMENT OF PUBLIC**  
**WORKS BY MEC HOWARD YAWA**  
**PRESENTED ON 29 JUNE 2004**  
**NORTH WEST LEGISLATURE**

Honourable Speaker and Deputy Speaker

Honourable Premier

Members of the National Assembly

Colleagues in the Executive Council

Members of the Provincial Legislature

Honourable Mayors

Members of Mayoral Committees

Councilors

Members of the House of Traditional Leaders, Dikgosi tsa rona

Stakeholders and Clients

Members of the Mass Media

Honored Guests

Ladies and Gentlemen

**1. INTRODUCTION**

This is the first budget speech for the Department of Public Works after the establishment of the Department on 30 April 2004, and also my first budget speech in this Legislature. I am in a unique position in that I have not been there before. When the Premier announced that I would be the MEC for Public Works I was reminded of a poem that I once heard. It reads as follows:

*A man knocked at the Pearly Gates,  
His face was scarred and old.  
He stood before the man of fate,  
For admission to the fold.  
What have you done, St Peter asked,  
To gain admission here?  
I've been with Public Works, he said,  
For many and many a year.  
The Pearly Gates swung open wide,  
St Peter touched the bell.  
Come in and choose your harp, he said,  
You've had your share of hell!*

It was thus with some reservation that I joined the Department of Public Works on the first day. I was however quite surprised to find dedicated men and women who have a clear vision and passion for delivery to the public.

I found that the organizational and regulatory framework of the Department was well established. I must at this point pay homage to my four predecessors, MEC's Tolo, Motsepe, Vilakazi, and Thibedi, who have led this Department, in various configurations, over the last decade. Their contributions are well recorded in a booklet named "10 Year of Service Delivery". I want to align myself with the preface by MEC Thibedi in this booklet when he said:

*"Since the dawn of democracy in 1994 the Government has concentrated on the legislative and regulatory transformation of our beloved country. It is a well-known fact that one cannot do more of the same and then expect a different result. To effect the social changes that were so desperately needed to free our people from the bondage of the past, it required new rules and regulations in all spheres of our society.*

*It was no different for the Department of Roads and Public Works. New standards and targets were set for employment equity, affirmation in procurement, BEE, job creation, poverty alleviation, and a myriad of other areas. It was not enough to merely change the rules of the game, but it was also necessary to obtain buy in at all levels and to train our people to implement and to play by the new rules. Whilst this was being done the Department had to keep up the level of service delivery that the public expected. We thus had to fix the airplane while it was flying!*

*The Department has had various successes and challenges over the 10-year period. All of this taught us valuable lessons, which assisted us to improve our rulebook and our game plan. The process of uniting the whole Department to a common vision and mission is virtually complete due to an integrated management structure and an open door policy at all levels.*

*I believe that we have prepared the playing field and that we have formalized the rulebook and that we can now concentrate on the execution of our work within the rules that have been set and are understood by everyone. Under the banner of “Semelela”, and by implementing the principles of the Expanded Public Works Programme, we will accelerate our service delivery to improved standards in order to do our part in the bigger strive for a better live for all.”*

I am thus very clear in my mind that the next decade, and the next thousand years for that matter, must be about actual delivery. The time for talking and readjustment is over and my Department must now be about work, work, and more work. This does not mean that we will stagnate in our approach or strategy. We must ensure that we keep at the cutting edge of technology and we must keep up the endeavor to work smarter.

I am also very clear where this delivery is needed and where our focus should be. I will ensure that we rectify the imbalances of the past and I can align myself with William Gladstone who said:

*“All the world over, I will back the masses against the classes.”*

We must strive to be just better than our peers. In this regard please allow me to use the example of a horse race. Picture 3 racehorses finishing the race neck-on-neck. The judges need a photo to determine the horse's position and to declare the winner, runner-up, and the third position. The difference between the horses is not more than 50mm. The winner gets paid R500 000 in prize money, the second R250 000 and the third R50 000. The winning horse is not 10 times better than the third horse although it receives 10 times the prize money! This illustrates that being better than your peers, albeit by a small margin, is highly valued and extremely important.

In Public Works our race is not a couple of kilometers long and does last a lot longer than a couple of minutes. Our projects all have a duration of 6 months or more and we cannot rest when one is completed because the others are still ongoing or a new one must start. Therefore it is very important that we are fit enough to run a long distance race. This type of fitness is not acquired by a short exercise programme but rather by continuous hard work.

***Madam Chair, the only place where success comes before work is in the dictionary!***

We must become the type of people that the time in which we live demand of us. We need strong minds, strong hearts, strong hands, and determination and perseverance. We need people who cannot be corrupted, who have high ethics, and who respect the law and the rights of fellow men. We need people who are work-loving, who are responsible, who are cost conscious, who are punctual, and who have a desire to achieve.

We might fail at times. Remember the words of George Bernard Shaw who said: *“Nine out of every ten things I ever did were failures. I didn't want to be a failure, so I had to work ten times harder.”* This must not discourage us. We must learn from our mistakes. We should hold our heads high and should focus on our goals and keep a *“stiff upper lip”*.

I believe that the people in the Department of Public Works are of this caliber and together we will rise to the challenge before us.

## **2. ACHIEVEMENTS**

It is for us realistic to now share with your house, Madam Speaker, some of the achievements so far.

### **2.1 CORPORATE SUPPORT SERVICES**

#### **Financial Management**

The focus on effective financial management paid dividends in the past financial year (2003/04) and will be continued in the forthcoming year. The former Department, of which we were part, managed to spend 98% of its budget during the previous financial year. This was only possible due to the turn around strategy, which realistically had the Department planning and executing within the MTEF rather than year to year, a legacy that can only be perfected. All expenditure patterns had been closely monitored and control mechanisms were put in place where necessary.

With the empowerment of the Regional Management at Directorate level we have ensured that financial management and expenditure accountability have filtered down to regional level. All levels of financial management in the Department have been improved in line with the following Departmental strategic objectives:

- Improved financial management and expenditure accountability
- Improved expenditure patterns
- Increased levels of financial control
- Development of procedure manuals and policies as per Treasury Regulations
- Implementation of the Public Finance Management Act
- Improved debt management and revenue collection
- Reconciliation and clearance of suspense accounts

- Improved management of the Departmental Tender Committee

### **Human Resource Management**

One of the most critical challenges the former Department was faced with was the assessment of staff for reward or intervention dating as far back as 1994. The cost of the assessment to address this backlog was R26m, for 1402 employees who qualified for rewards in the form of rank promotions, second or third notches, leg promotions or merit awards. This has been substantially achieved and only isolated cases are outstanding. I am confident to say that the achievement is at least 95%.

Assessments are a crucial part of human resource management and it is essential that our staff be evaluated regularly and be rewarded for outstanding performance and excellence. Of course the other side of the coin is that those who are not committed to their work in servicing the public should be identified and should understand that they have no place in the public service.

The Department has successfully introduced an assessment system known as the Performance Management Development System. After the placement of employees in terms of the restructuring and transformation under the PSCBC resolution No. 7 of 2002, all employees have job descriptions and work plans for the jobs in which they have been placed. This ensures that the performance of employees is monitored regularly so that intervention, where necessary, is effected timeously. This will also expose the developmental needs of employees. This assists to meet our commitment to progressively develop a corps of workers who think innovatively, work smartly, produce results, and meet productivity targets.

The challenge experienced is to attract well-qualified technical staff. An internship policy incorporating the adoption of students at tertiary institutions will probably bring some relief although our experience indicates that these students leave for the private sector as soon as they have sufficient experience.

Related to our commitment to develop a cadre of future technical staff from tertiary students is a programme of skills development. During the period September to December 2003, 150 employees from the Bophirima and Central regions were trained at Taletso College, an accredited institution. The employees were trained in plumbing, bricklaying, painting, and basic electrical and mechanical engineering. After doing this work without certificates over the years, these employees will now be issued with certificates in recognition of the skills they have acquired and demonstrated. A need analysis is being conducted to extend the programme to other regions.

### **Legal Services**

We are steadily making progress in relation to the number of misconduct cases relating to absenteeism and being under the influence at work. The Directorate will ensure that employees are engaged on the consequences of these actions and are further educated on the applicable grievance procedures in the Public Service.

The Department applies zero tolerance approach when it comes to fraud and corruption. During the past financial year nine serious cases have been finalized. These were one of theft of diesel and eight cases of fraud. Six people were dismissed as a result of these cases whilst two were demoted and one was suspended for two months without pay.

Three cases of financial misconduct are currently being investigated and these will be finalized during this financial year.

Our Department actively participates in the Provincial Bargaining Structure established by the General Public Service Coordinating Bargaining Council and all resolutions and agreements of these important structures are adequately communicated in the Department.

Due opportunity and enough latitude is given to all trade unions, which are recognized to conduct their union activities in the Department.

## **2.2 INFRASTRUCTURE**

### **Buildings**

Honourable Speaker, as you are aware, rendering building services is one of the core functions of this department. This mandate covers, in the main, the implementation of the Capital Development Programmes for the Departments of Health and Education. In addition we are also responsible for major renovations, day-to-day maintenance, and preventative maintenance of public buildings.

The co-operation and communication with our main client departments, e.g. Department of Education and the Department of Health is of paramount importance. This critical success factor is further influenced by the location of the budgets for these programmes in the client departments. To improve service delivery and to govern interdepartmental relationships and expectations, the department has established Service Level Agreements with the two main client departments.

To meet delivery targets and to ensure the spending of earmarked funds within the financial year, the department has revisited its operational processes. In furtherance of this objective the department has instituted advance planning for all infrastructure projects. This process ensures that the department executes all pre-construction activities in the preceding financial year. These activities include the appointment of consultants and the preparation of all tender documents before the commencement of the financial year.

This department has implemented Targeted Procurement since the introduction of the Preferential Procurement Policy Framework Act in 2000. To reduce governments risk in the utilization of SMMEs and to empower emerging contractors, certain procurement reforms have been put in place in the 2003 /2004 financial year. Compulsory pre-tender



briefing meetings have been instituted. These interactive meetings, which precede the adjudication of all tenders, afford emerging contractors the opportunity to gain more insight into the prescribed procurement requirements and the point scoring system. This process is very much in line with the principles of Batho Pele. The department can confidently announce that there has been a marked improvement in the participation of emerging contractors in public sector procurement since the introduction of the compulsory pre-tender meetings, as well as compulsory site inspections, and at least 95% of all Building contracts are awarded to ABE companies or Joint Ventures.

The main construction programmes, which have been implemented in the 2003/2004 financial year are as follows:

The School Building Programme

The Toilet Building Programme

The Clinic Building Programme

The Hospital Revitalization Programmes

Major renovations Programme

Achievements in these programmes are as follows:

School Building Programme 2001 and 2003

Honourable Speaker, the implementation of the School Building Programme that was started in 2001/2002 is nearing completion. Out of the 59 schools, which were started in 2001, 55 have been completed and handed over to the Department of Education. The remaining 4 projects are at various stages of completion and should be completed by the end of August 2004. In line with Black Economic Empowerment, ninety five percent of these projects have been executed by emerging contractors. This has also contributed immensely towards poverty alleviation and job creation within the communities. It must also be mentioned that the procurement for these projects has been based entirely on the prescripts of the Preferential Procurement Policy Framework Act (PPPFA).

Admittedly, there have been delays in the completion of some of the school projects. To avoid delays in future in the delivery of such infrastructure, the Department has introduced pro-active measures, which are already manifesting in positive results. Some of these measures include joint meetings between the Department of Public Works, the North West Tender Board, and defaulting contractors. This strategy has not only reduced the red tape involved in terminating contracts but has also assisted in accelerating the process of replacing under-performing contractors. To encourage performing contractors, replacement contractors have been limited to other emerging contractors from the same building programme that have performed creditably.

Honourable Speaker, in terms of the distribution of completed projects throughout the province, the statistics reads as follows:

Central Region	- 16 Schools
Bojanala	- 14 Schools
Bophirima Region	- 12 Schools
Southern Region	- 13 Schools

The construction of 12 school projects under the School Building Programme 2003, commenced in August 2003 at a total cost of R65 m. In view of the sizes and values of these projects, the Department found it prudent to utilize a combination of Affirmable Business Enterprises (ABEs), and joint ventures between established contractors and ABEs. The joint venture strategy ensures the transfer of skills between the partners and also reduces the risk to government considerably.

One school has already been completed and handed over to the client department. The remaining 11 projects are proceeding according to schedule and should all reach beneficial occupation by end of March 2005.

Toilet Building Programme in the Bophirima Region

Honourable Speaker, this programme consists of the construction of toilet facilities in selected schools in very deprived areas in the Bophirima Region. The four mini contracts, which constituted this programme, were awarded to emerging contractors in accordance with Targeted Procurement. All four projects, which were started in the 2001/2002 financial year, have been fraught with problems of management and poor performance on the part of the contractors. This untenable situation culminated in the appointment of a management contractor in December 2003 to assist the four emerging contractors in the completion of the projects. The introduction of the management contractor has resulted in the completion of three of the four mini projects. The remaining project will be completed by the end of June 2004. Altogether, a total of 228 toilets will be provided in 16 schools on completion of the entire programme.

#### Clinic Building Programme

Honourable Speaker, in the 2001/2002 financial year, the Clinic Building Programme was conceptualized to cover the construction of 69 new clinics throughout the province. The programme targeted the construction of most of the clinics in historically deprived areas. Technical documentation for all 69 clinics in the entire programme was completed in 2001 but actual construction of the first phase of 22 clinics started in the 2002/03 financial year. The commencement of a second batch of 8 clinics in the 2003/04 financial year brought the total number of clinics to 30. Sixteen out of the first batch of 22 clinics have been completed and have been handed over to the Department of Health. The remaining 14 clinics will be completed in the 2004/2005 financial year.

In view of the size of these projects, only the services of Affirmable Business Enterprises have been contracted for the construction of all 30 clinics. Again it needs to be mentioned that the utilization of only the services of ABEs, is in fulfillment of the department's commitment to meeting the government objectives of Black Economic Empowerment. Operational problems have been encountered in the delivery of these clinics due to the lack of management skills and lack of financial resources of these ABE's.

In conclusion, Honorable Speaker, it is interesting to know that both the School Building and the Clinic Building Programmes have already met some of the objectives of the Expanded Public Works Programme (EPWP). Both programmes have targeted the employment of women, youth, the unemployed, and we can only improve through EPWP.

Some of the major renovations completed during the 2003/04 financial year are as follows:

- Waterproofing of the Garona building.
- Refurbishment of the electrical installation in the Garona building.
- A Fire Protection System for the main computer room in the Garona building.
- A fire escape staircase at the Mafikeng Airport.
- Renovations of the Agriculture College in Potchefstroom

### **Property Management**

The development of a functional asset register has been ongoing for some time now, and had been delayed for various reasons throughout the past years.

However there has been a remarkable break through in the past financial year whereby the Department has achieved the following:

- Data on all assets was compiled and captured.
- An Asset Register that reflects values and conditions of all Provincial properties was compiled and captured on Premise software. A total number of 7078 properties have been captured to date.
- The system is currently installed in 5 independent workstations (computers) and an ongoing training is being offered to relevant officials.

The Asset Register will also assist in the effective and efficient revenue collection in terms of rental of state houses.

The Department has developed a manual rental reconciliation system to ensure effective rental collection and identification of defaulters. This system is used as an interim measure until an electronic system has been developed in this regard.

The Department, through the Directorate: Information Management, is in the process of developing such a system. This system will be used to interface between Persal and the Asset Register and it will facilitate:

- The reconciliation of rental to ensure that what we collect in terms of rental is actually what we are to generate.
- Identification of rental defaulters for follow-ups.
- Sending out of timeous statements or reminders to rental defaulters.

The Disposal of redundant state houses by the Province was approved by the Executive Council in November 1999 and it involves the sale of redundant state owned houses and vacant residential land in the North West Province.

The following achievements can be recorded:

- Offers to purchase have been received from willing buyers.
- The intention to sell has been advertised in the Government Gazette and newspapers in terms of the Act.
- Deeds of sale in respect of the first 100 batch of houses have been approved by the Department and forwarded to the State Attorney for conveyancing.
- The Department is in the process of finalizing the second batch of 200 houses for onward transmission to the State Attorney.

It is envisaged that the selling process will be completed during the next financial year.

### **3. CHALLENGES**

Indeed Madam Chair, we have our fair chunk of challenges and I now wish to share a few with you.

### **3.1 CORPORATE SUPPORT SERVICES**

#### **Financial Management**

We continue to face the challenge of balancing the enhancement of emerging contractors with the delivery of quality infrastructure with speed. In practice we experience problems that emerging contractors do not deliver within the required timeframes and this creates cash flow problems for the Department. This Department, however, is committed to Black Economic Empowerment and tries at all times, by all legitimate and lawful means, to balance the two issues in such a way that service delivery is not jeopardized.

The Department continues to experience problems when it comes to reconciliation of rental income received. To address this issue we are in the process of installing a system based approach, which will communicate with our financial systems, i.e. Walker and PERSAL.

#### **Legal Services**

The process of the transfer of houses to be sold is time consuming. In conjunction with the Directorate: Property Management, this Directorate will be engaging the State Attorney towards finalizing the necessary conveyance of state-owned properties which have been offered to prospective buyers for sale before the end of the second quarter or look into other alternatives towards the accelerated disposal of these houses.

#### **Human Resource Management**

The Department is still facing challenges regarding capturing and reconciliation of leave, however during the past financial year we have put in place internal control measures to ensure that all leave, which have been taken by employees, had been correctly captured and reconciled back to the PERSAL exception reports.

The implementation of Performance Management and Development system has not yielded the expected results, hence the department is giving this function top priority this financial year.

### **Information Management**

A challenge facing this Directorate is to ensure that information systems that are aligned to the business goals of the department are developed. Projects at hand include the development of a Rental Administration application that will contribute to improved control and reporting on rental revenue collected from state property.

Another major challenge is the improvement of document control, which would require the upgrading of our registry procedures.

## **3.2 INFRASTRUCTURE**

### **Buildings**

The inability to attract registered professionals to the Directorate: Buildings is a major challenge. The Department has used various tactics to find such professionals e.g. by using personnel agencies to head hunt, by advertising, and by advertisements through professional organizations. The harvest has been extremely poor. The Department has trained professionals through bursary schemes but even these people have resigned to join the private sector at better salaries. This causes a vicious cycle. The Department loses professionals and must then use consultants to do the work. The consultants get more work and can afford to lure another profession to join their ranks and so we go on!

Another major challenge is the late information for Capital expenditure (CAPEX) projects from our client departments. To ensure the spending of available budget it is imperative that the construction of projects must start very early in each financial year.

This means that the pre-construction activities such as planning, design, documentation, and tendering must be completed the previous financial year. For this to happen the information about projects must be received timeously.

We also are faced, Madame Speaker with a situation where we plan and have to execute work for Department of Education and Department of Health, whilst we have no control over availability of funds. This situation applies to both maintenance and Capex projects.

Another challenge is that even reputable Affirmative Business Enterprises (ABEs) depend on cessions due to lack of credit facilities or sufficient funding capacity.

### **Property Management**

The biggest challenge here is that, although the Department has in the past financial year completed the fixed asset register, this register is not yet functional in that it cannot be used for major functions, such as rental and building maintenance. It is therefore a challenge for this financial year to get the fixed asset register fully functional.

Another challenge is that to date we have not sold the government houses earmarked for disposal due to several constraints such as location of title deeds, which have never been transferred to the North West Province from the erstwhile administrations of Bophuthatswana, Cape Provincial Administration and Transvaal Provincial Administration. We also face a major challenge in the process of obtaining clearance certificates from local authorities as a result of utilities that are outstanding for years and the service providers hold the owner, i.e. the State in our case, accountable. Madame Speaker we are in a process of resolving this matter with the help of Treasury as well as the State Attorney.

## **4. BUDGET ALLOCATION PER PROGRAMME**

Honourable Speaker, this Department has been allocated a total overall budget of R 361,215million for this financial year.



The funds will be spent as follows during the forthcoming financial year:

Salaries and related costs	R216,448million
Infrastructure/Maintenance	R 91,491million
Other	R 53,276million
TOTAL	R361,215million

## **5. AMOUNTS TO BE VOTED PER PROGRAMME**

The following amounts per programme and sub-programme are requested

### **5.1 PROGRAMME 1 - ADMINISTRATION – R68,650m**

This programme is made up of the Office of the MEC, Executive Management, Corporate Services and Financial Management. Its primary role is to provide administrative leadership, corporate governance and support to the Department. It ensures the implementation of government and Departmental policies.

**5.1.1 Office of the MEC – R 3,346million**

**5.1.2 Executive Management – R 7,739million**

**5.1.3 Financial Management – R30,730million**

Financial Management includes Financial Accounting and Planning, and Financial Administration and Procurement.

**5.1.4 Corporate Services – R36,027million**

Corporate Services includes Human Resource Management, Legal Services, and Information Management.

The Directorate: Human Resource Management will perform the following activities:

#### **Compensation of Personnel:**

- Salaries and related costs
- Improvements in conditions of service
- Social contributions (employers' share)

### **Administration of Personnel**

- Development and Training
- Leave Gratuities
- Travel allowance
- HIV/Aids Programme

The Directorate Information Management will spend the allocated funds from the budget on the following matters:

- Acquisition and maintenance of Information Technology equipment including cabling and networking
- Acquisition of a rental administration application
- Acquisition of a budget management application
- Upgrade of existing datalines to 256K
- Implementation of the Computer Literacy Training for staff and Interns in the Department
- Revision of the Departmental file plan and implementation of records security in accordance with minimum information security standards
- Planning and co-ordination of communications events such as the Budget Speech, national and international days, and campaigns.
- Printing of the departmental newsletter
- Communication in the Print and Electronic Media
- Implementation of required information management systems.

The Directorate: Legal Support Services is entrusted with the overall provision of legal advisory services in the Department, which includes, providing litigation support, legislative drafting and review, provision of legal opinions on a variety of issues and general legal administrative duties like drafting of contracts and other legal documents.

The Directorate is also responsible for the maintenance of sound labour relations in the entire Department. To this end, the Directorate deals with the maintenance of discipline and grievance procedures as well as labour consultation.

In the current financial year, the Directorate intends to finalise all policies, manuals and regulatory procedures for the Department to ensure compliance with appropriate and relevant legislation, including the constitution.

We will embark on the formulation of the Departmental Anti-Corruption strategy in line with the guidelines of the Department of Public Service and Administration. This strategy will assist in dealing with corrupt practices in the Department and eventually rid the Department and the entire public service of this unacceptable behaviour.

The Directorate will also actively engage the Directorate: Forensic Accounting and Investigations in the Department of Finance and the Misconduct Unit in the Office of the Premier and other relevant stakeholders like the SAPS to effectively deal with any act of misconduct perpetrated by officials of the Department.

The Directorate has set a target to reduce the number of litigation against the Department by 25% by the end of the current financial year. We will ensure that this target becomes a reality by proactively engaging all decision makers in the Department and thus ensuring minimal opportunities by would-be litigants to initiate litigation against the Department. We are engaging the State Attorney on a variety of matters in which they act as our representatives. Our challenge is to ensure that all matters referred to their office are dealt with and finalized within a reasonable time.

Of particular importance is the finalization of eviction proceedings against all illegal occupants of state houses throughout the Province. The continued illegal occupancy of state houses result in the Department not receiving revenue for rental, which has its own financial consequences. This is however a very difficult and time consuming process because the prescripts of the Prevention of Illegal Evictions act must be adhered to.

The Directorate will continue to ensure quarterly reviews of all legislation, which is administered by the Department for possible amendments if necessary, and all other legislation having a bearing on the entire Department for compliance.

## **5.2 PROGRAMME 2 - PUBLIC WORKS – R83,869m**

This programme is made up of Building Services and Property Management. The mandate of the two Directorates is to provide professional and technical services to the department and client departments. It is also responsible for the provision of office and residential accommodation to client departments and senior government officials. This includes the maintenance of existing building infrastructure through day-to-day maintenance, preventative maintenance and major renovations. It should not escape us that while it is important to build new facilities and infrastructure, it is perhaps more important to maintain, preserve and conserve what we already have. It is more expensive to lose and replace something than to retain and maintain it.

### **5.2.1 Property Management - R53,410million**

The Department is conscious of the importance of optimal or effective utilization of Provincial Properties. It is in this light that it has embarked upon the process looking for alternative usage of these assets and the following has been executed:

- Some properties have been identified to be transferred to Local Authorities to in an effort to empower them, and a submission in this issue has been approved by the Executive Council. The properties includes, inter alia, the Heuningvlei office and housing complex, which have been standing virtually unused for quite sometime.
- The Department is embarking upon the identification of unused or underutilized properties that can be converted into Multipurpose Community Centers.

This Directorate is also responsible for the maintenance of Prestige buildings, payment of utilities, payment of rentals, and the collection of rentals due to the State.

### **5.2.2 Building Services**

**- R30,459million**

The Building Directorate does a lot of the Capital Development work for the Department of Health and the Department of Education. The budget for this work is however with these client departments, which is a challenge as alluded earlier.

My colleagues in Health and Education and I are however in consultation about this and I am confident that we will reach a practical resolution in this regard.

The Department is currently in the process of completing the procurement documentation for a variety of health facilities planned for implementation in the 2004/2005 financial year as follows:

- 30-Bed Swartruggens Community Hospital
- 200-Bed Moses Kotane Hospital at Ledig
- 120-Bed Vryburg Hospital
- Rehabilitation Center at Witrand Hospital
- State President's Detainees Unit in Mafikeng
- Colridge Clinic in Naledi
- Extension to Bloemhof Community Hospital
- Extension to Christiana Hospital
- Mafikeng Nursing College extension
- Loporung Clinic at Setlagobi
- Itsoseng Clinic at Ditsobotla
- Itsoseng Community Health Centre
- Jouberton Clinic at Klerksdorp
- Extension to Nursing College at Klerksdorp

We also have projects for other provincial departments as follows:

- Ga-Motlala, Batlokwa, Ramatlabama and Mobane Tribal Authority Offices

- Alterations and extensions to the Legislature building
- New Archives, Museum, and Library complex
- New Regional Offices for the Department of Agriculture, Conservation and Environment at Rustenburg and Vryburg.

### **Capital Development Programme for the Department of Public Works 2004/2005**

To reduce government dependence on rented office accommodation and to provide adequate office accommodation for the Department of Public Works, the Department is in the process of designing a new Head Office building and a regional office building to be located in Mafikeng and Garankuwa respectively. An amount of R23m has been earmarked for the construction of the new Head Office building to be located in Mafikeng. Construction work is scheduled to commence at the end of August 2004.

### **Major renovations 2004/2005**

A number of office buildings have been identified for major refurbishment in the 2004/2005 financial year. These projects form part of the major renovations programme that has been planned for implementation over the MTEF period. Major renovation projects to be implemented in the 2004/2005 financial year include the following:

- Garona Building
- Gaabomotho Building
- Old Parliament Building
- Barnard Social Security Building
- Taung Mechanical Workshop
- Mafikeng International Airport
- Geo-Science Building
- Mafikeng Civic Centre

### **5.3 PROGRAMME 3 - REGIONAL OPERATIONS – R208,696m**

The Department has four Region Offices, i.e. Bojanala, Bophirima, Central, and Southern. These Regional Offices are the actual delivery points of the Department. All functions in the Department are executed at each Regional Offices and they are thus *de facto* mini departments. They bring delivery mechanisms nearer to the people. The Departmental matrix structure moved away from the silo structure to ensure cohesion between the various disciplines. Budget control in the regions will reduce the administrative red tape and will speed up decisions and payments for services rendered.

## **6. EXPANDED PUBLIC WORKS PROGRAMME (EPWP)**

Whilst I welcome the resolution of EXCO and appreciate the trust they have displayed in me that my Department should co-ordinate and oversee EPWP in the Province, it is indeed not going to be an easy task. However I wish to put on record that we will not be found wanting and that we will deliver.

On the 2<sup>nd</sup> April this year we launched EPWP under the brand name “Semelela”. The founding document on EPWP published in April 2004 was distributed to all departments in the Province and I will thus not waste the time of this house to repeat the principles of EPWP.

The Department has particularly identified two EPWP projects that will commence immediately as our contribution towards the first 3 months programme.. One is the paving of the sidewalks around the Mmabatho Convention Centre and the other is the Modimola pilot project, which involves engineering and agricultural activities.

In the first project we will create 70 jobs and the people who will be employed will be trained in the manufacture of bricks, and preparation, bedding and the laying of the paving. These people will be able to sell their skills in the open market after the project.

The Modimola project will create 100 permanent jobs and 100 temporary jobs. People will be trained as contractors and in specific construction skills.

The Modimola pilot project will lay the foundation for further similar projects. The lessons learned in the pilot projects will ensure that the future projects will meet the envisaged outcomes towards changing unemployable people into employable people.

The Department will liaise with other departments and municipalities to drive the initiative towards EPWP. The buy-in and co-operations of all members in this house, and especially Executing Authorities, is accepted as a given and will be referred to when necessary to obtain co-operation.

## 7. CONCLUSION

To conclude my address Madam Speaker, I must say that I am very much aware of the fact that time is not on our side and that the people expect, and deserve, the service that we are to provide to them. In this regard I am reminded of the poem by Julia Carney, which reads:

*Little drops of water, little grains of sand,  
Make the mighty ocean and the pleasant land.  
So the little minutes, humble though they be,  
Make the mighty ages of eternity.*

Madam Chair, I present this budget for the Department of Public Works for approval by this august house. I give you today a firm undertaking that this budget will be used to the best advantage of the people of this province. Yes Madam Speaker, I am a new broom and I will sweep extremely clean. The difference between my Department and me, and the metaphor, is that we will continue to excel. Henry Ford said: “ *You build a reputation not by what you intend to do, but by what you have done*”. We intend to do exactly that! We will build a **good** reputation on our results.

I thank you.