

# JOB CREATION AND EMPOWERMENT POTENTIAL IN THE NEW COTO SPECIFICATIONS

36th Meeting of the Road Pavement Forum:

Pretoria

12 November 2018

# Relevant Stats for Job Creation in SA:

- ▶ **Unemployment:** 37% of all South Africans,  
27% of those actively seeking employment
- ▶ **Construction Industry:** 3rd largest job creating industry after  
Mining and Agriculture
- ▶ **Infrastructure Sector:** Attracts 80% of the expenditure on EPWP

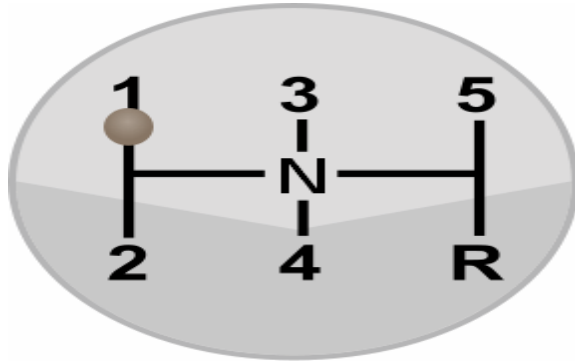
► GDP:

SOUTH AFRICA GDP ANNUAL GROWTH RATE



SOURCE: TRADINGECONOMICS.COM | STATISTICS SOUTH AFRICA

# Overview of Governments Response to Poverty, Unemployment and Inequality



- |    |      |   |      |   |                     |
|----|------|---|------|---|---------------------|
| 1. | RDP  | - | 1994 | - | President Mandela   |
| 2. | GEAR | - | 1996 | - | President Mbeki     |
| 3. | EPWP | - | 2004 | - | President Mbeki     |
| 4. | NDP  | - | 2011 | - | President Zuma      |
| 5. | NDP  | - | 2018 | - | President Ramaphosa |



Where to next ?

# Reasons for Poor Realisation of Job Opportunities

- Inability of authorities to spend allocated funds\*
- Lack of technical training\*
- Programme principles not followed\*
- Loss of “in-house” construction capacity\*
- Industry applied a “ring fenced” approach for too long

\*Prof. McCutcheon - SAICE Magazine, July 2018

# Relevant Features of the New COTO Specifications

- Time, Cost and **QUALITY**
- **ONE** document - 20 Chapters divided into 4 parts:
  - ❖ Part A - Conventional Construction
  - ❖ Part B - Labour Enhanced Construction
  - ❖ Part C - Measurement and Payment
  - ❖ Part D - Guarantees and Compliance Certificates
- (Payment items created to include labour as resource in the required construction programme)

# Mazinyo Index

- Consider the introduction of a project “Mazinyo Index”.  
(HDM4 + Socio Economic Indicators)

