

**Job Creation Trust**  
**Speech by Mrs Lindiwe Hendricks, Minister of Water Affairs and Forestry**  
**Sunnyside Park Hotel, Parktown, Johannesburg**  
**27 October 2006**

Chairperson of the Job Creation Trust, Mr Willie Madisha  
Trustees and Board Members of the Job Creation Trust  
Honoured Guests  
Programme Director  
Ladies and Gentlemen

### **1. Introduction**

I am proud to be here tonight to join you for the Annual Labour Job Creation Trust Award Ceremony, which takes place on the same day with the renaming of Johannesburg International Airport to OR Tambo International Airport. The ideas and philosophy of OR Tambo remain relevant to the ANC Government and its Alliance partners.

When one looks around our country we see progress; there are massive infrastructure development taking place; both large and small scale construction projects, with construction sites on almost every corner. The OR Tambo airport with its upgrading to accommodate millions more visitors to our shores is but one example. We also see more and more new cars on our roads; and huge growth in the retail sector. These are just a few signs of the success of our economy, which can be seen in the GDP growth data, levels of activity in the economy, and in other economic data.

There is no doubt that our economy is doing better than ever before – even those who feared what an ANC government would do to the South African economy when we took office in 1994, concede on how well we are doing. Ordinary people both black and white have a better standard of living and enjoy a better quality of life.

Yet there is an underlying tension. There are people without jobs, without access to basic services, people who are dependent on social grants and people who live in poor conditions and poverty. Increasingly there is recognition that while between races there are greater levels of equality, the levels of inequalities between classes in South Africa have not shifted significantly since the end of Apartheid, with Gini Coefficient – the measure of inequality in a country, showing little improvement in South Africa.

### **2. Responding to the Challenges**

In 1994 the ANC government inherited a poorly performing economy and limited, if any, social welfare support to the majority of the population. The changes that we have been through when looked at in aggregate over the past 12 years have been phenomenal. A good example of this can be seen in the water sector where more than 15 million more people now have access to water and the sanitation backlog was reduced from 52% to 31%.

Ladies and Gentlemen, it is how we respond to the challenges of poverty and inequality that shows what kind of government and society we are. The ANC government has committed itself to be a caring government that is committed to redressing the imbalances of the past through growing the economy, providing access to basic services, creating a social safety net and creating jobs. We have supported the Millennium Development Goals (MDGs) set by the United Nations to halve the proportion of people who are living in poverty by 2015. In other areas such as sanitation and water we are committed to going even further than the target of the MDGs by providing universal access to these services.

The creation of a social safety net through access to clinics, child care support, improved pensions, and other social grants as well as provision of basic services such as water and electricity is critical to the success of our democracy and creating a better life for our people. The push to achieving universal access over the next few years therefore cannot be underestimated, particularly in the context of high unemployment.

While it is very necessary that our government provides social welfare support and universal access to basic services we are all aware that it is not sustainable if we do not achieve higher levels of employment.

### **3. Job Creation Trust and DWAF**

With the enormity of the unemployment problems that face us and the legacy of Apartheid education and skills levels requires creative responses to job creation. The recognition that it is not solely the responsibility of the state but all players in society to create jobs is to be applauded, and the role of our social partners in contributing to these efforts remains relevant.

The Job Creation Trust is an excellent initiative that we, as the Department of Water Affairs and Forestry, are fully supportive of as a means to create employment. The MOU that we are signing tonight is about collaboration between government and labour to co-operate and work closely together in addressing what is one of the most pressing issues in South Africa today. The principle behind the MOU is of creating additional sanitation jobs as part of my department's efforts to achieve universal access to sanitation.

This initiative has also involved other strategic partners such as Umsobomvu Youth Fund, the Development Bank of Southern Africa (DBSA), Departments of Public Works, Provincial and Local Government and South African Local Government Association (SALGA).

The background to this initiative was that a national seminar was held in April 2005, co-hosted by the Department of Water Affairs and Forestry and the Labour Job Creation Trust, where the participants made a firm commitment to further collaboration through the establishment of a Sanitation Job Creation National Task Team.

The National Task Team was mandated to formulate and implement a Programme of Action that would ensure that the principles of the programme became standard procedures in the delivery of sanitation services in all municipalities. The National Task Team was established in May 2005, and representatives meet on a regular basis for the purposes of coordinating activities and implementing the Programme of Action based on the Position Paper and Municipal Guide that have been compiled and endorsed by all the partners.

In summary, Sanitation Job Creation Programme is expected to meet at least four aims:

- Supporting the eradication of the Sanitation Backlog by creating additional skills and capacity in the sector,
- Developing marketable skills in individuals and communities,
- Creating sustainable jobs for the currently unemployed, targeting the poor, women, youth and the disabled, and
- Contributing to Local Economic Development.

My predecessor then launched the Sanitation Job Creation Programme through a sanitation initiative at Mawa Village in Limpopo Province on 13 December 2005. The launch of the initiative gave both impetus and National significance to the programme as well as highlighted some of the challenges in implementing such programmes.

Sanitation remains one of our development challenges and in providing sanitation services we are able to create job opportunities and contribute to poverty reduction. It is therefore of strategic importance for DWAF to have a Memorandum of Understanding (MOU) and partnership with the Job Creation Trust.

The signing of the Memorandum of Understanding between my Department and the Labour Job Creation Trust will open up new opportunities for creation of more jobs. When we did some analysis on the impact of changing our approach to the delivery of sanitation services by having a focused job creation programme to increase employment, particularly local employment, we found that up to 35 000 new jobs would be created during the

implementation of our programme to achieve universal access to sanitation. What is important to us is that we will prioritise local labour, local businesses and local suppliers in the delivery of sanitation; and that we will provide these labourers with real and valuable skills that can be used even after the project has ended.

This partnership will support the programme rollout and pilot to selected municipalities such as Mkhanyakude in KwaZulu-Natal; Alfred Nzo in Eastern Cape; and Greater Tzaneen in Limpopo. And we look forward to successful implementation of projects in these municipalities. We will also be signing Memorandums of Understanding with the pilot municipalities to ensure buy-in and sustainability of the programme.

My department has also allocated a budget of R2 million in this financial year to help facilitate this job creation programme.

In conclusion I want to remind every body here today that women and youth play a key role in development and in the delivery of services. I therefore encourage the Trust to ensure that Women Co-operatives and SMMEs are particularly targeted in its projects as far as possible so that they can claim their rightful place in sanitation delivery, as they are the ones who ensure that there is water in their homes and that their families are protected from water-borne diseases.

**WATER IS LIFE, SANITATION IS DIGNITY!!!**

I thank you.