



PUBLIC PROTECTOR
SOUTH AFRICA

MEDIA STATEMENT

Date: Tuesday, 04 July 2018

For immediate release

Attention: Editors/ News desks

Subject: Public Protector set to broker a deal in the North West contractor incubation programme impasse

Public Protector Adv. Busisiwe Mkhwebane has invited aggrieved North West business people who were part of the provincial Public Works and Transport department's abortive contractor incubator programme, Vuku'phile, to furnish her office with details of their suffering and suggested remedies by Friday, July 06, 2018.

Adv. Mkhwebane also gave the department the same deadline to revert to her with an offer that seeks to bring all the affected parties as close as possible to where they would have been had the programme not been bungled.

This follows the hearing she chaired in Rustenburg on Tuesday, July 02, 2018, where both the political and administrative heads of the department, MEC Mmule Johanna Maluleke and HOD Pakiso Mothupi, appeared to answer questions on the programme, the impact its abandonment has had on the livelihoods of the contractors and how to redress the affected parties.

Only less than 30 out of a total of 65 contractors attended the hearing, triggering concerns that the rest of the affected business people might be left out of the mooted settlement. Those that were present committed to submit a list of their demands to the Public Protector by the end of the week.

Among the demands were the settlement of millions of rand in collective unpaid invoices, compensation for the suffering they have endured since the abandonment of the programme and the reinstatement of the contracts so as the contractors could be allowed back on site to carry on with the respective projects they were initially appointed for.

The contractors, who turned to the Public Protector in 2016 when the programme fell flat, told Adv. Mkhwebane on Tuesday that their involvement in the programme has left them less

prosperous as business people. They reported losses of properties and assets, including houses, vehicles and furniture. They also said they were heavily indebted as a result of loss of income.

For some, the situation has reportedly put strain on family life, resulting in divorces and separations. Others complained that their businesses were now at lower Construction Industry Development Board (CIDB) grading than they were prior to their participation in the programme. They want the government to intervene and restore them to their original grading.

MEC Maluleke told the Public Protector that she did not attend the hearing to defend her department's actions but rather to own up. While she wished to settle with the contractors as soon as possible, the MEC said the fact that the provincial government has been placed under administration would serve as an impediment. However, she undertook to write to the Minister of Public Work to recommend a settlement.

Earlier, MEC Maluleke requested 21 days within which to find funds, consult the Minister and revert to Adv. Mkhwebane with feedback but the Public Protector would not grant it, arguing that the department had been aware of the demands of the contractors for a while and had had ample time to prepare for the meeting.

The proposed settlement is as follows:

- The department should pay the contractors all the moneys owed;
- The department should effect ex-gratia payments to the contractors to compensate for the prejudice suffered;
- The department should write to the Minister, requesting that she engages the CIDB about the restoration of the contractors' original grading as the downgrades were not a result of their own doing; and
- The contractors should be allocated new projects or, where possible, returned to the sites of their initial projects in order to complete the remainder of their contracts.

Adv. Mkhwebane wants a settlement signed by Wednesday, July 11, 2018. In the event a settlement is not signed, she will forge ahead with an investigation and issue a report with binding findings and remedial action.

Contractors who could not attend the hearing are requested to submit details of their suffering and suggested remedies to their spokesperson, Mr. Mpule Mathobela on mmathobela@yahoo.com.

The Vuku'phile programme provides contractors with formal and on-the-job technical training. It is a sub-programme of the Expanded Public Works Programme, a government initiative geared towards providing an important avenue for labour absorption and income transfers to poor households in the short to medium-term.

End

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