

## LESSONS LEARNT IN THE IMPLEMENTATION OF DEVELOPMENT PROJECTS IN SOUTH AFRICA

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**ABSTRACT:** The levels of unemployment and poverty are extremely high and two of South Africa's most pressing problems. There is also a widely acknowledged need for housing and municipal infrastructure (water supply, sewerage, streets, storm water drainage, and electricity, refuse collection). From a theoretical perspective supported by experience elsewhere in Africa, there are reasons for considering that properly formulated employment creation programmes based on the use of labour-intensive methods could be established to construct and maintain the required physical infrastructure, thus creating employment, skills and institutional capacities. Over the past 30 years several projects have been initiated in South Africa to counter unemployment and poverty. Given the socio-economic conditions and political objectives (regarding development, employment creation and alleviation of poverty), it is anticipated that future large-scale construction projects will be proposed by the public sector (National, Provincial and Local Government). The paper will first examine the main tenets of the implementation of development projects through the use of labour-intensive construction and a description of progress elsewhere in Africa and their potential contribution which public works programmes could make to alleviate the poverty and unemployment problems. The research will then analyse the successes and challenges that have been experienced in South Africa in relation to the implementation of development projects over the past 30 years. The paper closes with recommendations and lessons for the future.

**Keywords:** *Development, projects, labour-intensive, poverty, public works, unemployment.*

### 1. INTRODUCTION

History has shown that labour-intensive methods of work have long been used in creating remarkable infrastructure works. Labour-intensive programmes generate more direct and indirect local employment opportunities and income by using locally available inputs (materials, simple tools and local labour) and thus creating a greater demand for local products and services than do high-technology programmes reliant on imported technology and equipment. Investment in infrastructure has a huge potential to redress the high unemployment and poverty levels in South Africa and also to correct the skill deficits in disadvantaged communities. Commitment to alleviation of poverty has become very high on the government agenda and will stay one of the focal points of government. This is motivated by the fact that, currently around 24% of the population lives on less than \$1 a day, below the poverty line defined by the World Bank [1]. The levels of unemployment have been rising steadily over the years. The unemployment rate is an extremely important indicator of economic and social health. The level of unemployment was 7% in 1980; 18% in 1991 [2]; 15.7% in 1995 [3], [4]; 30.2% in 2002; 27.4% in 2003; 25.6% in 2004; and 26.5% in 2005 [3]. The unemployment rate rose rapidly over the 1990s, then

fell in 2003 and 2004 and rose again in 2005. This is due to the drastic fall of the demand for unskilled labour in the formal sector caused by structural changes in the economy as a result of a decline in the importance of the primary sector.

Over the past 30 years several projects have been initiated in South Africa to counter unemployment and poverty [5]. It is envisaged that there will be others in the future. From a theoretical perspective supported by experience elsewhere in Africa, there are reasons for considering that properly formulated employment creation programmes based on the use of labour-intensive methods could be established to construct and maintain the required physical infrastructure, thus creating employment, skills and institutional capacities.

The paper will first examine the main tenets of the implementation of Public Works Programmes through the use of labour-intensive construction and a description of progress elsewhere in Africa and their potential contribution which public works programmes could make to alleviate the poverty and unemployment problems. The research will then analyse the successes and challenges that have been experienced in South Africa in relation to

job creation through Public Works Programmes over the past 30 years. The paper closes with recommendations and lessons for the future.

## **2. PUBLIC WORKS PROGRAMMES AND EMPLOYMENT CREATION**

Public works programmes have a long history in the industrialised countries as an economic-policy tool, both as a fiscal measure to expand or contract public spending in periods of unbalanced domestic demand as well as a short-term measure to alleviate unemployment. In order to alleviate poverty and generate employment during the construction and maintenance of infrastructure projects, attempts must be made to encourage the use of labour-intensive methods. Bentall [6] defined "labour-intensive approach" as an approach where labour is the dominant resource for carrying out works, and where the share of the total project cost spent on labour is high (typically 25 – 60%).

The term "labour-intensive approach" indicates that optimal use is made of labour as the predominant resource in infrastructure projects, while ensuring cost-effectiveness and safeguarding quality. This involves a judicious combination of labour and appropriate equipment, which is generally light equipment. It also means ensuring that labour-intensive projects do not degenerate into "make-work" projects, in which cost and quality aspects are ignored. Labour-intensive construction results in the generation of a significant increase in employment opportunities per unit of expenditure by comparison with conventional capital-intensive methods. By 'significant' is meant 300% to 600% increases in employment generated per unit of expenditure [7].

## **3. OVERVIEW OF AFRICAN EXPERIENCES THROUGH THE USE OF LABOUR-INTENSIVE APPROACH IN PUBLIC WORKS PROGRAMMES**

The use of employment-intensive public works programmes is not new to Africa. In the 1960s, three countries in North Africa, namely Morocco, Tunisia and Algeria, experimented with such programmes. Although started initially as emergency relief works programmes, especially in rural areas, it gradually came to acquire a development orientation. The Moroccan experiment, known as National Promotion, was launched in June 1961. This large-scale programme aimed at enhancing opportunities for the rural unemployed in productive works; and slowing down the rural exodus and associated problems with rural populations in the development process. The importance of this programme was confirmed by its mention in the constitution of 7 December, and subsequently by the creation in 1975 of the High Council of National Promotion Plan. According to one estimate, the programme provided employment for 85 000 workers per month during the peak season and increased GNP by 3, 6 per cent [8].

During the period 1959-1960, a large Tunisian works programme, known as Worksites to Combat Underdevelopment was carried out with 80 per cent of the cost being borne by Tunisian authorities and the

remaining 20 per cent in the form of food aid from the United States. The employment created was equivalent to an annual average of 20.7 days per head of Tunisia's labour force [5]. In Algeria, the publicly-sponsored works programme, known as Worksites for Full Employment (Chantiers de plein emploi (CPE)) began operating in 1962 as a relief operation. It soon acquired a strong development orientation to maximise employment in a project of economic interest, namely reforestation work to fight the severe erosion problem [8]. In 1965, the Peoples Worksites Reforestation (Chantiers populaires de reboisement (CPR)) was created as a statutory body attached to the Forestry Division of the Ministry of Agriculture and Agrarian Reform. Since then, the World Food Programme has provided assistance and the scope of projects have been increased to include land reclamation and other infrastructural works.

A few countries have tried to create, through employment-intensive infrastructural works, relatively small 'functional economic areas' in the countryside in an attempt to stem rural-urban migration and retain more people on the land. An example is the Djoliba pilot project in Mali for converting a swollen rural village into an agro-urban community, which calls for several layers of investment in infrastructure. This project was to test the feasibility of the establishment of some 150 rural centres that would service Mali's more than 10 000 villages [5]. The Volta River Settlement Programme of Ghana, involving the creation of network of rural towns and access roads, is another example of rural spatial planning. Three times as many workers were employed in these resettlement preparations than were involved in building the Volta dam, showing the employment-generating potential of employment-intensive infrastructural investment.

In Kenya, over 12 000 kilometres of rural access roads have been constructed and over 80 000 man-years of employment have been created [2]. The Kenyan Rural Access Roads Programme is the overall responsibility of the Ministry of Transport and Communications but operates within the national District Focus policy which gives great autonomy to the local level. According to McCutcheon [2] the methods have been considered so successful that they have been introduced in the secondary roads network (the Minor Roads Programme). In Botswana a national programme of labour-intensive road construction units has been set up within District Councils which are semi-autonomous bodies under the overall responsibility of the Ministry of Local Governments and Lands. This programme has resulted in the creation of over 3 000 jobs (total employment within the public sector is only 20 000) and the construction and upgrading of nearly 2 000 km of road [2].

Thus, within different institutional and organisational frameworks, a wide range of techniques of labour-intensive road construction has been extensively tried and tested over the past 25 years. Despite their valuable contribution to employment-generation, many of these earlier experiments in employment-intensive public works

in Africa suffered from one or more of the following shortcomings (Barker [9]; Abedian and Standish [10]; UNDP and ILO, [11] Ligthelm and Van Niekerk [12], McCutcheon [13]; [7]; McCutcheon and Taylor-Parkins [14]; and Thwala [5]: the ad hoc nature of schemes, lacking spatial focus and often without any links to national rural development and infrastructural planning systems; makeshift administrative arrangements and failure to inject sufficient managerial and engineering skills and technical competence into project selection and execution, as well as choice of technology, resulting in poor project planning, programming and manpower management; lack of balance between centralisation and effective involvement of local administrations and popular bodies in crucial programme decisions, planning and implementation; failure to adjust programme operation and intensity to seasonal labour demand for agricultural operations; lack of precision about target groups and programming on the basis of inadequate information about beneficiary groups; lack of adequate and sustained political commitment and allocation of public funds for the programmes; inadequate post-project maintenance arrangements; and inadequate emphasis on, and arrangements for, reporting cost-benefit studies and general performance evaluation.

#### 4. CONCLUSION

Development programmes and projects in South Africa should change as the policy environment changes, from relief, emergency to a long-term structured employment-generation programme. The approach should link economic growth, employment and investment policies. Development projects must aim to ensure that infrastructure is planned around local needs rather than vice-versa. The Government needs to establish a long term programme on employment intensive construction. This cannot be established overnight, and will take some years to grow into a national programme. Public spending on infrastructure construction and maintenance can be a valuable policy tool to provide economic stimulus during recessions. As long as quality and cost-effectiveness are not compromised, labour-intensive approaches to infrastructure development can also be an important instrument for economic growth [1] but when public spending on infrastructure is not wisely deployed, it can crowd out more productive investment in other sectors.

#### 5. RECOMMENDATIONS

The public works programme in South Africa should change as the policy environment changes, from relief, emergency and “special” public works programme to a long-term structured employment-generation programme. The approach should link economic growth, employment and investment policies. The public works programme must aim to ensure that infrastructure is planned around local needs rather than vice-versa. The project was a total failure if seen as a development initiative. The community was not involved in any decision making;

communities were not encouraged to become sufficiently organised to have input into the project and the community was not left with any new skills after project completion. The GSP was a learning experience, engineers and planners must learn from the mistakes that were made, there is no doubt that similar projects can be successful in future. Based on both the international and local experiences, the problems of public works development projects can be attributed to the following factors, which must be avoided in order for large-scale projects to be successful in South Africa: there has been a lack of clear objectives linking the short and long-term visions of the programme; there were no pilot projects with extensive training programmes or lead-in time to allow for proper planning at a national scale.

This should have allowed sufficient time to develop the necessary technology, establish training programmes and develop both the institutional and the individual capacities; the programmes have seldom been scaled to the magnitude of national manpower needs. Very often they have been introduced in an unsystematic and fragmentary style. This often led to technical hastiness, which was compounded by incompetence and inappropriate technology selection; there have been organisational infirmities and inappropriate administrative arrangements; there has been a lack of political and government commitment to the projects and programmes; there has been an imbalance between centralisation for higher level co-ordination and decentralisation for local decision-making and execution of works; inadequate post-project maintenance arrangements often undermined the efficacy of the projects. This was largely attributed to the failure to ensure there would be an authority with a sufficient stake in the projects and in their continuing effectiveness (that is lack of community participation and ineffective local government); the projects and programmes have been over ambitious. This was a result of the lack of appreciation of the time it takes to build the necessary individual and institutional capacities at various levels; there has been a lack of clearly defined and executed training programmes that link medium to a long-term development plan; there was no long term development planning; most of these projects and programmes were highly politicised; the budget allocations were arbitrary; and very little sustainable employment was created.

Project objectives must be: specific instead of general; not overly complex; measurable, tangible and verifiable; realistic and attainable; established within resource bounds; consistent with available and anticipated resources; consistent with organisational plans, procedures and policies. The objectives of the project must be made known to all project personnel and all managers, at every level of the organisation. If this information is not communicated accurately, then it is quite probable that upper management, project managers and functional managers will all have different interpretation of the ultimate objective, a situation that invites conflicts to occur. Objectives are most frequently

re-established during the definition phase of project development. If resources are unavailable, alternatives must be considered. Once the total project objective is set, sub-objectives are defined in order that cost and performance may be tracked. If project objectives are not suited to the project, there are no guidelines to measure progress upon.

Programme approach could not be taken for this initiative owing to its short duration. From its inception phase onwards, the emphasis was placed on implementing projects as soon as possible, resulting in a general lack of planning. In future, a programme approach must be followed to ensure that general consensus is reached on the principles of labour-intensive construction. The short-term nature of the programme did not allow for the necessary dissemination of improved methods of labour-intensive construction or organisation. Adequate research and development were also not possible. The duration of the programme was simply insufficient to allow the methods of construction used to become more efficient.

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