

https://dspace.org/

The expanded public works programme as a tool for local economic development: policies,processes, mechanisms and institutional arrangements

Mogane, Maurice Charles

2006-11-14T11:52:30Z
http://hdl.handle.net/10539/1695

Downloaded from a DSpace repository. https://dspace.org/

DECLARATION

I declare that this research report is entirely my own work. It is being submitted for the degree of Master of Science in Development Planning at the University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination in any other university.

_____

Maurice C. Mogane

On the _____ Day of _____ 2005.

ABSTRACT

The re-admittance of South Africa into the community of nations brought opportunities and challenges. South Africa had to adapt and conform to the prevailing global economic architecture and adhere to neo-liberal principles prevailing at the time while at home it had to face a restructuring economy and worsening social conditions for a majority of its people: unemployment, housing and infrastructure backlogs.

Policies and programmes where devised and adopted. The EPWP and local economic development programmes are just two of the many programmes meant to deal with unemployment, skills development, inequality and poverty. This report investigates the potential of the EPWP as a tool for local economic development by reviewing the theoretical underpinnings of public works and local economic development; and the intergovernmental relations and planning policies, processes, mechanisms, and institutional arrangements in place to enable the programmes' implementation. Based on the investigation, findings and recommendations are made.

DEDICATION

To all South Africans and people of the world who believe that there is always a better way of doing things than we are doing now. Quite naturally, my parents, my mother in whom I can now confidently say I inherited the stamina to stay the course and the ability to endure whatever is thrown at one. My late father, for instilling this resilience, unwavering focus and ability to venture into the seemingly impossible. Now I know why you refused to be confined and stay within demarcated boundaries way before 1994. Now I know I can soar.

To all the people who have been patient with me during this period and could not make time for them. Especially Mamphoka Sehlapelo, you stayed the course with me and that is very much appreciated. Kenneth Solomons and Vincent Mokoena, for your support all these years, are witnessed to where I have been and to what patience can achieve.

Eric Makoni, you kept the light shining, inspiring, challenging, teaching…and been a good friend.

Professor Jill Swart-Kruger, Denise Adams, William McCurtain and the late Minah Motaung for shaping and moulding me.

The late Ben 'Shishi' Ngobeni by far the greatest civil servant I ever came across. You instilled the love and passion to want to serve, wherever I find myself, hence I embarked on this journey to be able to serve better (hope I do!). You spurred me on. And all those I might have neglected to mention. The late Mpho Mahlangu who started with me on this journey more than ten years ago, I hope your are smiling on me wherever you are. You told me once that I could do it.

ACKNOWLEDGEMENTS

Firstly, I would like to express my gratitude to Mr. Salah Alzain Mohamed who has been extremely patient with me and understanding. Most of all, I am grateful to Mr. Mohamed for sharing the excitement and enthusiasm towards this seemingly daunting undertaking. When it sometimes seemed impossible, he was there to redirect, channelling my energies and reminding me of the importance of this task and the commitment I had made to myself.

Secondly, I could not omit Mr. Mzwanele Mayekiso whose initial guidance and encouragement spurred me on when I first mooted the research topic. Equally so, the input and constructive criticism of the academic personnel in the School of Architecture and Planning in the progress report presentation. It helped tremendously to redirect my thinking and stretch my boundaries a bit.

Thirdly , Dr. Aly Karam, you set the foundation for me when you afforded me the opportunity to come to this institution. I hope you still remember the article sent to me to summarise by Michael Porter. I am grateful.

Last but not least, my thanks go Councillor Mohamed Akoon, MMC: LED, Ms Karuna Mohan, Executive Director: LED both of Ekurhuleni Metropolitan Council, Ms Shereen Rawat , Deputy Director-General: Public Works and Mr. Kaelo Sedumedi, Acting Chief Director: EPWP both from the Department of Public Transport, Roads and Works for taking time out of their busy schedules and granting interviews.

ABBREVIATIONS AND ACRONYMS

ACCI : Australian Chamber of Commerce and Industry
ANC : African National Congress
BBBEE : Broad-Based Black Economic Empowerment
C&M : Construction and Maintenance
CBPWP : Community-Based Public Works Programme
CETA : Construction Education and Training Authority
CHW : Community Health Worker
CIDB : Construction Industry Development Board
CMIP : Consolidated Municipal Infrastructure Programme
COSATU : Congress of South African Trade Unions
DAC : Department of Arts and Culture
DBSA : Development Bank of Southern Africa
DDG : Deputy Director-General
DEAT : Department of Environmental Affairs and Tourism
DG : Director-General
DLG : Department of Local Government
DME : Department of Minerals and Energy
DoE : Department of Education
DoH : Department of Health
DOH : Department of Housing
DoL : Department of Labour
DOTS : Directly Observed Therapy
DPA : Directly Productive Activities
DPLG : Department of Provincial and Local Government
DPTRW : Department of Public Transport, Roads and Works
DSD : Department of Social Development
DST : Department of Science and Technology
DTI : Department of Trade and Industry
DWAF : Department of Water Affairs and Forestry
ECD : Early Child Development
EDTP SETA : Education, Development and Training Practices Sector Education and Training Authority
EMM : Ekurhuleni Metropolitan Municipality
EPWP : Expanded Public Works Programme
FBS : Free Basic Services
FDI : Foreign Direct Investment
FOSAD : Forum of South African Directors-General
GAUMAC : Gauteng Manufacturing
GEAR : Growth, Employment and Redistribution
GEDA : Gauteng Economic Development Agency
GEP : Gauteng Enterprise Propeller
GGP : Gross Geographic Product
GPG : Gauteng Provincial Government
HCBC : Home/Community-Based Care
HIV/AIDS : Human Immunodeficiency Virus/Acquired Immune Deficiency Syndrome
IDC : Industrial Development Corporation
IDP : Integrated Development Planning
IDPs : Integrated Development Plans
IDT : Independent Development Trust
IDZ : Industrial Development Zone
IGR : Intergovernmental Relations
IGRA : Intergovernmental Relations Act
IMF : International Monetary Fund
ISRDP : Integrated Sustainable Rural Development Programme
JIA : Johannesburg International Airport

KPAs : Key Performance Areas
LABMAX : Labour Maximisation
LED : Local Economic Development
LETS : Local Exchange Trade Systems
LIP : Labour Intensive Programme
MDGs : Millennium Development Goals
MIFs : Municipal Intergovernmental Forums
MIG : Municipal Infrastructure Grant
MinMECs : Ministers and Members of Executive Councils
MMC : Member of the Mayoral Committee
MOA : Memorandum of Agreement
MOU : Memorandum of Understanding
MTEF : Medium Term Expenditure Framework
MTSF : Medium Term Strategic Framework
NDA : National Department of Agriculture
NDoT : National Department of Transport
NDPW : National Department of Public Works
NICs : Newly Industrialised Countries
NIFs : National Intergovernmental Forums
NQF : National Qualifications Framework
NSDP : National Spatial Development Perspective
NVCL : New Venture Creation Learnership
OECD : Organisation for Economic Cooperation and Development
PCC : Presidents'/Provincial Coordinating Committee
PGDS : Provincial Growth and Development Strategy
PIFs : Provincial Intergovernmental Relations
PIG : Provincial Infrastructure Grant
PIP : Parents Informing Parents
PMU : Project Management Unit
PPPs : Public Private Partnerships
PSC : Provincial Steering Committee
PW : Public Works
RDP : Redistribution and Development Programme
RSA : Republic of South Africa
SACP : South African Communist Party
SALGA : South African Local Government Association
SCC : Sector Steering Committee
SDIs : Spatial Development Initiatives
SETA : Sector Training and Education Authority
SETAs : Sector Training and Education Authorities
SMMEs : Small, Micro and Medium Enterprises
SOC : Social Overhead Capital
SOEs : State Owned Enterprises
URP : Urban Renewal Programme
US : United States
VCT : Voluntary Counselling and Testing

LIST OF FIGURES AND TABLES

List of Figures

Figure 4.1	Interrelationship between Programmes	65
Figure 4.2	EPWP Coordination Flow Diagram	71
Figure 4.3	Institutional Arrangements for Coordination in Social Sector	72
Figure 5.1	The Gauteng Province in Context	81
Figure 5.2	Organisational Structure Department of Public Transport, Roads & Works	82
Figure 5.3	EPWP Consolidated by Sector	90
Figure 5.4	Ekurhuleni Metropolitan Municipality in Context	94
Figure 5.5	EMM Political Structure	96
Figure 5.6	EMM Administrative Structure	97

List of Tables

Table 2.1	Approaches to Local Economic Development	25
Table 2.2.	The Three Waves of Local Economic Development	27
Table 2.3	A Reformulation of the Components of Local Economic Development	31
Table 5.1	Level 1 Economic Zones: Poverty Stricken Communities	87

TABLE OF CONTENTS

Declaration i

Abstract ii

Dedication iii

Acknowledgement ix

Acronyms and Abbreviations v

List if Figures and Tables vii

CHAPTER ONE: INTRODUCTION: SETTING THE SCENE……..1

1.1 Background …….1

1.2 The Context of the Research…….4

1.3 Research Problem Statement……...6

1.4 Research Aims and Objectives……..……..7

1.5 Research Methods……8

1.6 Structure of the Research Report……...10

CHAPTER TWO: CONCEPTUALISING THE EXPANDED PUBLIC WORKS PROGRAMME AND LOCAL ECONOMIC DEVELOPMENT……12

2.1 Overview……12

2.1.1 On Public Works……12

2.1.2 More Useful Concepts……...14

2.1.3 Local Economic Development and Decentralisation……16

2.2 Understanding the Concept of Public Works……18

2.2.1 What are the Major Debates on Public Works?.....21

2.3 Understanding the Concept of Local Economic Development……..24

2.4 The Relationship between the Expanded Public Works Programme and Local Economic Development…….35

2.5 The Expanded Public Works Programme as a Tool for Local Economic Development……..37

2.6 Conclusion: Interpretation of the Concepts and Study Precepts……39

2.6.1 Interpretation of Concepts……..39
2.6.2 Study Precepts……41
CHAPTER THREE: THE EXPANDED PUBLIC WORKS PROGRAMME AND LOCAL ECONOMIC DEVELOPMENT IN THE CONTEXT OF INTERGOVERNMENTAL RELATIONS……43
3.1 Overview……..43
3.1.1 Defining the Concepts: Intergovernmental Relations and Cooperative Government……43
3.2 Intergovernmental Relations in South Africa: Legislative and Policy Framework……46
3.3 Intergovernmental Relations Systems in South Africa……..49
3.4 The Expanded Public Works and Local Economic Development in South Africa: An Overview of Legislative and Policy Framework……...51
3.5 The Expanded Public Works Programme and Local Economic Development in the Context of Intergovernmental Relations……56
3.6 Conclusion……57
CHAPTER FOUR: NATIONAL PERSPECTIVE AND CONCEPTUALISATION: THE EXPANDED PUBLIC WORKS PROGRAMME AND THE LOCAL ECONOMIC DEVELOPMENT PROGRAMME……...59
4.1 Overview……....59
4.2 The Expanded Public Works Programme……..60
4.3 The Local Economic Development Programme……66
4.4 Institutional Arrangements the Expanded Public Works Programme and Local Economic Development……68
4.4.1 The Expanded Public Works Programme……..68
4.4.2 The Local Economic Development Programme……74
4.5 Conclusion……74

CHAPTER FIVE: THE EXPANDED PUBLIC WORKS PROGRAMME AND LOCAL ECONOMIC DEVELOPMENT: THE CASE OF GAUTENG AND EKURHULENI METROPOLITAN MUNICIPALITY……76

5.1 Overview……76

5.1.1 Policy is in Place. What is the Matter?.....77

5.1.2 Any Possibilities: Can EPWP be a Tool for Local Economic Development?.....78

5.1.3 Intergovernmental Relations Legislation: A Revelation?.....79

5.1.4 What About Planning?.....79

5.2 The Gauteng Province in Context……..80

5.3 The Expanded Public Works Programme: Gauteng Province……..82

5.3.1 Targeting Beneficiaries……..86

5.3.2 What has been Achieved So Far?.....88

5.3.3 Provincial Institutional Arrangements and Implementation Models…….....90

5.4 Ekurhuleni Metropolitan Municipality in Context……..……..92

5.4.1 Political Arrangements: The Reason Why EMM's LED Strategy is Successful……..……93

5.5 Local Economic Development: Ekurhuleni Metropolitan Municipality……..97

5.6 Conclusion……...100

CHAPTER SIX: CONCLUSIONS: IMPLICATIONS FOR PLANNING AND RECOMMENDATIONS……..102

6.1 Overview……..102

6.2 Conclusions: Recap……..103

6.3 Implications for Planning……105

6.4 Recommendations……105

REFERENCES……...107

APPENDIX A……116

APPENDIX B……119

APPENDIX C……123