

Zikalala condemns disruptions caused by 'construction mafia'

Public Works and Infrastructure Minister Sihle Zikalala has condemned the disruptions and subsequent extortion linked with the so-called construction mafia, which refers to groups who invade, intimidate and disrupt the delivery of projects.



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“It is important that we all speak with one voice in condemning site disruptions and extortion affecting this sector.

“It is even more important that we act together to root out these illegal practices which are bringing disrepute and dragging away investment in the South African construction and property sector,” the minister said during a recent webinar.

Head of the Justice and Violence Programme at the Institute for Security Studies (ISS) Gareth Newham said disruptions cause damage and affect the ability of the country to use construction in a way that drives economic development and prosperity.

Since taking office in March, the minister has visited several construction projects to monitor progress. Among these were blocked and delayed projects caused by the hijacking and disruption of project sites in KwaZulu-Natal.

Disruptions mostly affecting KwaZulu-Natal

While some arrests have been made, Zikalala has highlighted the importance of arresting, prosecuting and sentencing those involved in the scourge that is mostly affecting KwaZulu-Natal. According to the minister, site disruptions have cost the economy R68bn.

Vice president of the Black Business Council Gregory Mofokeng said the industry is actively cooperating with the police on the matter, while contractors have also obtained court interdicts in efforts to curb the scourge.

“Unfortunately, in most of these instances, the very criminals do not respect the court interdict. So we find ourselves in a situation where once again we have to go back and rely on the police to make sure that those court interdicts are enforced.”

He adds that the sector is not seeing “increased activity in terms of making sure that these very criminals are arrested and brought to book”.

Zikalala said that following the intervention of the president, a police unit is now in place.

“I would say that since the unit came into being ... there are results that we’ve seen, though we have not reached a point where we see kingpins being arrested and sentenced, which is quite key.”



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Reasons for engaging in site disruptions

Meanwhile, a number of reasons have been given as to why some people engage in site disruptions.

They argue that while the 2017 Preferential Procurement Regulations state that public works contracts above the R30m mark should subcontract an element of 30%, if feasible, to advance designated groups, they are not given space to participate, noted the minister.

Commenting on the matter, director of MDA Attorneys Euan Massey said employers should be participative in the identification of work that can be subcontracted.

“They are, therefore, required to undertake a number of things, firstly to ensure that the work that’s being awarded in that contract contains sufficient work that can be subcontracted to advanced designated groups,” he said.

While the country continues to battle historic challenges including poverty and inequality, site disruptions cannot be condoned, said the minister. “I must hasten to say there is no grievance among these that would justify site disruptions, extortion and sabotage of the economy.”

On the other side of the coin is the imperative to ensure that companies are committed to the transformation agenda of the country, said Zikalala. “In doing so, the policy commitment of localisation must be preserved in all areas.”

He added that when construction projects are commissioned, communities must be briefed to ensure their buy-in in the project, adding that the Department of Public Works and Infrastructure (DPWI) will strengthen its internal social facilitation

unit.

Councillors being co-opted by criminals

Chairperson of the Construction Association of South Africa (CASA) John Matthews said site disruptions largely occur in the post-implementation stage of a particular contract and that it is often accompanied by the threat of violence or the act of violence itself.

One of the other worrying observations made by the industry when it comes to site disruptions is that in some areas, councillors were also being co-opted by criminal elements.

“[This is] especially at the local level where you find that some of these criminals in fact pitch up on construction sites to talk to main contractors with the counsellors. You find that the councillors are now also involved in [these] whole unfortunate incidents where they are actually encouraging people to come and stop projects simply because certain individuals in the community are not directly benefiting,” Mofokeng said.

Responding to this, Zikalala said this needs to be addressed. “If we get that report, we will be able to engage with councils through speakers and then be able to take disciplinary actions against those councillors.”

The minister also called on contractors to refuse to pay bribes while also adding that whistleblowers must be protected.



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Cost implications

Matthews also spoke of the cost implications incurred as a result of disruptions in having to secure project sites and, more importantly, protecting the lives of those working on site.

"Such disruptions have many facets, from community groups wanting a piece of the pie, so to speak, with real and legitimate concerns, to the extreme threats of the so-called construction mafia-type organisations wanting 30% of profits."

Kile Mteto of the South African Women in Plumbing and Trades said site disruptions not only increase the cost of doing business, but their impact is felt “mostly by the SMMEs, especially women-owned entities as they are at the bottom of the food chain in accessing opportunities [in] the sector”.

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