

Pointers for the construction industry

Recruitment firm Landelani recently unveiled the findings of a research survey that evaluated employment equity and skills development in the local construction industry.

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THE FINDINGS OF RECRUITMENT FIRM Landelani's survey, which evaluated employment equity and skills development in the construction industry, suggest that the industry is currently not well placed to meet the challenges of rapid infrastructure development. However, the 2010 Soccer World Cup may just be the tonic needed to galvanise the industry into addressing skills development and employment equity.

Company CEO Sandra Burmeister says, "The delivery thrust is likely to exceed current capacity. With huge infrastructure demands, the industry is going to have to come up with some innovative solutions."

Mhlopegi Mloja, secretary-general of the National African Federated Building Industry (NAFBI), has a contrary view. He believes the industry is in a strong position to meet industry demands. However, Mloja feels that, while the construction industry is able to meet the demand, it is not transforming. The industry is being held back by white industry players with obstructionist tendencies.

"White companies don't want to open up. They do not want to afford opportunities to black people to enter the industry by blocking programmes that will ensure that overseas experts are brought into the country to train blacks. They are even giving the government ill advice on the importing of skills in order to keep the industry exclusive," says Mloja.

According to the study, the construction industry currently employs around 935 000 people, both permanent and temporary, representing 8% of the South African workforce.

"The construction industry in South Africa has caught up with the global infrastructure boom," says Burmeister.

Recessionary effects

Part of the reason why the local construction industry is in such a precarious situation is because it was in

recession for much of the 1980s and 1990s, leading to a short supply of engineers and artisans.

In recognition of the shortage of technical skills, the Minister of Education, Naledi Pandor, has taken measures to address the situation. She has introduced debate on the Further Education and Training (FET) College Bill in Parliament.

Pandor says, "The Bill is important because our current shortage of skills poses the biggest threat to the infrastructure programme of government."

The industry has also been affected by the perception that it is an unglamorous male-dominated industry which lacks career-growth opportunities.

"For these reasons, the construction industry is not shaping up well when it comes to employment equity. According to the Department of Labour reports, only 15% of top management in the sector is black, against 27% across all industries."

Of far greater concern, argues Burmeister, is the lack of successful skills development initiatives in the sector.

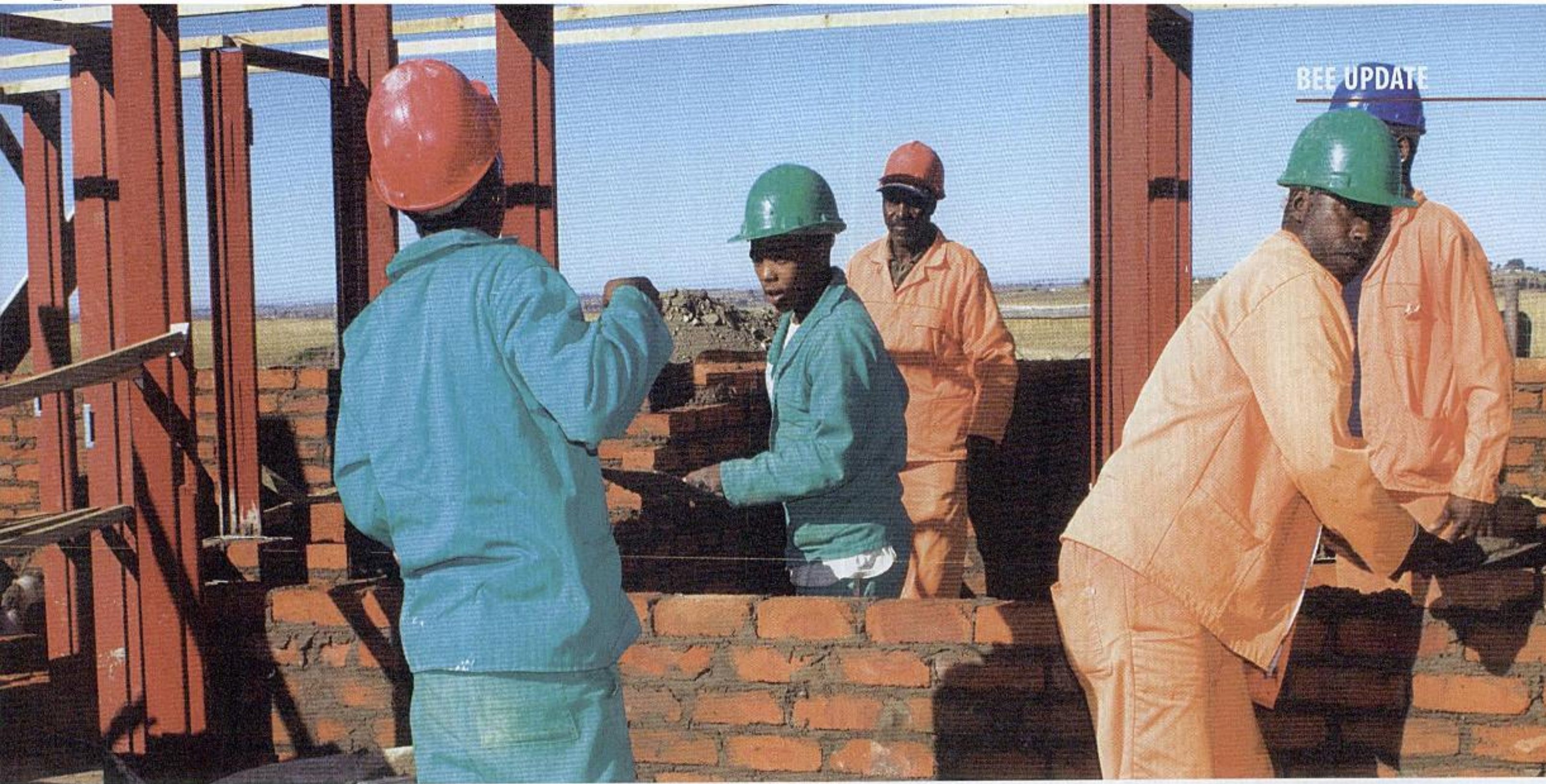
"The drop-out rate among tertiary education students is alarming," she says.

Between 1998 and 2004, 50 570 people enrolled at South African universities for engineering courses and 8 900 graduated, according to Engineering Council of SA (ECSA) statistics.

Producing artisans

The study points to the fact that artisan training has also dropped dramatically over the last 30 years. Whereas there were 33 000 apprentices in training in 1975 across all industries, by 2005 there were 1 440 apprentices.

According to Burmeister, "The industry consists predominantly of professionals who are ageing out of the system. Add to this the fact that the average age of artisans is 53, and we get a measure of the magnitude of the skills challenge."



"This trend has been in evidence for years. So the question is: what are we going to do to turn it around?"

In recognition of the dire situation in construction sector, the Department of Education and Further Education and Training (FET) colleges together with construction companies Murray and Roberts, Aveng, WBHO, Group Five and Basil Read have entered into a partnership in terms of which the companies will assist with the training of artisans in FET institutions for the next five years.

In 2007, 100 students will be enrolled at each campus, an additional 300 in 2008 and a further 600 students in 2009. From 2009 there will be approximately 1 000 students enrolled at each campus on the Building and Civil Construction programme.

In spite of the situation, Landelanhi has noticed a reversal of trends. "More encouraging," says Burmeister, "is the increase in Engineering Council registrations of new candidates, particularly blacks, indicating that companies are registering a diversity of employees. The 2004 intake is balanced, with 907 blacks and 940 whites registering across all disciplines."

Jipsa and ASGI-SA to the rescue

Burmeister feels the two government initiatives, Accelerated and Shared Growth Initiative of South Africa (ASGI-SA) and the Joint Initiative for Priority Skills Acquisition (Jipsa) are a step in the right direction and might be a panacea for the problem.

"Under ASGI-SA, government plans to spend R372 billion on infrastructure over the next three years, so there is no shortage of capital. Jipsa, with its focus on developing and recruiting priority artisan and technical skills and, in the short term, developing a graduate-employment strategy and recruiting retired specialists and expert mentors, is a huge step in the right direction."

The CEO feels that the challenge of developing skills cannot only be a government responsibility – private enterprise needs to come to the party as well.

"The private sector needs to join government in implementing far-reaching training and skills development initiatives. South Africans have shown that they can pull together under pressure, and World Cup 2010 could well provide the stimulus to mobilise efforts across the sector."

Asked if the industry has a good skills development strategy in place, Mloja says, "No, it does not, because the Construction Education and Training Authority is dead and buried and it is the one piece of state machinery that was put in place to assist with contractors' development programme."

Solutions and recommendations

The study reveals that the construction industry is ahead of the industry average in training managers and professionals. However, training at technician level lags behind the industry average.

When it comes to the training of black employees, construction lags behind the industry average across all levels.

"The construction industry needs to think more creatively about skills acquisition and employment equity and embark on a multi-pronged strategy."

Mloja concurs with Burmeister that part of the solution in addressing skills development should entail looking overseas.

"Importing skills at a significant cost is a short-term solution, and needs to be balanced by more effective use of local project and contract labour. We need to accept that more and more skilled professionals will be working on projects around the globe, and to encourage this as a way of accelerating skills development," suggests Burmeister. ■

Training lags behind – at a technical level – within the construction industry