



## PRESS RELEASE

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### Construction industry's September Congress to produce a joint action-plan to rescue and revive the sector.

The construction industry will be convening at Emperors Palace in September to develop a joint action-plan on dealing with the challenges the sector has been facing. This follows the collapse of several large contractors in recent months, that has led to unprecedented job losses in the construction industry. President Ramaphosa is expected to address this gathering of the industry's employer and professional associations, property owners, labour unions and community business forums.

Plans for the joint action-plan follow the industry's call for urgent intervention to the Presidency earlier in the year. Roy Mnisi, Executive Director of Master Builders South Africa spoke of the progress made since that industry call was made. *'We are pleased to report that President Ramaphosa engaged us through the Departments of Public Works and Treasury on these issues, but progress in resolving these matters is remarkably slow. The issues of late and non-payment of contractors and the illegal work-stoppages on construction sites remain significant threats and we still have companies closing down and jobs being lost as a result. Its deeply concerning that in the first quarter of 2019 alone, the construction industry lost 142 000 (one hundred and forty-two thousand) jobs. This is the biggest loss of jobs compared to any other industry in the country.'*

Regarding the purpose of the gathering, Mnisi said that *'it can only be through continuous, genuine and pragmatic public-private sector dialogue that we can rescue and revive the sector. So, we will continue to knock on the door until the challenges are resolved and we have a strong and sustainable industry. That is the reason why this Congress has been convened.'* The event is aptly themed 'Building a Sustainable, Innovative and Transformed Construction Industry' and will also include two panel discussions involving construction professionals, contractors, community business forums, the police and various government departments.

In his 2019 State of Nation Address, President Ramaphosa acknowledged the need for a 'boost to the construction sector which has been in the doldrums for a while' and committed R100 billion to seed an Infrastructure Fund to be managed by the Development Bank of Southern Africa and Department of Public Works and Infrastructure.

*"We expect this Congress to be the appropriate platform to come up with firm industry-resolutions on how this Fund will be immediately operationalised to save jobs and companies", Mnisi concluded.*

Master Builders South Africa (MBSA) is a Federation of registered employer Associations representing contractors and employers in the construction industry, and is regulated in terms of Section 107 of the Labour Relations Act 66 of 1995. The Federation's nine Master Builders Associations, and three Affiliate Associations represent more than 4000 contractors and employers in the industry.

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