

Budget Vote Speech: Public Works and Infrastructure

Chairperson,

The mandate of the Department of Public Works and Infrastructure was reconfigured in 2019, when the President of South Africa announced that it will assume the responsibility of coordinating all public infrastructure development in the country.

The department performs the infrastructure mandate together with Infrastructure South Africa (ISA).

The goal of the National Infrastructure Plan 2025 is to create a foundation for achieving the National Development Plan 2030 Vision of inclusive growth.

The Department of Public Works and Infrastructure must implement a sector-wide infrastructure plan and focus on the impact of the sector towards economic growth, job creation, work opportunities and infrastructure delivery.

The Medium-Term Development Plan 2024-2029 outlines the following priorities relevant to the department of public works and infrastructure:

- Strategic priority 1: Inclusive growth and creation.
- Strategic priority 2: Reduce poverty and tackle high cost of living
- Strategic priority 3: A capable ethical and developmental state.

Minister Dean Macpherson has served with distinction since his appointment in June 2024. During this period, he has demonstrated exceptional leadership and unwavering commitment towards South Africa's economic growth and job creation through strategic infrastructure development. He has also prioritized transparency, fostered meaningful public-private partnerships, and championed ethical governance. Under Minister Macpherson's stewardship, the Department of Public Works and Infrastructure has embraced a renewed focus on turning South Africa into a construction site through the visionary #LetsBuildSA initiative.

His dedication to creating an enabling environment for economic growth is evident in his proactive engagement with investors regarding policy certainty, culminating in the successful hosting of the Sustainable Infrastructure Development Symposium South Africa 2025 – a platform that has strengthened investor confidence and positioned South Africa as a destination for infrastructure investment.

The 2025 SONA remains focused on job creation, the implementation of large-scale infrastructure projects and maintenance.

It highlights the aim of ensuring the public ownership of strategic ownership for public benefit. It is further focused on great efforts to move the country towards being free of corruption.

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The department receives a voted allocation of R7.62 billion for 2025/26 with which to accomplish its priorities.

This represents an increase of 0.14% in nominal terms and a decrease of -0.14% in real terms, calculating the impact of inflation from the 2024/25 adjusted appropriation of R7.61 billion.

The department's budget represents approximately 0.1% of the National Appropriation, by vote excluding direct charges.

It is important to note the integration of the function of the Presidential Infrastructure Coordinating Commission transferred from the Minister of Economic Development to the Minister of Public Works and Infrastructure. This functioning came into effect in April 2020.

The aim is to improve the mandate to grow the economy through inclusive integrated planning and investment.

The 2025 Budget Review outlines the Government's aim of prioritizing infrastructure provision as follows:

- Plans to invest more than R1.03 trillion in public infrastructure over the next three years
- Planned spend of R18.1 billion on the Salvokop Government Precinct, a mixed-use development that includes the construction of facilities for 4 National Government Departments in Pretoria's inner city
- R7.1 billion allocation toward the implementation of the Small Harbor Development project in 4 provinces.

Chairperson,

The Expanded Public Works Program is undergoing its 5th iteration, focusing on sustainable job creation and skills development.

The program operates across social and environmental sectors aiming to create over 1 million work opportunities annually.

It is funded with R7.2 billion allocated over the three years, including R6 billion for transfers to public bodies and R683 million for administrative costs.

The program also emphasizes training and capacity building to ensure participants transition into long-term employment or entrepreneurship.

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Coordination and control must however be strengthened and supervision on a local level fell short of effectiveness.

Chairperson,

The department is aligning infrastructure projects with social-economic priorities to create employment as a key factor to promote inclusive growth.

It plans to mobilize R350 billion over the next five years for public sector infrastructure projects including urban regeneration, transport, networks and energy solutions.

The Real Estate Management Services Program optimizes state-owned properties, reduces reliance on private leases and generates revenue through productive assets.

Land must be released for human settlement and other initiatives.

Chairperson,

In closing, I would like to highlight 3 recommendations to the Minister,

- Expedite the Department's progress in digitizing procurement and managing state assets.
- Engage the National Treasury to address the payment between client departments and the DPWI within the 2025/26 financial year.
- Ensure strict financial measures to achieve strategic departmental targets and regularly report to the portfolio committee.

We support all the initiatives of the Minister to stimulate economic growth and job creation to change the South African landscape to a construction site in this 7th Parliament and as part of the GNU.

I thank you.

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