

DGP/004/0011/6

## THE REPORT ON THE FINDINGS OF THE RESEARCH ON BUILDING PROJECT

### 0. Introduction

Although the building project has not been in the original programme of action of our Research Unit a need therefore has been recognised during the course of the research on other income generating projects. This report is based on the findings of the research on building which has been done around UMTata. It is however anticipated that the building project can be extended into other areas of Transkei. As it is to be the case with other projects.

The research covered a period of three weeks. The research strategy employed entailed:

- assessing the building industry in UMTata.
- working closely with Mr. Jaap Geldof, Acting Project Coordinator of the Tembisa Foundation. (This foundation, initiated by the Netherlands Anti-Apartheid Movement, intends running a building/constant project in Transkei. It aims building houses for the returnees).
- liaison with the organisations that are coordinating the integration of the ex political prisoners and former exiles into the South African society.
- gathering of reading material that is of relevance to the building industry in the Transkei area.

This approach enabled us not only to appreciate the necessity of the building project, but also to ascertain the feasibility of it. It intends clarifying the following points:

- \* the purpose of the project
- \* the viability of the project
- \* the manpower requirements
- \* the projects's costs

### 1. The purpose of the project

The project on building stands a chance of being one of the most valuable contribution in implementing the South African Return Programme (SARP) of the World University Service (WUS), geared towards assisting returning exiles and ex political prisoners to integrate into the South African society. It can achieve the stated objective by performing the following tasks:

- \* Building of houses for the returnees and the low income group. (It is envisaged that in future there will be a "politically neutral" Trust to supervise and coordinate the progress of the projects. The houses to be built through such a scheme will be owned by the Trust, which in turn will sell to the returnees and the low income group at affordable prices).

- \* Creating job opportunities for the returnees and the local community. (According to the information gathered from the repatriation Committee of the African National Congress there is a sizeable number of civil engineers and builders who have been or are to be repatriated. It is expected that from the 5 000 former exiles who will be returning into Transkei some are civil engineers or buildings.
- \* Generating income for the returnees. There is no need to convince anyone that the building industry has become one of the most successful moneymaking business in Transkei and in South Africa as a whole. It is therefore foreseen that the strength of this project would not just be of value to the workforce and to the development of the project itself, but would also assist in the development of other projects.
- \* Promoting managerial skills of the returnees by requesting the Transkei Small Industries Development Organisation (TRANSIDO) and the Transkei Bureau of Development Research and Training to conduct in-house managerial courses for the work force.
- \* It is only within the context of the assessment and analysis of the viability of the project that we can fully understand its purpose.

## 2. The viability of the project

The following factors indicate that the project is feasible and that the market situation is conducive to it.

- \* There is little done by the building industry to provide the low income group with affordable houses. /1/ A low cost housing scheme is therefore in demand. Needless to say, we are here not entertaining unrealistic expectations that the project will solve the housing problem for the low income group, but we are, however, certain that this can be a valuable contribution towards solving the housing problem in the Transkei region.
- \* The envisaged project on block and brick making, the findings of which have been compiled in a report, will provide the building project with the most essential products, viz. blocks and bricks.
- \* The envisaged window-frame-making, welding and carpentry projects are vital to the building project. In that way the three projects stand a chance of amalgamating into one giant building construction.

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1. According to the "Statistical Bulletin 1990", issued by the Central Statistical Office in UMTata, figures in the construction sector stood as follows (at de factor cost and current prices): In 1980 the modern sector stood at R11.9000 while in 1989 it was R110.511. The subsistence sector stood in 1980 at R6.230 while in 1989 it was R40.874. By subsistence sector it is here understood the construction of relatively small houses, which are, by and large, made of cheap material such as mud and grass.



- \* The local government\municipality has indicated that it would be prepared to sell sites for the low income group at affordable prices. It has actually started doing that.

### 3. The manpower requirements

According to the information collected during our research, a work force of about ten people would be enough for a start:

Supervisor	1
Installation Technician	1
Experienced Builders	4
Labourers	4

From this ten, four will constitute a management committee, ie. production, transport and market coordinators as well as a book keeper. The four together with the chairman and secretary of the work force will form the projects committee, to supervise the affairs of the project. All of them shall be elected by the general membership of the cooperative and shall be active in the building. They shall, with the assistance of the controlling body of the project, be responsible for drafting a code of conduct to guide them in their behaviour at work.

We also pay a particular attention to financial incentives as a motivating device. Financial rewards are extremely important not only for the material needs but also for their symbolic significance as indicators of social and personal worth and status. This consideration has influenced us to suggest that it would serve the workforce of the project good if their earning were to be subsidized for a period of a year.

4. Projects Costs

4.1. Equipments

1. 1 Concrete Mixer  
Site hut  
Field Toilet  
Scaffold

= R 12 000.00  
= R 3 000.00  
= R 500.00  
= R 1 500.00