

Funding shortages hinder young building developers

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11 Dec 2014

Young South Africans are increasingly being encouraged by politicians to play an active role in infrastructure development by working in construction and starting their own companies. But those who have taken the initiative to start cooperatives and small businesses say they need funding and resources to tackle big projects - and these are in short supply.



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The Department of Human Settlements' National Youth Brigade was launched in Sedibeng this month showcasing young people involved in the Savannah City building project, an 18,000-unit mixed residential housing development.

Human Settlements Minister Lindiwe Sisulu says the youth brigade will harness the energy of the youth to bring themselves out of the cycle of poverty.

The youth brigade will also participate in other "mega projects" around the country, including the N2 Gateway in Cape Town, the Lephalale City development in Limpopo and Anglo Platinum's Rustenburg project in the North West.

By next April the department hopes to have recruited 2,000 young people into the programme, and 10,000 participants by 2019.

Small Business Development Minister Lindiwe Zulu says the government will prioritise youth business in its procurement processes.

The National Youth Development Agency (NYDA) is steering young people to the brigade to receive training while the National Home Builders Registration Council provides training in construction and property development.

Masite Moletsane, 29, says his cooperative, Ervhila General Traders, clinched a R10m project through the youth brigade to turn a Midvaal municipal property in Vanderbijlpark into a student accommodation facility.

He says his business needs a faster way to access funding to acquire the equipment to get started on the project.

"We want to get the best of everything from here, and to render services. We are not sitting and waiting for things to happen," Moletsane says.

"We need equipment for the projects that we have gotten.

"People have complained about the R1,125 stipend we are getting here, but we are okay. We need to find funding to complete our projects," Moletsane says.

The Department of Human Settlements pays National Youth Brigade participants the monthly stipend for six months.

Moletsane says he and his partners will try to access funding from the NYDA. They had also considered taking out a bank loan, but are pinning their hopes on the agency, he says.

Gauteng Premier David Makhura says while he understands the plight of small businesses, the provincial government has adopted a no-nonsense stance on project delays and price inflation.

"I address many youth enterprise meetings and I have heard complaints from those with businesses. They now understand that we pay 90% of the companies we get services from on time," he says.

NYDA chairman Yershen Pillay says the 96 people already participating in the National Youth Brigade should aspire to be service providers in construction and property development programmes in the public and private sector.

"The youth must not just lay bricks and push wheelbarrows, they must undergo serious training.

"But we are saying youth must also be involved in procurement," Pillay says.

Basil Read executive director for special projects Yusuf Patel says the company signed a social compact with national government to assist in construction projects with a social effect, as they did in the construction of Cosmo City.

He says Basil Read will help give youth brigade participants skills to either find employment or start a construction business.

"The outcome of this long-term project will be opportunities in engineering, architecture and landscaping in the built environment sector, Patel says.

"We are glad to build that environment and we are working closely with all departments to ensure opportunities are put in place."

National Home Builders Registration Council CEO Mongezi Mnyani says the regulatory body will allow brigade members to participate in its courses, which are accredited by the Construction Education and Training Authority.

"After this training there will be a mentorship programme where they are assigned to a contractor developer," he says.

Another young entrepreneur, Executive Amenities director Avela Mehlomakhulu, says his business wants to assist with interventions such as improving the state of school toilets.

The company already supplies hygiene and cleaning equipment to clinics, office parks and two Gauteng schools.

"Some children who go to schools where toilets are not clean face a challenge because it is so bad that they actually leave school and go back home to relieve themselves," he says.

Mehlomakhulu says his business will eventually supply to clients nationally, but acknowledges that such expansion needs funding, which is hard to find.

He says he is "preoccupied" with growing his business organically.

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Source: Business Day

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