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MEDIA STATEMENT

KZN PUBLIC WORKS AND INFRASTRUCTURE MEC MARTIN MEYER URGENTLY MEETS WITH DISGRUNTLED SUBCONTRACTORS FOLLOWING PICKET OVER NON-PAYMENTS

Today, KwaZulu-Natal Public Works and Infrastructure MEC, Martin Meyer, along with the department's Acting Head Of Department, Dr Vish Govender and other senior department officials met with frustrated subcontractors who claim to have not been paid for work done at Grey's Hospital and Woodlands Primary School projects, both in Pietermaritzburg. This comes as yesterday they held a picket outside the KZN Public Works and Infrastructure Department's office in Pietermaritzburg.

During the closed meeting they expressed their ongoing challenges, ranging from not being paid for work done as far back as October 2023. One subcontractor shared how he has accumulated around R2 million in debt and was forced to let go of his vehicle. Another, a mother, told how she has struggled to provide for her children and take care of her family.

MEC Meyer took the opportunity to explain how the project model works in that a client or department would approach KZN Public Works and Infrastructure as an implementing agent with a request for a facility to be built. Once completed, the newly built facility would be handed over to the client who would then pay KZN Public Works and Infrastructure, allowing for contractors and subcontractors to also be paid in turn. The MEC explained that however currently a number of clients have not paid the department, which hinders payments to contractors.

As it stands, KZN Public Works and Infrastructure is currently owed around R700 million by various clients for projects done.

During the fruitful engagement contractors expressed gratitude at the urgency showed by MEC Meyer, Dr Govender and senior department officials by meeting with them shortly after their picket.

The group also appreciated the assurance of payment to the main contractor at one of the projects with payment to reflect as early as tomorrow. This would be made from funds directly from KZN Public Works and Infrastructure's account as an exception.

Going forward, MEC Meyer indicated that the department would also relook the current payment model with the view of mitigating the payment risks contractors and subcontractors are exposed to. The MEC also expressed the department would be engaging clients who are yet to pay for projects completed to see how the issue can be finalized efficiently.

MEC Meyer also shared how the issue of contractors and subcontractors is so paramount to him that it forms a large part of the upcoming **BUILD KZN BETTER** conference to be held at the Durban ICC on the 28th and 29th of January 2025.

During this event, to be attended by over 300 delegates, various issues facing the built environment will be unpacked with immediate solutions implemented as an outcome.

END

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