



FOR PROFESSIONALS

SINCE 1941



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## **CONCERN OVER GOVERNMENT'S INFRASTRUCTURE SPEND HIGH AMONG SA'S ENGINEERS - SURVEY**

South African engineers are fast losing confidence that Government will deliver on its proposed infrastructure spend, according to a new survey of almost 200 engineers conducted by PPS that revealed a drop of 9 percentage points in confidence to just 39% in the third quarter.

Gerhard Joubert, Head of Group Marketing and Stakeholder Relations at PPS, the financial services provider focused on graduate professionals, says that while the result is concerning, it is also reflective of the fact that the sector has been facing a downturn for some time.

Norman Milne, president of the South African Federation of Civil Engineering Contractors, noted last month that the state's R844bn budget for infrastructure over three years has already been allocated, with much of the spending allocated to Transnet and Eskom for items such as boilers or locomotives rather than for civil engineering projects.

"The engineering profession has been struggling against a fall in capital spending programmes, particularly post the World Cup, with a lack of large scale projects coming on stream. In fact, the National Planning Commission recently identified a 30% fall in public sector spending since 2008, which clearly has a significant impact on the engineering sector."

Joubert notes that other findings from the survey also echo this sentiment. Confidence levels that the skills shortage in the engineering profession would be adequately addressed by Government in the short to medium term fell 9 percentage points to 32%. "If the profession is struggling to attract major new contracts then it stands to reason that fewer people may consider joining the industry. We have a huge shortage of skilled engineers in South Africa so it really is crucial that we don't lose any potential new entrants due to concern about the level of work available."

Confidence about the education system providing the necessary skills for the creation of potential engineers also fell sharply, down 8 percentage points to 42%, while confidence that the status of the profession would improve fell 11 percentage points to 51%.

He notes that while engineers have some serious concerns regarding the current market conditions facing their profession, they do remain overwhelmingly positive in the opportunities about the prospects for the future.

The survey revealed that confidence levels about the future of their profession over the next five years remained unchanged at 83%, a very high reading, while 78% of respondents also said they would encourage their children to enter the engineering profession.

Commenting on the survey results, Vaughan Rimbault, Chief Executive Officer of the South African Institution of Mechanical Engineering (SAIMEchE), said that the key issue related to infrastructure development was the level of professional engineering skills in the public sector. “The public sector needs their own engineering professionals to implement the national plan via a programme of specific projects with milestones for completion and the resources required to execute them. Politicians and general public servants cannot be tasked with this - it requires the input and guidance of engineering professionals. Without a committed effort from the public sector to develop their own professional engineering skills base, the national infrastructure development plan will remain a dream.”

“The engineering profession needs to increase its engagement at the highest level of government with a view to transforming the public sector into a significant *source* of new engineering professionals” adds Rimbault. “There is enormous potential for the public sector and state-owned enterprises to play a leading role in the development of professional engineering resources. If we can successfully integrate unemployed graduates with experienced mentors into existing vacancies in national, provincial and local government, all working under a programme of professional development, then we will contribute significantly to the successful implementation on our national infrastructure development plan”.

“The survey shows a clear demarcation between engineers’ views on the challenges facing the industry currently and the potential opportunities available in the future. It is very pleasing to note that engineers do remain so optimistic about the future of their profession and we need to foster this way of thinking to ensure that more young graduates also consider engineering as a viable career path,” concludes Joubert.