

# SANRAL makes bold move to transform SA construction industry

In a bold statement, the head of Sanral said on Friday that it would not back down from its efforts to transform the construction industry, despite legal challenges from some of the country's largest contractors.



Agency chairman Themba Mhambi said at an event near Cape Town that the big construction firms had enjoyed lucrative contracts for too long and needed to make room for smaller and medium-sized businesses.

Mhambi says Sanral, contrary to media reports, does not want to destroy the major construction companies but will support and strengthen them while also pushing them to transform.



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Katja Hamilton 19 Sep 2023



"We are going to damage Sanral if we destroy the big construction companies we have in South Africa, like WBHO, Murray and Roberts, Haw and Inglis (H&I), and so on. If we destroy them, we will be destroying Sanral and South Africa," said Mr Mhambi.

"Therefore, don't believe all the lies that are told that we want to kill these construction companies. We don't want to do that. We want to support them, we want to strengthen them to get more business but there is one condition and that condition is that they must understand that South Africa belongs to all who live in it, black and white," said Mhambi.

## Time for black South Africans to benefit

Mr Mhambi stressed that it is time for black South Africans – Africans, Indians and Coloureds – who had previously been excluded from benefitting from massive infrastructure projects to benefit alongside the well-established industry players.

“Those people who have in the past been excluded from benefitting from road construction, bridge building, pavements, manufacturing of guard rails, the production of asphalt – those who have been excluded from benefitting from all those things – must now benefit as well. That is the condition. And that condition does not come from anywhere other than the Constitution of SA.”

Mr Mhambi’s remarks come after some of the country’s biggest construction companies sought court interdicts against Sanral to stop new construction tenders from being issued using the roads agency’s new Preferential Procurement Policy (PPP), which requires big companies to share significant portions of the work with smaller players.

## **"You can't be a billionaire by sharing"**

“When these millionaire and billionaire companies say to us ‘we are going to take you to court Sanral because you are depriving us of the millions and billions that we are making alone’ I understand them, because you can’t be a millionaire or billionaire by sharing. They are going to resist sharing.”

Mhambi was speaking at an event in Franschhoek, outside Cape Town, on Friday night to celebrate Sanral’s 25<sup>th</sup> anniversary. Sanral is an entity of the National Department of Transport and is mandated with the management, maintenance and development of South Africa’s proclaimed national road network.

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