



**GAUTENG PROVINCE**

ROADS AND TRANSPORT  
REPUBLIC OF SOUTH AFRICA

## **MEDIA STATEMENT**

**To:** All Media

**Att:** News Editors/Transport Reporters

**For Immediate Release**

**19 April 2018**

### **K46 Project – Department’s interventions bearing fruit**

The Gauteng Department of Roads and Transport today announced that Lubbe Construction (Pty) Ltd has signed a cession agreement with Grokor Construction, a sub-contractor on the K46 William Nicol Rd project.

The agreement ensures that urgent earthworks and critical paths activities are undertaken.

This comes after the Department had placed Lubbe Construction on terms instructing the company to urgently undertake remedial steps to improve performance.

Lubbe Construction was contracted by the Department to construct the K46/William Nicol Road along Diepsloot to the N14 freeway.

"Lubbe Construction has consistently failed to deliver on the construction milestones and the project has gone beyond the established completion date, which called for more drastic action."

"Despite being placed on formal notice on numerous occasions in the past year to increase capacity and to arrange for timely material deliveries, the company has not been able to demonstrate an ability to meet its scheduled targets," Vadi said.

Sub-contractors and employees have on numerous occasions staged protests against Lubbe Construction claiming that they were not being paid for work done since October last year.

It was later confirmed that Lubbe construction (Pty) Ltd had applied to the courts for "business rescue".

The Department has today made a payment of approximately R700 000.00 to Lubbe Construction for work done in March 2018 to ensure sub-contractors and employees are paid whilst also assisting to avoid work stoppages.

MEC Vadi has appealed to the contractor to resolve the labour issues speedily and amicably.

"The Department's priority is to successfully complete the project as soon as possible" Vadi said.

**Ends!**

**For more information, please contact the Department of Roads and Transport Media Liaison Officer Ms Melitah Madiba on 011 355 7093 / 073 644 9935**