

Speaker, Deputy Speaker, Chairperson

Allow me to greet the Minister of Human Settlements Honourable Tokyo Sexwale, other Ministers, Deputy Ministers and Members of Parliament present. It is my great pleasure to welcome the officials from the department led by the Acting DG Dlabantu as well as the CEO's of the Human Settlements Institutions and all honoured guests.

I salute the Chairperson of the Portfolio Committee of Human Settlements, Honourable Member Nomhle Dambuza and MEC of Human Settlements Western Cape, Honourable Bonginkosi Madikizela.

This budget vote takes place when all roads in South Africa lead to the 2010 FIFA World Cup. During this year we will also be marking the 55th Anniversary of the Freedom Charter, the historic document founded by the people of South Africa from all walks of life. Once more we reiterate our commitment as Human Settlements in making the dreams of the Freedom Charter a reality.

Thanks to President Jacob Zuma for giving us the mandate to be responsible for the entire housing market when he proclaimed our department as Human Settlements.

Our ability to fulfill this mandate lies on us as this collective and all relevant stakeholders being able to work together.

The responsibility of providing shelter to our people cannot be the responsibility of government alone. It is the duty of government and leaders at all levels of society to provide the requisite resources and to make the necessary investments in order to provide sustainable human settlements. It is for that reason that we call upon all sectors to contribute in whatever manner in order to tackle this mammoth task. Working together we can do more.

Last year we acknowledged the importance of making people an integral part of our planning as well as implementation; we are still firmly committed to this approach, as it is the only way that will make us realize our dream, and that of many South Africans who are anxiously waiting to have a physical address.

Sustainable Human Settlements and improved quality of households can only be realised if we are planning together, budgeting together and co-ordinating together. I am happy that there are mechanisms put in place by this developmental state led by the African National Congress to do exactly that. We will work closely with the strategic departments to enable us to deliver quality housing units to the nation.

Speaker, we have committed ourselves in moving away from the ethos of chasing numbers when we build homes for our people but rather focus more and more on quality of the units that we built. Ours is to build homes that we can be proud of, homes that will contribute in changing the lives of our people for the better.

The accelerated delivery of housing calls for streamlining of our funding mechanisms. All housing grants namely the provincial infrastructure grant and the municipal infrastructure grant (PIG and MIG) must be consolidated into a single grant. This means that there is need for more effective co-ordination in as far as land development, provision of bulk infrastructure, servicing of land, transport as well as social amenities.

One of the challenges we have is the fact that the land acquired from state owned enterprises is being acquired at market related prices as we do not have enough money. We must as government revisit this matter.

As this indeed puts an extra burden on the Human Settlements budget and leads to delays in building houses on well-located areas. Our mission as Human Settlements includes integrating our communities by bringing people closer to the places of work.

The minister has spoken at length about the new mandate that we are now all about giving our people a complete and good quality product, that is a house that is next to all the social amenities that you and I always consider when buying a house or looking for a place to rent.

As clever people normally say, that "charity begins at home", we too as personnel in the department need to acknowledge this, understand what it means, factor the implications of it in our planning and execution of our programmes.

In other words we must in this process move away from apartheid spatial framework, where houses for the poorest of poor were built on areas far from towns. Our call is to develop mega cities as envisaged in the Breaking New Ground strategy. Wherever houses are built there should be parks, clinics, local economic development areas, shopping centres, community halls, police stations, etc.

What should be borne in mind is that government subsidised housing is indeed an asset creation. This is a value-adding exercise in terms of economic growth. Many families are being rekindled as they now have a place called home. It brings back the dignity of our people. When building material are bought and houses constructed this leads to the booming of the construction industry in other words human settlements provision enhances the development of manufacturing industry.

According to our Constitution and the Bill of Rights all people have the right to adequate housing. In South Africa there is a need to overcome the historical imbalances of the past. Our government has over the years tried to protect the most vulnerable sector in our society. These are the people who are not in the position to build their houses. This is done through giving government housing subsidy to those families whose household income is between 0 – 3501.

Therefore, by so doing we will continue to give hope to our people as we take part in war against poverty. Our participation over this weekend when we joined the Anti-Poverty Campaign led by the Deputy President in Lubala Village is a case in point.

As we carry this torch forward we are committed in building partnerships with all those who are ready to hit the road running. As we dream of South Africa, free of slums the Department of Human Settlements is calling on everyone to be agents of change in our communities and in our neighbourhood. Let us cross this bridge of transformation together.

Building of human settlement is indeed a public investment as it contributes to growth of the economy as a whole. Our goal is to ensure that we have permanent investment by making sure that our human settlement projects are of good quality and can stand the test of time. There is need to do this kind of work in an integrated way.

We have to make sure that this is intersectoral, it leads to economic opportunities and job creation as well as contributing in building social cohesion.

Unfortunately the delivery of these homes cannot happen to all at the same time. These are the shared expectations which are legitimate. In order to diffuse this situation we will also roll-out during this budget the programme of upgrading the informal settlements, we need to provide water, electricity, refuse removal and roads. This will be the first step towards final eradication of informal settlements.

As the minister has mentioned, we have over 2700 informal settlements around the country that need serious upgrading.

As the National Department of Human Settlements continues with enhancement of this programme of upgrading of informal settlements, we have noted that slum organisations have become an important and permanent feature of the human settlement policy. This is a step in a positive direction. The collective will of us as government and our people is to eradicate informal settlements.

Some of those informal settlements are situated in places which would not be in line with Environmental Impact Assessment principles. In that case our people need to understand the importance of relocating. This means that all those who have built their houses on riverbanks and also on land that is dolomatic must be prepared to be relocated.

But in the event where there is nothing wrong with where such an informal settlement is, we will consider the In-situ upgrading. There is no need to uproot our people when we can improve their living conditions exactly where they are. Once again, the upgrading of informal settlements as a whole depends on the willingness of our people to cooperate with government.

We will remain committed in working with municipalities in ensuring the provision of basic services. This process that is unfolding is calling on us to revisit the issue of land use management. Beneficiaries must active participants during the human settlement delivery processes. This can only happen if they are given that opportunity to do so.

The People's Housing Process is the useful tool of community involvement. The homes that are built through PHP are bigger and in many instances are of better quality. There are many forms of PHP in housing – one of them is known as managed PHP, in which a contractor or developer builds houses for beneficiaries. But what has been clear is that these houses are not different from those offered through government RDP or BNG process. Hence it is not the best option because beneficiaries do not actively participate in this process.

PHP is one of the housing delivery programmes where beneficiaries should be actively involved in decision making over the housing process, product and also they make a contribution through savings. PHP has undergone numerous review processes in order to enhance its impact in housing delivery as well as contribution towards the creation of sustainable human settlements.

The review process has brought with it an enhanced PHP policy framework that outlines a plan for development of sustainable human settlements and embraces the People's Contract as the basis of delivery.

People's Contract makes a clear call to communities to partner with government in the delivery of houses.

In this regard we will continue to empower our people through this housing delivery process. For a more meaningful participation, we have to move with speed.

We are now going to provide our people with technical skills in building of their homes. In further demonstrating our business in this regard, we urge provinces to ring-fence a portion of their budget allocation for the People's Housing Process.

It would be of great help if they could commit themselves to helping all the PHP formations around the country as well as encourage and support those self-help initiatives and if need be, set up PHP Units within their departments. All PHP formations must enjoy support from government. This will indeed help us move with speed in delivering houses for our people. Our Deputy President rightfully put it during the Anti-

poverty campaign in the Eastern Cape last week when he said, "on matters that relate to service delivery speed does not kill".

Social Housing is also one important vehicle through which we can deal with our housing backlog. In this regard, we are also taking the ring-fencing route of our budget allocation for the development of affordable social housing units for our people. We appeal to provinces and municipalities to fast track their planning strategies; finalise those land and stock audits so that on this one too we can move with speed.

Proper financial and technical support to municipalities should be key to the rolling out of this programme. We would also like to revisit with Treasury regarding the 'once-off capital injection' for the enhancement of this programme.

In this process we encourage the provinces and municipalities to bear in mind the need to densify in order to deal with the issue of the scarcity of land. Our goal is also to continue with refurbishing of dilapidated buildings in the inner city in order to begin to integrate our society. Hence we are proud of some of the inner-city development projects such as Brickfields, Cosmos City and Emerald Sky as projects whose example needs to be emulated.

As government we will continue to support those contractors that build houses of good quality. Their participation in the human settlements programmes enhances our ability to deliver on our mandate. It is also equally important that the contractors are paid on time. Minister we are happy to know that the provincial conferences on emerging contractors are underway as planned. We hope that these conferences will yield the positive results.

WUF – Brazil

On the 21st – 26th March 2010 we had an opportunity to participate in the World Urban Forum held in Rio de Janeiro in Brazil. This conference was honoured by the presence of President Museveni of Uganda and President of Brazil, his Excellency Lula Da Silva who delivered the key note address. Our participation at the conference indicated our commitment to share our experiences in building of houses for the poorest of the poor and to learn from international best practices.

This fifth session of the World Urban Forum focused on the theme "Bridging the Urban Divide".

According to UN Habitat, 227 million people across the globe have moved out of slum conditions since 2000 but unfortunately the progress made in moving people out of slums has not been enough to counter the growth of informal settlements in the developing world.

As a result the absolute number of slum dwellers has actually increased from 776.7 million in 2000 to 827.3 million in 2010. This means that 50.6 million new slums have been added to the new world population since 2000.

Sadly sub-Saharan Africa has the largest slum population with 199.5 million (61.7 %) of its urban population living in slums.

It is followed by Asia with 190.7 million but which is only about 35% of its urban population living in slums.

As South Africa we are grateful to have an opportunity to bid farewell to outgoing Executive Director of UN Habitat her Excellency Anna Tibaijuka who has served this portfolio with distinction. This was also echoed by President Museveni when he lauded

Tibaijuka for have transformed UN Habitat during her ten year tenure. As South Africa we have been fortunate that she has been instrumental in the formation of AMCHUD which is the African Ministerial Conference on Urban Development.

During our recent visit to Brazil, we also had an honour to stay in the same hotel with our national soccer team Bafana Bafana. We assured them of our support and wished them well in their continued stay in Brazil. We believe Bafana Bafana is ready to win the 2010 FIFA World Cup. We do know that as South Africa we will showcase ourselves as the best country ever to host the FIFA World Cup.

I thank you