

Address by the MEC for Co-operative Governance, Traditional Affairs and Human Settlements at the National Human Settlements Summit, Boksburg, 21 September 2017

Programme Director

Minister of Human Settlements, Dr Lindiwe Sisulu

Premiers here present

MECs of Human Settlements here present

Honourable Members of Parliament and Legislatures here present

Representatives of SALGA here present

Executive Mayors here present

Councillors here present

Senior Officials from government and municipalities here present

Distinguished Guests

Members of the Media

Ladies and Gentlemen

It is both an honour and privilege to welcome you to this year's National Housing Summit. Since we be in conversation about matters housing over the next two days, allow me therefore to preface my speech by uttering these timeless words from our country's Constitution: "Everyone has the right to have access to adequate housing". Today, we are here to reflect on the progress we have registered in providing decent shelter to our people, what challenges stand in the way of faster delivery and what needs to be done to ensure that our people have a roof above their hands.

Programme Director, 1994 marked a new era to engage in a journey to restore the dignity of our people. Provision of housing is one of the basic human rights that define human dignity in any civilised society. The ANC government has since 1994 confronted the inhumanity of landlessness and lack of shelter for our people.

This has been a defining initiative and once achieved will make South Africa never to be the same again. Twenty three years later, we have provided millions of our people with shelter by building more than 4 million housing opportunities across the country. Gauteng accounts for 1 million which houses approximately 5 million people. Notwithstanding this significant progress, much more work still needs to be done to achieve the ideal enshrined in the historic Freedom Charter that “There shall be houses, security and comfort for All”. It is against this backdrop that our Department continues to work hard to provide houses to all our people.

Ladies and gentlemen, a very important shift we have made is to commit to delivering houses and not just housing opportunities. This is an important shift because I am sure that everyone present here today will agree with me that people live and sleep in houses and not in housing opportunities. Another important shift, based on the Breaking New Ground Policy Framework, is that we are moving away from small sporadic projects to clustered, integrated, smart Big Cities - Mega Projects. These post-apartheid cities are purposefully planned and developed so that they are completely self-sufficient in providing for the housing, social amenities and economic opportunity needs of the communities.

Additionally, the concept of “Big Cities” reinforces the key principles and considerations of spatial reconfiguration, township economy revitalisation and massive infrastructure investment as a means of transforming settlements and cities into productive spaces that are inclusive, sustainable and founded on principles of good governance. Our Big Cities designed in such a way that they provide for mixed housing typologies and security of tenure while fulfilling the principles of integrated development, radical spatial transformation, urban renewal, strengthening institutional capacity and end-user management.

These settlements and Big Cities will contribute to building our Province as a Gauteng City Region with equal levels of development across all five of its development corridors, as well as the outcomes expected of the GPG’s TMR strategy underpinned by its 10 Pillars of radical economic transformation, decisive spatial transformation, accelerating social transformation, transformation of the State and governance, modernisation of the economy, modernisation of the public service and the state, modernisation of human settlements and urban development, modernisation of public transport and other infrastructure, re-industrialising Gauteng as our country’s economic hub and taking a lead in Africa’s new industrial revolution.

The vision of the Gauteng Provincial Government is to build a globally-competitive GCR. This vision requires that we implement seamless programmes across the five development corridors in all our municipalities, namely, the Central Corridor anchored by the City of Johannesburg (CoJ) as a financial and ICT hub of our economy; the Northern Corridor anchored by the City of Tshwane (CoT) is the automotive industry hub and capital city of our country; the Eastern Corridor of City of Ekurhuleni (CoE) is the manufacturing hub and an aerotropolis centre of the province; the Southern Corridor anchored by Sedibeng (Vaal) area which is the home of the steel industry and a tourist attraction, particularly with huge opportunities around the Vaal river and the Western Corridor which is anchored by the West Rand and is the home of the mining industry, agro-processing and a tourist attraction anchored around the Maropeng Cradle of Humankind.

The implementation of this grand plan is aligned to the NDP – Vision 2030 with the roll out of mega projects informed by this approach. We will endeavor to build compact cities in all these development areas as our new post-apartheid cities. Currently, there are currently 31 mega human settlements projects that are undergoing approval processes across our province. Some of them have already attained all necessary approvals. About fifteen of these mega human settlements will be coming on stream during the current financial year. Already we launched the Daggafontein Mega project in near springs two weeks ago with the other fourteen going to be launched by the end of March 2018. We are creating these cities with the understanding that decent housing is a human right that needs to be satisfied as this contributes to efforts to restore the dignity of our people. We can therefore ill-afford not to provide, within government means, shelter for those who cannot afford to provide for themselves.

Because we are building new cities, there is also a need to invest in more hospitals, smart schools and improvement of public transport, road (including new freeways) and other critical infrastructure. The province has planned for eight hospitals to be built within the next two years. Twenty schools will also be built within the same period. Currently the GPG is finalizing plans for the extension of the Gautrain system to new areas of the province to improve mobility. Feasibility study on this has now been completed. Although funding has been made available for most of these projects, in some cases more funding is still required particularly for bulk services and we call upon the private sector to partner with us.

Whilst government is making funding available for these projects, we call upon the private sector to partner with us. When launching the Gauteng Infrastructure Investment Conference (GIIC) in 2015, Premier David Makhura announced that the province needs an injection of about R1.8 trillion to invest in social and economic infrastructure. We have also in the intervening period convened an Infrastructure Investment Summit in May this year. After that summit, Gauteng Partnership Fund (GPF) appointed a fund manager to kick off our capital-raising campaign and we are currently working with the PIC to raise a R30b infrastructure bond. The GPG has also budgeted R49b for infrastructure investment during the Medium-term Expenditure Framework (MTEF) period.

Meanwhile, GPF and the Gauteng Infrastructure Finance Agency (GIFA) are currently holding bilateral meetings with various potential funders/investors. We are hopeful that we are wetting private sector appetite as Mega projects provide investment opportunities attractive to long-term investors such as pension funds. Depending on the stage of the project, investors should be able to achieve returns that are consistent to the level of project risk they will be taking. Our confidence in our ability to crowd private sector funding is also boosted by the fact that since its establishment in 2002, the GPF has been successful in attracting funding partners such as the Public Investment Corporation, Futuregrowth, NHFC, etc. into funding of affordable housing as an asset class. Through the GPF, we will build strategic and sustainable partnerships with the private sector, donor community and development finance institutions in order to mobilise the required capital.

Programme Director, we are turning Gauteng into a huge construction site. Hence we are inviting all stakeholders in the built environment to join hands with us as we continue on this journey of restoring the dignity of our people through providing decent shelter. Indeed, there is still a long road ahead but we are confident that, together with our partners and the people themselves, we shall make a significant knock on the ever-growing housing backlog in our province.

Welcome to the smart city region, Gauteng and I wish you a successful summit.

I thank you!