

Madam Chairperson

Honourable Ministers

Honourable Members of Parliament

Chairperson of the Portfolio Committee Hon. Dambuza

Distinguished guests

It gives me great pleasure in getting this opportunity of taking part in this important budget vote. Allow me Chairperson to thank all those who are unable to be with us but follow this debate on TV or big screen. May I also welcome team Human Settlements led by Director-General Thabane Zulu as well as Chairpersons and CEOs of our Housing Institutions. This list will not be complete if I do not include Richard Dyantyi, Minister's advisor and Chief of Staff, Meloney van Eck and Head of office, Bheki Nkonyane.

Chairperson, April month is the hero's month. This indeed is a reminder of the fact that there are those who have laid down their lives so that South Africa could be free. On the 6<sup>th</sup> April 1979 Kalushi Solomon Mahlangu on his way to the gallows uttered the following words "mama do not cry, tell my people I love them and that my blood shall nourish the tree that shall bear the fruits of freedom"

Fellow South Africans we all have an obligation of making sure that these words of wisdom and bravery are not in vain. On the 10<sup>th</sup> April cde Thembisile Chris Hani was brutally murdered. In the memory of these heroes and many others we will continue to double our efforts in the provision of shelter to the most vulnerable sector in our society. Let us roll up our sleeves and work together with all our stakeholders. Access to housing is indeed a universal right. The role of housing in changing the lives of our people for the better cannot be underestimated.

The budget vote before this house is a demonstration that we are creating an enabling environment for provision of housing. This caring ANC government has in 2004 adopted a comprehensive plan for the development of sustainable human settlements which "promotes the achievement of a non-racial integrated society through the development of sustainable human settlements and quality housing".

In 2009 President Zuma announced the Department of Housing would be re-named the Department of Human Settlements and declared.

"We will proceed from the understanding that human settlement is not just about building houses. It is about transforming cities and towns and building cohesive, sustainable and caring communities with closer access to work and social amenities including sports and recreation facilities".

Chairperson it is indeed expanding equitable access to land, housing, basic services and infrastructure that will lay the ground work for the creation of sustainable livelihood.

In our attempt to give impetus to this human settlements agenda, Minister Tokyo Sexwale came up with vision 2030. This is indeed a bold statement that takes into account the centrality of working together to do away with silo approach but to promote closer collaboration with strategic departments if we are to deliver on our mandate. This department had a joint MinMec with COGTA

in September 2010. The outcome of which was to produce a joint programme of action that guides these two departments going forward. This was followed on the 31<sup>st</sup> March 2011 by a joint MinMec of Human Settlements, COGTA and Water Affairs. Housing delivery can only succeed if there is visible co-operation amongst strategic departments. We have also enhanced our working relationship with the Department of Land Affairs and Public Works as we believe that land is a scarce resource. Our co-operation with these two departments is also crucial in this regard. These are indeed positive steps towards a common goal.

### **Vision 2030**

This vision speaks of deracialising our society. The idea is to build social cohesion within communities. As Human Settlements we have moved away from a delivery model that focuses on numeric target alone. Towards an outcome approach in the creation of sustainable human settlements and improvement of quality of each housing unit we produce.

Our government has 12 outcomes and Human Settlements is outcome 8. Our programme of action galvanizes a range of stakeholders. These include among other national, provincial, local government actors, financial institutions, housing institutions, private sector, CBOs, NGOs and beneficiaries to co-ordinate and collaborate with one another.

As far as different segments of government are concerned we are delighted with the establishment of an implementation forum whose objective is to expedite the implementation.

### **Slum upgrading**

Noting that South Africa has 2700 slums across the country with an estimated one and half million people staying in these settlements in poor living conditions, some without access to water, sanitation another social-economic infrastructure in order to improve their lives. Hence governments target is to upgrade 400 000 of these by 2014. It is our belief that access to basic services is vital to sustainable development.

What we want to put to the attention of our nation is that slum upgrading will be a twofold. We will do upgrading in informal settlements which are on well-located land particularly those in the inner city and towns, where the land is suitable for upgrading but those who are located in the low lying areas such as on river banks or dolomitic land will not be suitable for upgrading. If we do upgrading in these areas it will be a waste of government resources as we will be subjected to litigation as these areas are a health hazard and a recipe for disaster.

In these instances there will be a need to identify land for resettlement in consultation or working hand in hand with affected communities.

The upgrading of informal settlements is high on our agenda because it is not possible to build houses for everyone at the same time. This is because the demand for houses is very high and the resources are limited. What is of paramount importance to expand our basic service provision to ensure that water, sanitation, electricity reaches each and every door step in all our communities. There is a need to create roads in informal settlements so that services such as fire brigades and ambulances can have free access. Also high on our agenda is refuse removal. Communities must begin to work out a plan of taking responsibility of cleaning their areas. Neighbourhoods must instill

a value system of pride. If we build houses and there's dirt around this, it is not correct. Slum upgrading process can be turned into an opportunity that benefits many unemployed people. Positive programmes could be an opportunity for job creation for the youth, women and many unemployed people as this process needs plumbers, artisans, project managers, community liaising officers, contractors, etc.

I am proud of the ground work done at the department through NURSP, I believe we are ready to roll out this programme.

We are aware of a number of pilot projects that are already underway. Our collaboration with Cities Alliance will assist our smooth co-operation with the municipalities and SALGA. Our department has engaged with the provinces and municipalities on this matter and the budget we are tabling today reflects that constructive engagement.

This area is also subject of the joint programme of action of Human Settlements, Water Affairs and COGTA. Chairperson, we believe we are on the right track.

In order to support this programme we have ringfenced an amount of R2, 782 billion over the MTEF period from the Human Settlement Development Grant to be transferred to provinces to supplement provincial allocation for slum upgrading.

We have also in conjunction with the National Treasury and the Department of COGTA established the Urban Settlements Development Grant (USDG) whose primary objective is to allow for funding support to metropolitan municipality in order that the national departments objectives for human settlements contained in outcome 8 are achieved.

For the current year an amount of R6, 2 billion will be made available to the eight metropolitan municipalities for funds to human settlements developments for low and middle income families. Over the MTEF period the total amount to be transferred to metropolitan municipalities is R21, 7 billion.

Chairperson we are happy that this is being transferred at the time that the 8 municipalities have received their accreditation. We hope and believe that they will be able to rise to challenge with close monitoring from the National Department.

However, the provinces and municipalities will only be able to deliver on the mandate of slum upgrading if they put the affected communities at the centre of what is to be done.

They need to improve on planning, co-ordination and the management of projects.

The lack of bulk infrastructure in recent years has been a primary reason in the inability of provincial and local authorities to fulfill or meet their required output including targets set by the national department. The capital injection given now will go a long way in addressing that challenge.

What is crucial is that this process must not only be sustainable it must also be inclusive. It needs a buy in of all stakeholders particularly the affected communities.

**Focus on quality product**

Our motto is zero tolerance to bad workmanship such as shoddy work. We believe that with strong project management we can avoid or minimize this tendency. Provinces and municipalities need to take the issue of inspectorate seriously. This must start at foundation level. All projects must be enrolled with the NHBRC. This means that NHBRC must be informed of the project so that they can send their inspectors early. At national level close monitoring of these developments is crucial through our monitoring and evaluation unit.

Contractors that continue to build us shoddy houses must remember that they are playing with their future in the building environment. Good workmanship means you'll have a good CV with this unique environment.

### **People's Housing Process**

Sihlaba ikhwelo sicela omama notata abasoloko bethe gqolo ukwakha imizi yabo ngohlobo abafuna ngalo. Izindlu ezakhiwe kakubi azibukeleki. Eli lithububa lokuncedisana norhulumente. La nto entle ibisenziwa yokuseyiva. Imali mayingepheleli emoyeni. Izindlu ezakhiwe ngohlobo lwe PHP zinkulu yaye zintle ngohlobo olumangalisayo.

Mama, tata, buti, sisi, lutsha masizimisele ukuzakhela amakhaya ethu. Sinawo amandla xa sincedisana simoya mnye. Liyintoni Ikamva le sisizwe xa sikukhulisa abantwana bethu singabafundisi ngokuzimela ngenkqayi elangeni. Ngoba kaloku sifuna ikamva eliqaqamibileyo kuwo wonke ubani, Masiphakameni sibhinqe omfutshane ixesha nkqubela phambili. Khona ukuze urhulumente asincede sizama.

The Department hosted a National PHP workshop in August 2010 in Pretoria. The workshop brought together different role-players including representatives from the three spheres of government, the PHP Sector Support Agencies, NGO's and CBO's, communities. The recommendations of this workshop were sent to MinMec for approval. The MinMec took a decision that provinces must set aside 15% of their budget for PHP projects.

Mpumalanga Province needs to be congratulated for successfully piloting and rolling out the enhanced PHP Policy Framework. The province has delivered close to 2 000 PHP units ever since its approval 2008.

Other Provinces like Limpopo, Western Cape and KZN have implemented the new Policy.

Currently the Department is jointly implementing a PHP project of alternative technology together with the Gauteng Province in Diepsloot. The project is at an advanced stage and the Minister together with the MEC for Local Government and Housing, Hon Memesi will be launching it in May 2011.

### **International relations**

Rapid urbanization continues to be a major challenge in developing countries. More than 70% of the world population will be living in cities by 2050. Our policies must be informed by this reality. We must plan in advance and in accordance to the size of the problem. Master plans of the past have no room in this changing environment. That means we have to come to basics with clear plans that are

simple and are understood by all. Here at home in each province migration patterns are known. Our plans must therefore take this into account and plan in advance.

As Human Settlements we still have Mou with the Netherlands.

There has been visible participation in AMCHUD as South Africa has been the AMCHUD secretariat for the last six years. We will finally be handing over to Kenya at AMCHUD IV in Kenya in April 2012.

We have participated at UN Habitat Governing Council held in Kenya from the 11<sup>th</sup> – 15<sup>th</sup> April 2011.

Let me thank the outgoing Executive Director Anna Tibaijuka and congratulate her on her new appointment as Minister of Housing in Tanzania.

Allow me Chairperson to express words of appreciation to the incoming Director of UN Habitat, Dr. Joan Clos and express our confidence in him in leading this organisation.

### **In conclusion**

We need to congratulate ourselves as South Africa is one of the 20 countries in the world who have done lots of work on the issue of slum upgrading as per the United Nations Habitat report. We call on everyone to join us as we going to turn South Africa into construction site by launching the National Urban Forum Campaign from the 2<sup>nd</sup> – 8<sup>th</sup> October 2011.

Together we can build more houses.

I thank you.