

**SPEECH BY L N SISULU, MINISTER OF HUMAN SETTLEMENTS ON THE
OCCASION OF THE BUDGET VOTE OF THE MINISTRY OF HUMAN
SETTLEMENTS
12 MAY 2015
NATIONAL COUNCIL OF PROVINCES, PARLIAMENT**

Chairperson
Honourable Members
Invited guests
Ladies and Gentlemen

Introduction.

In the last minutes of yesterday, an outstanding woman, Ruth Mompati peacefully slipped into the world of John Dube, Lillian Ngoyi, Moses Kotane and all our ANC leaders. I dedicate this Policy Statement in her honour. In addition to the motion of the ANC, I add that this stalwart was one of the first women MK cadres, was one of only two women in the team that participated in the historic Grootte Schuur Minute in 1990. She was a struggle veteran, a lifelong member of the ANC, ANC Women's League, former member of MK, former Member of Parliament, former Ambassador of South Africa to Switzerland and former Mayor of Naledi Local Municipality. She was committed to the struggle of our liberation and especially the liberation of women. We will remember her as a woman of indomitable strength, courage and determination, full of grace and dignity. As we move forward, we will do our work in such a way that we honour her and she will know that she is in our thoughts and everything we, the women of the ANC do, we do to gain her approval and make her as proud as we will always be of her.

We meet at a pivotal time for our people. Sixty (60) years ago they declared how they had hoped that we here would improve their lives for the better and those of their families. We meet at a time when there is greater urgency to addressing the structural imbalances of the past. Twenty one years ago we earned our hard won freedom and made a solemn pledge to ensure that the evils of the past are never visited upon our people again. In 1994 we committed ourselves to building an egalitarian, non-racial and non-sexist country, and one that lived up to their expectations.

Therefore we look back at the hard and difficult road we have travelled. In 1950 the National Party had passed the Group Areas Act which designated and set aside certain residential areas according to race. In 1955 the first bulldozers made a pounding entrance into Sophiatown, demolishing everything in their wake. Land lords lost their land, tenants lost their shelter. The resistance in Sophiatown, led by ANC leaders such as Robert Resha was heroic albeit short lived as the determination of the National Party to use force knew no bounds. Our people were taken to places that were very far from work and they had to travel for about 30 kilometres to access places of work.

This year marks the 60th anniversary of the removal of the people of Sophiatown, Western Native Township, Top Location in Vereeniging and District Six in Cape Town with the implementation of the Group Areas Act. In 1985 our people resisted against forced removal from Cross Roads to Khayelitsha. We give a thought to those many who died asserting their right to stay where they wanted. Our people lost their

sense of community, their sense of belonging and social relations as a result of the Group Areas Act. And here we are, sixty years later they are back to the cities in large numbers to reclaim their lost pride and to be close to the places of work opportunity. In a defiant re-assertion of their right to reside where they so choose.

Anniversary of the Freedom Charter

Chairperson, because we owe them these freedoms that other have had all their lives, we reassert, as the Freedom Charter did, that:

“There Shall be Houses, (and through them) Security and Comfort!

- That all people shall have the right to live where they choose, be decently housed, and to bring up their families in comfort and security;
- That unused housing space will be made available to the people to build their own houses;
- That rent shall be lowered;
- That **slums shall be demolished**, and new suburbs built where all have transport, roads, lighting, playing fields, crèches and social centres;
- And that fenced locations and ghettos shall be abolished, and laws which break up families shall be repealed.”

It is our firm view, arising from the principles of the Freedom Charter that a house is a right to dignity, and it is captured in our Constitution that we commit ourselves to a gradual realisation of this right to dignity. I need to explain that this right to adequate housing means that government will ensure that there is adequate housing stock so that people are able to realise this right. It does not at any stage say there will be free housing for all.

In fact, right at its inception, this democratic state was committed in ensuring that people will participate in the realisation of this right. People will participate in the creation of their own shelter to reclaim their dignity and be active citizens in bettering their lives. The State has a responsibility to ensure that the active participants are assisted within the means of government. To ascertain the assistance that government is able to give, we have a number of categories to determine what level of subsidy within each category can be claimed from the State. For the indigent, who are the aged, child headed households and people with various vulnerabilities. The Government committed itself to give free housing. For other citizens there are various other categories for each one. The principle we sought to establish in the participatory citizenry is that those who do not have the means will be assisted on the condition that they would provide, what we used to call sweat equity. For others who are working, there are a number of categories available.

We have teased out and isolated those aspects that conspire to negate the delivery of houses to our people. We have instilled a culture of care, compassion, delivery and effectiveness of service to the public. Over time we have understood where the challenges are and have crafted interventions.

Going forward, I would like to announce a number of priorities we have set ourselves.

Rectification

1. We are no longer rectifying houses using our budget. Any house that has defaults is the responsibility of the NHBRC, which is responsible to identify the contractor and ensure that they rectify the shoddy work at their own cost. The money currently used on rectification can and will be used in building more houses.

Youth brigades

2. We want to invest in your youth and give them skills. We have therefore ring-fenced an amount of R159 million from our HSDG for this purpose. If we are going to build a nation we have to concentrate on laying a solid foundation for our youth. Henceforth we are going to do things differently. All our training programmes are going to be aimed at the youth and 60% of our workforce on mega projects will be made up of the youth. Through them we can commit ourselves to change and through them we can realise the economic potential vested in the work that we do.

Backyard dwellers

3. As we continue upgrading informal settlements, we will now also prioritise backyard dwellers, largely the children of first generation urban dwellers, who rightly have complained that we are prioritising informal settlements of people who are new to the cities and ignoring their plight as people who have been living in congested environments.

Government buildings.

4. In each of our mega projects we hope to also encompass the construction of government offices. This will not only bring down the exorbitant costs of rental, it also makes government accessible to the people.

Alternative building materials

5. We would like to encourage the use of alternative building materials more closely to see if we cannot draw these into our environment to contain costs and allow us to draw our budget to cover more.

Appreciation of the value of property.

6. Houses are an asset, which can be leveraged to take even the poorest out of their poverty debt trap. This of course depends on people who are given free housing, the indigent, understanding that they may not sell a house before they have lived in it for at least 8 years, and thereafter the first buyer should be government. However, it has been very heartening to learn from research done by the Department that the fastest growing property market in South Africa has been from the sector that we provide our people. Our hope is that the owner selling his house is doing it legally and that his circumstances have changed for the better.

Customer care

7. In my recent meetings with Executive Mayors, we agreed that there will be customer care offices in every metropolitan municipalities. These will be places

where people will go who need information that relates to human settlement in general.

Hostel policy

8. As you would have heard, we are restructuring our policy on hostels. We would like to gradually abolish hostels in our towns and hostel dwellers who have lived in our towns for a number of years would qualify for a BNG house or the CRU subsidy, depending on their specific circumstances. Together with the Executive Mayors we have agreed that the upgraded hostels would be bought by the SHRA and managed as social housing projects. This we will do in every town where we have upgraded hostels and hostel dwellers have not taken up residency. The message we want to send to hostel dwellers is that we have understood your concerns and responded to your pleas. We request that you allow us to put you up in temporary shelter while we build permanent units for you. These social housing units will give preference to under 40s who do not earn enough to buy a house. They are heavily subsidised by government and we ask our working under 40s to take this opportunity and to pay their rent and services. In time we would like to think of South Africa as an urbanising society as opposed to a society based on migrant labour.

Clean cities policy

9. We want to see part of our USDG grant used to keep our cities, towns and townships clean. Clean cities are an economic, environmental and hygienic necessity for all of us who live in them. We have a commitment from the Mayors that they will adhere to this and pay particular attention to the cleanliness of our townships. For this purpose the requisite amount will be ring-fenced in the USDG to employ Youth Brigades to keep cities and townships clean. This will provide employment opportunities for our unemployed youth and ensure that we live in pleasant, healthy conditions. Additionally, we have taken it upon ourselves to provide the indigent with free houses. We would like them in return to look after their houses, fix the broken windows and keep their stands clean. Municipalities have by-laws that require us to keep the environment clean, and this includes where we live. These by-laws must be enforced.

Estate Agents Youth Brigade

10. We have initiated the 'One Learner One Estate Agency' Youth Brigade programme which is designed to place interns with registered Estate Agencies to equip them with the required property market experience while they obtain the necessary real estate qualification. We aim to get 10 000 young people working and getting trained as estate agents by the end of the financial year.

Military Veterans

11. We are committed to clear the entire backlog of houses for military veterans in the next 2 years.

Higher Education partnerships

12. We have partnerships with 5 universities and we are proud to announce that the University of Fort Hare will be establishing a new Bachelor of Social Science in

Human Settlement for the first time in 2015. The Nelson Mandela Metropolitan University has produced a 4 year curriculum in the field of Human Settlement Studies. The University of Witwatersrand is offering a course that will lead to a Master of Built Environment degree. Mangosuthu University of Technology will establish the Research Chair that will promote research in the housing studies effective from January 2016 and the University of Stellenbosch will offer a Human Settlement Post Graduate Diploma

Revitalisation of inner cities

13. We will be embarking on a process in partnership with the various Metros to revitalise the inner cities. Most inner cities have become derelict and susceptible to criminal elements that high-jack buildings. There is also a serious challenge of buildings that have been left vacant for long. We will expropriate buildings of absentee landlords and buy derelict buildings where possible and create social housing.

Review of the tender system

14. We will review the tender system as it is currently formulated. The current tender system is susceptible to abuse, corruption and manipulation. A tender is in respect of housing and the acquisition of related services is fixed. Because the price of the house is fixed there is no room for competition in both the price of the house and land. Given these realities there is very little value for a tendering system. We envisage a new procurement system that will root out corruption. There is also a greater urgency to shorten the procurement period for speedy delivery. We hope to use a system where we will enlist the services of companies that will be in a panel of approved, accredited and verified companies as to their expertise, skill and track record. Through this process we also wish to ensure that the rampant practise of companies buying contracts and performing sub-standard jobs will also be remedied.

Finally, Human Settlements has an important role in our economic transformation and we need to realise that by educating our beneficiaries, we will need all the partnerships that we can get. And finally, all those people that have made it possible for us to now say that we have a White Paper in the making, look to us to succeed. Because they look to us to replicate our successes and it should make each one of us immensely proud that the international community looks up to us and wants us to succeed.

I thank you