

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

Chairperson

Honourable Members

The restoration of human dignity and the advancement of human rights feature prominently as founding values of both our Freedom Charter and our Constitution. This is not hard to fathom. Both colonialism and apartheid ideology were built precisely on stripping Africans of any vestige of human dignity. It was thus that housing became one of the instruments through which the Apartheid architects could achieve their goals, because the underpinning of the exclusionary mechanisms of Apartheid was influx control. It gave material expression to keeping black people out of urban areas.

Our passion in this job derives from the desire to correct this historic injustice. It is this passion for the restoration of our people's dignity that drives us every day to deliver more and restore dignity. Those who have never been robbed of their dignity are unlikely to appreciate the passion we attach to our work. I am tempted to think that in the same way that those who have not lost their sight, would never know the pain of not being able to see.

We are proud that we as government have completely outdone ourselves by providing **4.3 million houses and subsidies to more than 20**

million of our people since 1994. Let me break down this achievement so that you can get a sense of the magnitude of what we have done. The number of houses and subsidies that we have provided to our people could house the entire population of Zimbabwe, Lesotho, Botswana and Swaziland combined. By 2014, the rate of provisioning of state-subsided dwellings surpassed the provisioning of formal dwellings in the private sector. Despite the urbanisation growth rate of 2.4% annually, we have managed to decrease the number of informal settlements and backyard dwellers from 17% in 2002 to 11% in 2014. I use these statistics because they are an important indicator of the dent we have made and the impact of our delivery.

What makes these achievements even more remarkable is that they are acknowledged as unprecedented global achievements in the international arena and the plaudits have been echoed by many other independent research institutions. In a recent report, the SA Institute of Race Relations stated that:

“the view that ... living standards are **only a little** better than they were twenty years ago is **untrue**. On the contrary, service delivery (here in the form of housing) must be judged as a **success in many respects**”.

And renowned economist, Mr Mike Schussler calls our achievements “a huge success story”.

I could go on and enumerate the accolades we have received. We have done extremely well in the housing environment and I am grateful to my MECs and officials who have made this possible.

Yesterday, we passed the budgets of various departments in the National Assembly. Predictably, the DA objected to our budget arguing that

the department is not doing enough, and many of our people are still living in appalling conditions. The assertion that the Department is not doing enough can only come from the twisted minds of people who have contributed absolutely nothing to this country. To contrive that with objecting to a budget because some of our people still live in poor conditions is incurably blind bigotry. We in the family of human settlement live beyond that bigotry. Last year we prioritised the DA run Western Cape to get more resources for we understood the magnitude of the challenge in this province.

Chairperson, we have had our successes and we remain committed to doing more to ensure that all of our people have access to decent shelter and we have also learned what we can do better.

1. Catalytic projects

We are doing things smarter and faster. Our pilot projects which started in 2004 have matured and give meaning to the concept of integrated human settlements. To fast track delivery and to accelerate changing Apartheid spatial residue, I am happy to announce that following a public request for submission of prospective mega projects (catalytic projects), we have completed a detailed analysis and short listing of projects submitted by the private sector and by various spheres of Government. These will be rolled out in the coming three years.

These are projects that are guided by our Breaking New Ground policy which we hope will change the face of our cities whilst providing fully subsidised houses, Gap housing, especially for public servants, rental and social housing and serviced sites for the poor and middle class close to places of economic activities.

We call these ‘Catalytic projects’, because they will trigger massive investments by the private sector and have huge economic spin-offs. Our assessment is that our own investment, which is estimated at R90 billion over five years, will trigger about R150 billion from the private sector. Hundreds of thousands of jobs will be sustained and thousands more created.

The total projects number 101, with 94 ready for implementation as soon as we conclude the paper work. All the Catalytic projects in all nine Provinces have the combined value of over R300 Billion, creating and sustaining more than 20 000 jobs in the construction sector and downstream industries. As part of the requirements of the catalytic projects will be the training of the youth and we have determined that there shall be a Youth Brigade for every catalytic project.

2. Human Settlements Development Bank

Central to the success of these Catalytic projects is the secured finance to support the implementation of all the projects, especially in the area of the empowerment of previously disadvantaged people. To that end I am happy to announce that we have finally completed the consolidation of the DFIs. The NHFC, RHLF and NURCHA now form, what will be known from today as the **Human Settlements Development Bank (HSDB)** or the Housing Bank, which will have offices in all the nine provinces.

The HSDB will offer a total solution to the housing sector; it will offer bridging finance to small contractors, finance building loans for those who will purchase serviced sites. We have an agreement with the banks to help us

finance mortgages for those in the gap market. To increase our financial support we are working with national and international investors.

3. Military Veterans

Last year in this House we committed ourselves to clearing the backlog of housing for military veterans and immediately declared the Military Veterans programme a Ministerial Priority Project. The backlog for Military Veterans was assessed to be 4 909. Today I am happy to announce that we have secured 5 600 houses for military veterans, exceeding and clearing the backlog **immediately**. Henceforth we will be embarking on the allocation. Special arrangements have been made to ensure that we are able to allocate the houses in the shortest time possible.

We have also been given some land by Sanral, Transnet and Public Works and here we intend to put up two retirement villages for military veterans, complete with all the required facilities, including frail care. Now that we have cleared the backlog, a heavy load has been lifted from my shoulders.

4. Title Deeds

We are making steady progress with the issuing of title deeds. During the past two years, through the Title Restoration Project, more than 101,000 title deeds have been issued to rightful owners. The Department has set itself the target of issuing 271,048 title deeds for the coming year. And to do this, R306 million of the Human Settlements Development Grant has been ring-fenced for this purpose.

5. Revitalisation of Inner Cities

Although there has been inadequate focus specifically on Inner City Revitalisation this is changing. As I indicated in my 2015 Budget Vote, the Inner Cities will be revitalized by expropriating unused buildings and assigning them for the purpose of building social housing next to places of work.

SHRA is providing support to both the Metro's as well as to registered Social Housing Institutions to do this. Examples of this include the Project Agreement entered into between the SHRA and the Ekurhuleni Development Company for the acquisition and redevelopment of numerous derelict inner city properties in Ekurhuleni; the agreements signed with both the Tshwane and the eThekweni Housing Associations; and the contract agreed with the City of Johannesburg for the Implementation Framework to densify and develop Inner City affordable rental and Social Housing.

6. White Paper on Human Settlements

Our Department is forging ahead with the realignment of its policies to provide a better framework for the realisation of **sustainable human settlements and improved quality of household life**. The Draft White Paper on Sustainable Human Settlements is our effort to amend the Housing Act of 1999 and to bring into life all the principles prescribed in the Comprehensive Plan for Development of Human Settlements and the NDP. This will provide a foundation for the establishment of viable, socially and economically integrated communities located in areas that allow convenient access to economic opportunities and all essential amenities.

7. Transferring management of beneficiary list

During the budget vote, I intimated that we are committed to doing things differently to improve on efficiencies. One such step involves removing the responsibility of managing beneficiary list from contractors and developers. Our considered opinion is to let developers and contractors focus on what they do best unencumbered by the fractious challenges of political and social relations. We are centralising the management of the beneficiary list at national list. Doing so will protect local councillors who bear the brunt of angry residents who are wont to accuse councillors of favouritism, bias and/or corruption.

8. Northern Cape – clearing the backlog

Moving from the current situation to the one we envisage should help us leap into the future and imagine what the reality looks like in the absence of shacks. We have therefore set ourselves a target of clearing the human settlement backlog of Northern Cape within the next 2 years. In fact, nothing stops us from making this a catalytic project, with clear timeframes, because we need to close the beneficiary list.

Although we have outperformed ourselves, we remain committed to ensure that all of our people have access to decent shelter. I invite you to join us in achieving this noble goal. You can define that contribution. Whatever we can do together can only benefit our people and create societies that mirror the aspirations for our country.

Finally, allow me to thank the Select Committee on Social Services for their sterling support and especially the Chairperson, who is with us at every event to represent the Select Committee.

I thank you