

## Free housing cannot continue forever – Sexwale

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Free housing in South Africa cannot go on indefinitely, said Human Settlements Minister Tokyo Sexwale on Monday.

The country has a housing backlog of 2,3-million units that the Department of Human Settlements (DHS) is aiming to address through a number of initiatives by 2030.

“However, we do not want to create a beggars culture where people just expect to be given free houses from the State. This is just a safety net for the poorest of the poor, but cannot go on forever,” said Sexwale at a media breakfast in Johannesburg.

The Minister noted that it was important for South Africa to start showing strong growth rates, referring to government’s target of a sustainable 7% growth rate a year. “This will assist in creating jobs and therefore positioning people to start taking responsibility for their own financing and housing needs.”

During the past year, the DHS had been testing its “gap-funding” model. The model provides a guarantee of R1-billion for people wanting to get into the housing market, but who earn salaries of between R3 000 and R12 800 a month. “This model has generated a lot of interest from different financial institutions, and it is one tool that we can use to decrease people’s dependence on free housing,” said Sexwale. Currently, the department is still struggling to spend its budget of R16-billion for the year.

Speaking to Engineering News Online at the media briefing, DHS director-general Thabane Zulu said that the department had managed to spend about 49,5% of its allocated budget during the year.

The Minister noted that he expected provinces to use at least 75% of their budgets for the year, and that money that certain provinces had been unable to allocate would be transferred to where it could be used. The DHS is currently busy with about 8 000 construction projects to reach its 2014 target of eradicating informal settlements.

“We call on the private sector to assist and work with government to build these new cities that are required. Government has identified certain areas that are closer to the cities to build new human settlements. However, this requires the full spectrum of town planning, and would need billions of rands worth of bulk infrastructure. The private sector needs to also step into this space.”

Besides “spotting” South Africa’s landscape with reconstruction and development programme, or RDP, housing, the department would also focus on inner-city rejuvenation and refurbishment and densification initiatives, said Sexwale.

“There are a number of empty and abandoned buildings in our cities, close to existing infrastructure, that can be used for the development of human settlements. The department, together with the private sector has already successfully converted such buildings. Such densification efforts will be the way of the future.”

It is expected that about 80% of the global population will be living in urban areas by the end of the 21st century.