

HOUSING &

HOSTELS

GENERAL

1986

JAN - JULY

3/1/86
New housing board launched

Pretoria Bureau

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The Board for Development and Housing, which takes over the functions of the National Housing Commission and the Community Development Board for white housing, came into operation on January 1.

The new board, chaired by Mr W J van der M Marais, present chairman of the National Housing Commission, will meet for the first time on January 16.

Other members include the vice-chairman, Mr J G M (Boet) van Straten, a Johannesburg property consultant, Mr J N Swart, present vice-chairman of the National Housing Commission, Mr S B Myers, a Cape Town civil engineer and town planner, Mr R B Viljoen, of Durban and member of the Commission of Investigation into township development, and Mr J van Zyl, retired town clerk of Welkom.

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**Overdraft,
home-loan
rates set to
come down**

ARCUS 13/1/86
By TOM HOOD,
Financial Staff

A CUT in overdraft rates and lower home-loan rates are on the cards.

Banking sources say that an announcement is expected today or tomorrow of a one-per-cent drop in the bank rate, leading to commercial banks cutting their prime overdraft to 15,5 from 16,6 percent.

"The money market is standing still waiting for a reduction by the Reserve Bank," a spokesman for Barclays Bank said in Johannesburg today.

The governor of the Reserve Bank, Dr Gerhard de Kock, returned to Pretoria today and was expected to consider lowering the bank rate because other key interest rates have plummeted in recent weeks. Government policy is to bring down interest rates to stimulate the economy.

38-PC DROP

If overdraft rates come down to 15,5 percent, as bankers expect, it means that borrowers will have had their interest bills lopped by 38 percent in less than a year.

It also means that money can be borrowed at well below the inflation rate of about 17 percent.

The key 90-day bankers acceptance rate was quoted today at 12,5 percent, which is below what the Reserve Bank charges commercial banks.

A cut would also mean lower deposit rates and this could accelerate the movement of the small investor's cash from banks and building societies into the stock market and unit trusts as a hedge against inflation.

Building societies would also fall in line and lower their deposit rates, and as most are awash with funds to lend a lowering of bond rates from today's maximum of 18,5 percent is also likely.

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Other race groups will not be deprived

New board will give top priority to white housing

STAR
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Pretoria Bureau

Affordable housing for whites will be the priority of the new Development and Housing Board which met for the first time in Pretoria yesterday.

The Minister of Local Government, Housing and Works in the House of Assembly, Mr Amie Venter, told the meeting that there was still a need for this even though the housing backlog in this community was not as great in others.

He said his department did not intend to deprive other race group of housing. But there was still a shortage of 16 000 homes in the white community and, sometimes, the department had to find urgent accommodation

for needy families.

He said the new board was the first step towards disbanding the National Housing Commission. Eventually, each race group would have a similar body to see to its housing needs.

Mr Venter said the board would emphasise self-help housing and the privatisation of housing provision in general.

"Primarily, the provision of housing should rest with the individual himself while the role of the State should be only of a supportive nature.

"The Government will assist the private sector to bypass bottlenecks and solve problems and will take cognisance of the needs of those who cannot be satisfied by their own means or

those of the private sector."

The board would continue to provide loans and rent subsidies to home owners in certain categories and would consider matters such as welfare housing.

Loans would be given to local authorities for urban renewal and to individuals for renovation purposes, the Minister said.

In addition, the board would protect residents by ensuring their security of tenure wherever possible.

He called on the board to use scientific methods to determine housing needs, to pave the way for effective housing planning and efficient use of limited housing resources and to ensure the provision of housing within people's financial means with minimum subsidisation.

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More debt-ridden councils to adopt 'no rent, no electricity' move

By Rich Mkhondo

In a bid to force rent defaulters to pay their bills, some of which have been overdue for almost 18 months, many town councils are cutting residents' electricity supplies.

Most councils are now debt-ridden and can no longer afford to provide other services such as refuse removal and maintenance of the township. The Lekoa Town Council, which controls several townships in the Vaal Triangle, was the first to introduce such measures.

After consultations with the Sharpeville Civic Association, town clerk Mr Ben Scott promised that if residents could show "an intention" to pay their dues, the council would restore their supplies.

By the end of last year, the council was more than R13 million in debt.

It is believed that the councils of Katlehong (Germiston), Tembisa (Kempston Park), Mamelodi and Atteridgeville (Pretoria), kwaThema (Springs), Vosloorus (Boksburg), Tokoza (Alberton), Mohlakeng (Rainfontein), Kagiso (Krugersdorp), Tumahole

(Parys), Thabong (Welkom), councils in the Eastern and Western Cape and others in the Free State, will soon introduce the measures.

When unrest started 18 months ago, residents of most townships in the urban areas stopped paying rent and service charges in a bid to force the authorities to accede to their demands.

Among other things, residents demanded that rents should be lowered to a level which most people could afford and that all councillors should resign.

UNHYGIENIC CONDITIONS

In the Vaal Triangle, attempts to force residents to pay their rent started last year when the local town council issued stop orders to employers of every house owner and demanded that rent dues be deducted monthly and sent straight to the council.

The method was successfully challenged by residents and an out-of-court settlement was reached.

Late last year, draft legislation aimed at closing the legal loophole was leaked to the Press. The measure will be introduced in Parliament this year.

no electricity move

Two weeks ago, the Lekoa council introduced de-liberate and arbitrary electricity cuts in a bid to force residents to pay their overdue rent bills.

The move has cost a Sebokeng businessman, Mr Baker Nhleko thousands of rands. On Wednesday, he watched his shop go up in flames after electricity which had been cut off by the council was turned on at night and large frying pans burst into flames.

The president of the Vaal Chamber of Commerce, Mr M Mashini, called on the town council to call a public meeting so that the rent, water and electricity issue could be ironed out.

He said: "People are not refusing to pay their rent, but they are awaiting word from the town council about their demands".

Residents of most townships also accused the local authorities of being insensitive about township conditions but being quick to increase rents or forcing residents to pay rents.

A Katlehong coal merchant, Mr John Binda, said the council was forcing people to pay rent while uncollected refuse caused an intolerable stench and attracted flies.

(529) (123) FM
KWANDEBELE . 17/1/86

Moutse MP arrested

The office of KwaNdebele Chief Minister Simon Skosana has confirmed the detention of the elected MP of the disputed Moutse area, Godfrey Mathebe, last Friday night. Mathebe was apparently returning from a meeting with Lebowa Chief Minister Cedric Phathudi, who also opposes Moutse's transfer to soon-to-be-independent KwaNdebele.

Mathebe, a local businessman, was Moutse MP in the Lebowa Legislative Assembly until the incorporation of Moutse into KwaNdebele on January 1 (*Current Affairs* January 10 1986). When Moutse was excised from Lebowa in 1980 and returned to the jurisdiction of Pretoria, the two elected leaders and several Moutse chiefs continued sitting in the Lebowa Assembly. But now Mathebe and fellow MP, Maredi Cheue, are MPs without a parliament.

Both Mathebe and Cheue have been in the forefront of opposition to the incorporation of Moutse and have vowed to continue fighting it.

According to Professor John Dugard of the Wits University Centre for Applied Legal Studies, and lawyer for the Moutse people, Mathebe has been detained by the SA Police under Section 50 of the Internal Security Act which allows him to be held for 14 days.

"In my view the authorities have abused Section 50 by arresting Mr Mathebe" says Dugard. "As far as I can tell he has been arrested to prevent him from attending funerals in the Moutse district and also to prevent him from taking lawful action in order to block the incorporation of Moutse."

Mathebe had planned to be present at the funeral last Saturday of a Moutse resident killed by KwaNdebele vigilantes.

Reports about what is happening in Moutse are confusing. The KwaNdebele "government" says the area is quiet. Yet Dugard says he has received calls saying the violence is continuing. He says alarmed people are apparently fleeing the area.

Schools in the area are open. But it is not sure how many teachers are in the classrooms. Certainly many schools are functioning without teachers. Forms authorising the transfer of teachers to the KwaNdebele education department were distributed to Moutse teachers last week. If they don't sign

they will lose their jobs. Dugard says it is his impression that they will not sign, but it's too early to tell whether there will be a total boycott or not. ■

'Other race groups will not be deprived'

New board will give top priority to white housing

STAR

17/11/86

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Pretoria Bureau

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ARGAS 17/1/86
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Pressure on home loans, interest rates

By TOM HOOD,
Financial Staff

HOME loan rates and interest rates paid to investors are under pressure as a result of the improvement in the country's financial position, said a spokesman for the largest society, the United.

"The question of lowering rates is being discussed at the moment and an announcement can be expected next week," he said.

Other societies, however, believe that bond rates are unlikely to fall as a result of the lowering today of interest rates by the Reserve Bank and commercial banks.

"IT WOULD BE SUICIDE"

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They forecast that bond rates would stay at present levels — around 18 percent — until the cost of funds comes down.

Societies and banks say they are unwilling to take the initiative to lower their savings and deposit rates and are waiting until there is a general downward move in the market.

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"It would be suicide to cut our rates without some form of agreement," said Mr Jeff Bowker, senior general manager of the Allied. "We could see an outflow of R20-million in a week if we lowered out deposit rates."

Bond rates are now higher than the prime overdraft rate and Mr John Clark, managing director of Bellandia, the Cape's largest home-builder, said he expected the situation to correct itself by bond rates dropping by about three percent this year.

Commercial banks lowered their prime overdraft rates by one percent to 15.5 percent today.

This followed the Reserve Bank's one-percent cut in prime rate to 12 percent — less than half the record 25 percent level of a year ago.

Reserve Bank governor Dr Gerhard de Kock said the motive behind the cut was to encourage economic growth.

The sharp recovery in the gold price helped the Reserve Bank to decide on a lowering of rates — a move which will give an urgently needed boost to the ailing economy.

The price of gold slipped below the \$360 level in London today, opening at \$357.50 after closing at \$361.75 last night.

However, the latest gold rush has added R32 so far this year and at one stage yesterday bullion hit \$376 in Zurich.

The rand was quoted at 43.55 US cents in Johannesburg today, slightly up on its close of 43.45 cents last night.

● See Page 10.

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As tenants double up, seek cheaper flats . . .

Many landlords feel the pinch

STAR 18/1/86

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By Lesley Cowling

Families and individuals are "doubling up" in rented flats or moving into smaller, cheaper places in attempts to ride out the recession — and this has led to an oversupply in the residential letting market.

Landlords have been unable to increase rents in the past 18 months, and, as their profits decline, their ability to maintain their buildings diminishes, according to spokesmen for major letting agents.

"There is a vacancy factor of between three and 10 percent in blocks of flats," said Mr Les Weil of J H Isaacs.

He said townhouse complexes had been extremely hard hit. Many townhouses built for sale were being put out for rent because of the unfavourable market conditions.

"There is quite a lot of move-

ment out of more expensive flats or townhouses to cheaper flats, young people doubling up, children moving in with parents or parents moving in with children," he said.

"The high inflation rate has forced people to re-evaluate their lifestyles and the first thing they cut down on is rent. Mr Weil said that because landlords had been unable to increase rents and costs were rising all the time, they were losing in real terms.

Retrenchments

"Retrenchments are contributing to the landlords' difficulties. Tenants find jobs in other towns and they just up and leave. This causes a lot of administrative problems," Mr Weil said.

He said the simplest solution in the present situation was to get rid of Group Areas Act restrictions.

This would re-establish the interplay of supply and demand in a broader sense."

Mr John Kroeser, of Curries-L K Jacobs, said many landlords were losing money.

"Many landlords have bonds which they have to pay off, but cannot get enough rent from their properties to cover repayments. They can't raise rents because they have to keep tenants and they can't sell at present prices," he said.

He said owners of rent-controlled buildings were in the worst position.

"They can't maintain or renovate their buildings because the income from rents cannot cover the costs involved. The result is that good buildings are turning into slums."

He said the Rent Act was hampering development.

Mr Kroeser also thought the oversupply of flats was caused by people moving in with others to save money.

Scrapping race laws is the key — engineers

Tackling shortages in SA black housing

Greater private sector involvement and the scrapping of restrictive Government legislation were key issues to solving the critical black housing shortage.

This was the view expressed by speakers at a lecture organised by the Witwatersrand branch of the South African Institution of Civil Engineers, in Johannesburg last night.

The housing problem was exacerbated by apartheid legislation such as the Group Areas and Influx Control Acts, said Mr Matthew Nell, general manager of the Urban Foundation.

Market forces could not operate freely and the result was an inefficient housing system, Mr Nell said.

He predicted that about 2,8 million units would be required by the year 2 000 to cope with black urban housing needs.

"Housing is a socio-economic not a physical issue," he said.

Mr Nell said there were few people who could afford to build homes today at present construction costs.

A solution to the housing crisis, he said, lay in alternative housing schemes such as self-help, starter and conventional schemes.

NATIONAL

Mr Ulli Bleibaum, of a firm of consulting civil engineers and project managers, stressed the need for a new housing policy that would involve the private sector.

"The Government has to establish a national urban housing policy for South Africa, incorporating the roles of the public and private sectors," said Mr Bleibaum.

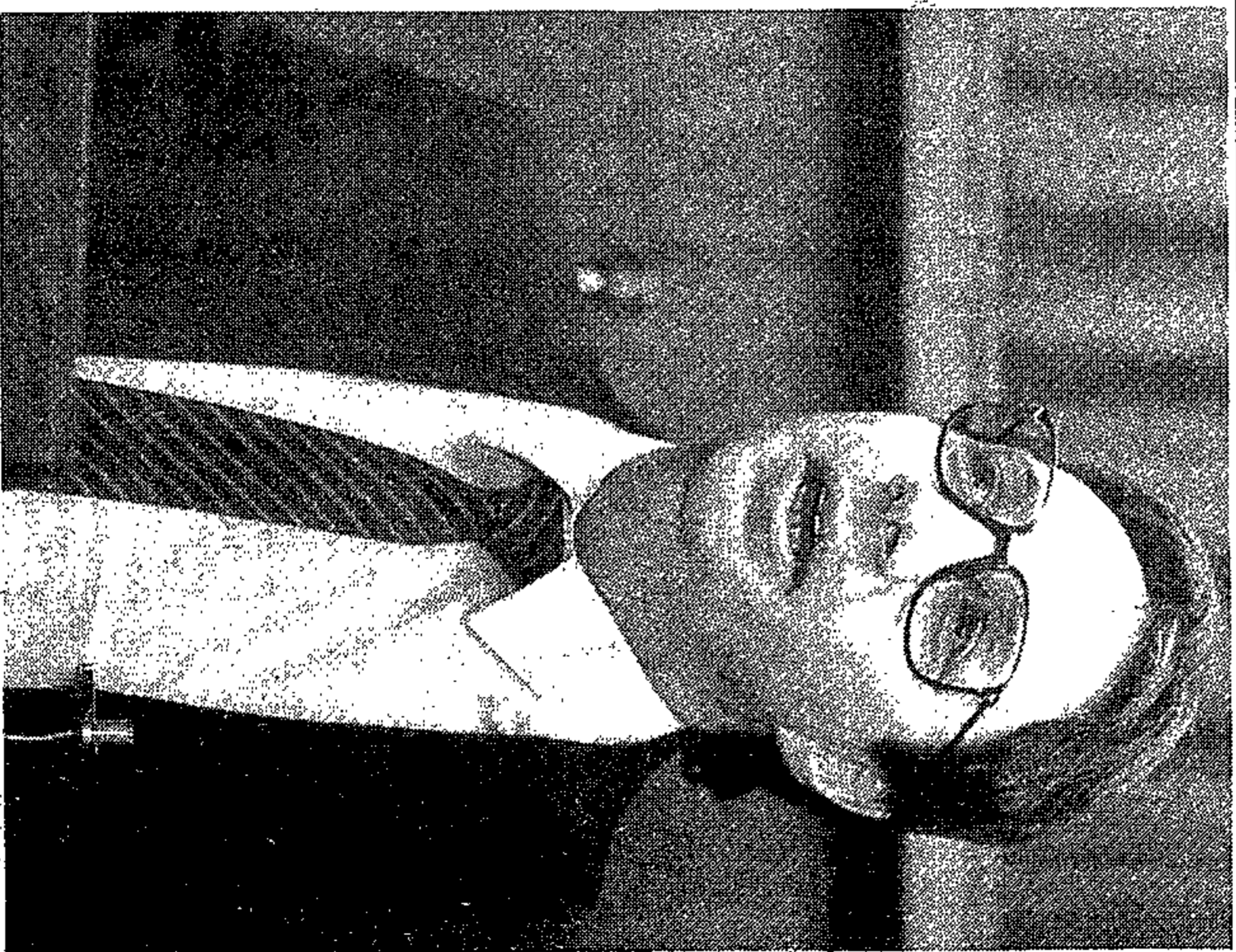
In addition he called for:

- The removal of all restrictive legislation.
- The creation of a total living environment.
- The provision of an on-going supply of land.
- The promotion of city development.

Mr Bleibaum said the Regional Services Councils affecting black areas were inadequate as blacks did not get the same opportunities as whites in areas such as Sandton.

The State should also recognize the need for additional land in black areas for community facilities.

The marketing manager of a company of housing developers, Mr Alex Rabie, said it was important for the private sector to come forward to assist the Government in solving the black housing shortage.



Group Areas and influx control legislation exacerbated the black housing crisis, Mr Matthew Nell of the Urban Foundation told a meeting organised by the SA Institute of Civil Engineers yesterday.

Rent defaulters pose a problem

ST/12 25/3/86

Political Staff

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PARLIAMENT — The Minister of Finance, Mr Barend du Plessis, has expressed concern at the high incidence of default in payments to development and community boards for services and rent.

He said these bodies, like many service institutions, were facing cost escalations.

The Minister was moving the second reading of the Additional Appropriation Bill at a joint sitting of the three Houses of Parliament.

He said R94 million had been included in the Constitutional Development and Planning vote to meet shortfalls in local government development.

“Aggravating the position of these boards is the high incidence of default in payment for services rendered and for rent — in many cases for reasons unrelated to economics.

“That the country as a whole would suffer if the boards were to collapse is self-evident, hence the

request to Parliament for assistance,” Mr du Plessis said.

Mr du Plessis said that in the economic climate of the past year unemployment had “unfortunately climbed alarmingly”.

Government had found it necessary to launch a programme to alleviate distress among the unemployed in a variety of ways.

Initially R100 million was earmarked for this purpose in the main budget. It soon became apparent that this would be inadequate. The programme was then expanded by R500 million.

A number of Government departments and local authorities took part.

At this stage it appeared that it would not be possible to spend the full amount of R600 million in the current financial year. The balance would be carried forward to 1986-87.

Expenditure on the programme up to March 31 this year was expected to total R530 million.

MAREDI CHUEU

Fighting for Moutse

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Moutse politician Maredi Chueu is ready to go to prison to persuade Pretoria to reverse the incorporation of Moutse into KwaNdebele.

These may seem like strong words from a conservative beneficiary of apartheid politics. But, says Chueu, one of Moutse's two elected Lebowa MPs, the incorporation on January 1 this year has radicalised both young and old in this rural area north-east of Pretoria. His crusade may well land him in prison. Fellow MP Godfrey Mathebe has just been released after two weeks' detention by the South African authorities under Section 50 of the Internal Security Act. "This kind of action will never scare us," says Chueu. Instead, Mathebe has been made a hero overnight, especially among young people in Moutse, who normally scorn the homeland leaders.

Chueu was a teacher before becoming a school inspector in Nebo, an area adjacent to Moutse. While still teaching he studied part-time for a Unisa BA in politics and psychology. In 1978 after being elected MP, he moved back to the Pietersburg district to pursue politics full-time.

Moutse was originally part of Lebowa, but was excised in 1980 and placed under South African jurisdiction — although the two MPs and several chiefs continued representing Moutse on the Lebowa Legislative

Assembly. Recently, the Lebowan Assembly resolved not to recognise the incorporation of Moutse and decided that the two MPs would still be regarded as members of that House.

Chueu denies the KwaNdebele claim that 80% of the Moutse population agrees with incorporation. To support his claim, he damns Pretoria's refusal to accede to their demand, frequently made and as often denied, for a referendum to be held in the area. He says that both he and Mathebe were returned to the Lebowa Assembly unopposed in 1983 which shows they have a mandate.

Since the incorporation, though estimates vary, the community says at least 40 people have been killed. "Pretoria underestimated the amount of resistance," says Chueu. One problem, he says, was they were misled by their ethnologist who said Pedi and Ndebele

people could be grouped together because of their "dress culture."

Indeed, Pedi and Ndebele people have been living together peacefully in Moutse for years. But whereas Pedi people have been in the area for over 200 years, the Ndebele only started moving in during the Twenties when Chief Mapoch of the Ndebele asked Chief Mathebe's grandfather for permission to live in Moutse. Over the years the number of Ndebele has swelled.

him. Later the excision was made an Act of Parliament and they lost their chance.

Chueu agrees with the popular view that Moutse has been given to KwaNdebele as a gift for taking independence later this year.

The previously conservative Moutse population was shocked when a KwaNdebele vigilante group invaded the area on New Year's day and abducted and assaulted more than 200 men. "This incensed the people of Moutse," says Chueu. "The last thing we were expecting was annexation by conquest."

Chueu says people do not respect KwaNdebele Chief Minister Simon Skosana because he is uneducated. They are perturbed that women in KwaNdebele don't have the vote and are publically flogged. "People don't feel secure. They fear discrimination in matters such as obtaining trading licences." They worry that when KwaNdebele becomes independent they will lose their South African citizenship. At the moment, they are hoping to win legally — either by getting the proclamation blocked in Parliament next month or by going to court.

If they win their case, various youth movements in the area have said they intend fighting against inclusion into any homeland — and that includes Lebowa.

Chueu says he is not yet disillusioned with homeland politics, although he believes

the homelands will eventually disappear. Meanwhile, he is willing to remain in Lebowa, but would also accept some kind of arrangement where Moutse remained part of SA. He believes that the young people in the area respect him because of his stand against Pretoria. They are not his only constituency and any decision about the fate of Moutse must be decided by all the people of Moutse at a later date.



Chueu ... ready to go to prison

"These people were our guests," says Chueu. "According to our custom, it's unthinkable that they should now become our hosts." Ironically, Ndebele in Moutse are now moving out because of tension between the two groups.

Chueu has publicly accused Lebowa Chief Minister Cedric Pathudi of "conniving with Pretoria over their fate." Otherwise, he says, why did Pathudi remain silent after the final consolidation plans were released last September? Chueu says Pathudi agreed to let Moutse go to KwaNdebele and in exchange Lebowa was given orange farms at Zebedelia and promise of a railway line from the farms to the capital of Lebowa, Lebowa-gomo.

In 1980, after the excision of Moutse from Lebowa, Chueu urged Pathudi to fight the matter in court. But he says, Pathudi ignored

JACK WALSH

Diamond diver

Launching a venture, such as the listing of his sea-diamond recovery company Marine West on the JSE's development capital mar-

CMT 3/2/86
TIMES
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Restrictions on black property scrapped

Political Staff
THE government has scrapped a number of discriminatory regulations restricting the ownership of property by black people in the non-independent homelands — and paved the way for building societies to move into financing home ownership in these areas.

Abolition of the restrictions was announced at the weekend by the Minister of Education and Development Aid, Dr Gerrit Viljoen.

The move could result in the societies actively financing schemes in those residential areas in Durban and Maritzburg which fall under the jurisdiction of the KwaZulu government, as well as in the Northern Transvaal.

Dr Viljoen said the government had approved "further measures to promote and facilitate the involvement of the private sector in the financing of housing for black people in the self-governing states and on South African Development Trust land".

Careful attention had been given to objections raised by the Associa-

tion of South African Building Societies about impediments which the existing regulations caused to the financing of housing for black people in these areas.

The government had decided to amend the regulations in a 1962 proclamation "so as to enable building societies to consider favourably applications for housing loans in these areas without reservations".

The regulations now provided that:

● "Black people will in future have the right to own more than one site, either for residential, professional or commercial purposes".

● "A house-owner will from now on have the right to sell his property to any competent person without the compulsory authorization from the township manager".

● "A house-owner may in future alienate his property without requiring any authorization".

● "The cancellation of a deed of grant at the death of an owner be abolished so as to enable the deceased's next-of-kin to dispose of the property".

Manual on law for laymen

4/2/86
By Hannes de Wet

A manual to give the layman easy access to basic legal skills is to be launched in Johannesburg tomorrow.

It has been compiled by the Legal Resources Centre, mainly for the use of community centres established to give people free basic legal advice.

"It will enable a person without a legal background to train himself in providing legal assistance in a few crucial legal areas," says Mr Paul Pretorius, who co-ordinated the compilation of the manual.

Some of the subjects covered

STATE
are consumer protection, inflation control, and the housing, family and labour laws.

Mr Mahomed Navsa, who put the manual together, said it took almost six years to complete, at a cost of about R50 000.

"Not only did we strive to bring the law closer to the man in the street but we also wanted to give him a tool to do something about his basic legal rights," said Mr Navsa. "We believe we have covered most of the basic problems normally experienced in townships."

The manual has more than 400 pages and will cost R40 a copy. About 200 issues will be printed initially.



Happiness is where hope is — as can be seen in this picture of youngsters at play in the SOS Children's Village at Ennerdale, near Johannesburg. ● Picture by Kevin Carter.

By Winnie Graham

A campaign to raise R10 million for the building of a chain of children's villages in South Africa was launched in Johannesburg today.

The scheme has been initiated by the SOS Children's Villages Association which already operates 590 projects in more than 100 countries worldwide.

The first village in South Africa opened at Ennerdale, south of Johannesburg, about two years ago. A second is under construction at Mamelodi. If the money is

raised, more villages will be built in the Eastern Cape, Pinetown, Cape Town, Bloemfontein and on the East Rand.

The South African director of SOS, Mr Dave Jackson, said the disintegration of family life in South Africa had reached crisis proportions. In some areas, as many as one in three children were being raised with-

out parental care.

He estimated more than 70 000 children in South Africa were in desperate need. The problem, he said, was being exacerbated by the rising tide of unemployment and the state of unrest.

"A generation is growing up without the values, disciplines and social skills a stable family provides. The situation could have serious

consequences for the future welfare and prosperity of South Africa.

"The villages aim at alleviating the suffering of children in need of food, shelter, clothing, education and parental care. Each village provides homes for about 140 children in an environment as close to the "real thing" as possible."

Each village has a community centre, clinic, media centre and social welfare offices.

Anyone wishing to contribute to the programme should write to SOS, Box 22, Randburg, 2125.

STAR 7/2/86 123
R10-m needed for homeless children

New housing measures to help unemployed

PARLIAMENT — Relief measures for house rentals and instalments on houses built with the Housing Fund would be introduced for people who were unemployed or subject to lower incomes in the present recession, the Minister of Local Government and Housing in the House of Representatives, Mr David Curry, said yesterday.

These measures would also apply to people who had previously been given relief during a six month moratorium which has expired, he said.

Aid would be given to people able to supply a welfare officer report confirming hardship and would consist of:

Subsistence grants in terms of the Social Relief Scheme for unemployed; extension of the six month moratorium on a portion or full rental; in exceptional cases, capital and interest portion of rental would be based on 25 percent of "breadwinners' income" instead of "household income"; in cases of merit, arrear instalments of dwellings already sold would be capitalised by local authorities; and in new cases, relief measures would be considered for the same relief measures. Sapa.



Mr David Curry . . . announced relief measures.

No jail now for rent defaulters

By CARMEL RICKARD,
Durban

BLACK residents of "homeland townships" may no longer be thrown into jail or evicted for not paying rent, according to a notice in the latest Government Gazette.

The amended regulations follow two Supreme Court "test cases" brought by Durban's Legal Resources Centre (LRC) last year, challenging the right of a township manager to eject residents for not paying, and questioning the right of a court to jail rent debtors.

LRC argued that the State President, who issued township regulations, had exceeded his authority under the Black Administration Act. He was empowered only to make regulations imposing a fine or imprisonment, but not eviction.

Although the cases were won, and the challenged evictions set aside, the judge did not rule on the argument that the regulations themselves were invalid. However, after a similar case was taken to court by LRC on the same grounds, then dropped by the state, a new set of regulations has been issued.

Under the new law, the manager may only cut off lights and water to residents who don't pay rent. Both evictions and imprisonment are scrapped, thereby removing all the provisions objected to by the LRC.

The centre's director, Chris Nicholson, said the effect of the previous regulations had been to make criminals of people who could not afford to pay rent. Whites who did not pay their rent were not evicted but were taken to the civil court. They were also treated in terms of the South African legal principle that debtors are not jailed.

Regulation 48, which has now been changed, was in fact a way of discriminating against black people by both evicting and jailing them over debt problems, he said.

They can't jail you for rent anymore!

CITY P. 16/2/86 (123)
★ THE Government has scrapped a law under which black people in townships have been evicted or jailed for not paying rent.

Under the new law, the township manager is only allowed to cut off lights and water if rent isn't paid. Then he can take the matter to the civil court and a new legal procedure must be started.

But even if the person is brought to court, he or she can't be thrown into jail. The regulations are already in force.

Homes subsidy: Money mountain worries State

W/C ARGUS 22/2/86

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By TOM HOOD
Weekend Argus
Financial Staff

PUBLIC service subsidies on housing loans are worth as much as another R16 000 a year before tax, or R1 300 a month on an employee's salary, according to tax consultants.

Railway workers, teachers and other public service employees who are dissatisfied with their 10 percent pay rise should do their arithmetic again, said one economist, Mr Neville Berkowitz, commenting this week.

Subsidy tables are closely guarded by State organisations but an analysis of them this week by a financial institution showed a public servant can take out a R50 000 bond from a building society, take up the maximum subsidies offered and pay off the bond in only 63 months — at a total cost of only R24 110 to himself.

The same loan would cost about eight times as much — R187 680 — to a worker in private employment paying the normal minimum instalment over 20 years at current 18,25 percent rates, according to building society figures.

The public servant who pays off his house quickly can then move to a better house in a posher area by selling his bond-free property, which has probably more than doubled in value in six years, ploughing in his profit of about R90 000.

Government sources indicated this week that the Government was concerned about the mountain of money tied up in subsidised housing, according to one analyst.

Interest subsidies cost the State R262 million a year according to figures disclosed a year ago. These include payments on Post Office and SATS housing loans.

Housing subsidies paid to Cape provincial employees almost trebled in the past three years to R42 million, the Administrator, Mr Gene Louw, said this week.

A five-year limit to subsidies — similar to the limit on the Government subsidy for first-time home buyers — has been mooted.

But this would not solve the problem of the hundreds of thousands of public servants already enjoying subsidised housing.

"You don't mind assisting people to buy a home but you do object to helping them become speculators," said Mr Berkowitz.

"A big slice of the economy is tied up in subsidised housing. If some of that money could be diverted the Government could really reflate the economy with a house-building programme.

"These resources could be channelled into helping first-time buyers of all races. It would not be inflationary as very little imported materials would be involved, and there will be a spin-off into other industries such as furniture, paint, floor coverings and electrical appliances."

Critics say it is unfair that State employees — and that includes local government and university staff — should be able to draw additional subsidies, speed up their loan repayments and end up paying back less than the original loan.

But the Government claims

it scores by spending less on subsidies — in the case of the R50 000 loan it would spend R61 294 over 71 months instead of R138 120 over 20 years.

Building societies also benefit because they get the R50 000 back earlier and can lend it out again.

Critics also blame subsidy schemes for artificially boosting prices in the property boom three years ago.

But the depressed property market in the Western Cape would probably collapse if there were no subsidies. By far the majority of buyers have a State subsidy, either through their employment or because they are a first-time buyer and get a five-year subsidy on their interest payments.

Several leading building companies have now geared their operations to the requirements of the subsidised buyer.

This table shows the benefits of public service housing subsidies and voluntary additional repayments (which are also subsidised). The figures apply to public servants earning more than R1 524 a month (R18 288 a year)

LOAN OF R50 000 AT 18,25 PERCENT

Individual in the private sector without a subsidy

| | |
|--|----------|
| Normal monthly instalment over 20 years..... | R782 |
| Total repayment after 20 years | R187 680 |

Public servant entitled to subsidy

| | |
|----------------------------------|----------|
| Normal subsidy..... | R575,50 |
| Cost to employee | R206,50 |
| Total repayment by employer..... | R138 120 |
| By employee..... | R49 560 |

Normal instalment plus half of voluntary excess reduces term to 92 months

| | |
|--|------------|
| Normal instalment | R782 |
| Plus half max. voluntary instal..... | R232 |
| Total | R1014 |
| Subsidy | R575,50 |
| Plus half max. additional subsidy..... | R143,90 |
| Total monthly subsidy | R719,40 |
| Cost to employee | R249,60 |
| Total repayment..... | R93 288 |
| By employer | R66 184,80 |
| By employee | R27 103 |

Normal instalment plus 100 pc of voluntary excess reduces term to 63 months

| | |
|-------------------------------------|---------|
| Minimum instalment | R782 |
| Plus full voluntary instalment..... | R464 |
| Total | R1246 |
| Subsidy | R575,50 |
| Plus full additional subsidy | R287,80 |
| Total monthly subsidy | R863,30 |
| Cost to employee | R382,70 |
| Total repayment | R78 498 |
| By employer | R54 387 |
| By employee | R24 110 |

bomb explosion that occurred at a shopping centre in Amanzimtoti in December 1985; if so,

- (2) whether any persons attached to the University of Natal have been questioned in this regard; if so, (a) to which facilities are they attached and (b) how many have been questioned;

- (3) whether any persons attached to this university have been arrested in terms of section 29 of the Internal Security Act, No 74 of 1982; if so, (a) to which facilities are they attached and (b) how many persons have been so arrested?

The MINISTER OF LAW AND ORDER:

- (1) Yes, the police investigation is in progress.
- (2) Yes.
- (a) The Medical Faculty.
- (b) Three persons.
- (3) Yes.
- (a) The Medical Faculty.
- (b) Three persons.

HANS: 25/2/86
*3. Mr H K MOORCROFT asked the Minister of Law and Order:

Whether two persons from the Kwelera District of East London, whose names have been furnished to the South African Police for the purpose of the Minister's reply, were arrested in or about January 1986; if so, (a) what are their names, (b) for what offence or offences were they arrested and (c) what are their respective ages?

The MINISTER OF LAW AND ORDER:

No. According to police records no per-

sons by such names were arrested during or about January 1986 in the Kwelera District of East London.

- (a) to (c) Fall away.

HANS: 25/2/86
*4. Mrs H SUZMAN asked the Minister of Education and Development Aid:

- (1) Whether, with reference to the reply of the Minister of Co-operation, Development and Education to Question No 20 on 23 April 1985, the matter concerning the compensation offered to persons moved from Magogopa has been finalized; if not, (a) why not and (b) when is it anticipated that it will be finalized; if so, (i) when, (ii) what were the findings and (iii) what were the reasons for the dissatisfaction of these persons with the compensation offered to them;
- (2) whether his Department has taken any steps as a result; if not, why not; if so, what steps?

The DEPUTY MINISTER OF DEVELOPMENT:

- (1) No.
- (a) Compensation has been paid but persons are dissatisfied and have issued summons.
- (b) The matter is *sub judice*.
- (2) Falls away.

*5. Mrs H SUZMAN asked the Minister of Law and Order:

- (1) How many cases were referred in 1985 to the Board of Review in terms of the Internal Security Act, No 74 of 1982;
- (2) whether the Board recommended the withdrawal of any notices; if so, (a) how many and (b) with what result?

The MINISTER OF LAW AND ORDER:

- (1) 54.
- (2) No.
- (a) and (b) Fall away.

HANS: 25/2/86
*6. Mr D J N MALCOMESS asked the Minister of Public Works:

- (1) Whether the State has at any time granted housing concessions to public servants having first homes built; if so, what are the particulars of these concessions;
- (2) whether any public servants have at any time received these concessions in addition to subsidies on housing loans; if so, how many?

The MINISTER OF PUBLIC WORKS:

- (1) Yes.

The State contributes R100 for each R1 000 that a civil servant pays out of own funds in cash towards the redemption of the purchase price of a first dwelling which was purchased for personal occupation by him. The maximum amount that the State contributes in this manner is R500 per case. Civil servants that have already purchased building sites out of own funds for the erection of a first dwelling for personal occupation also come into consideration for the State contribution on the basis that the amount that has already been paid off on the building site is deemed to be a cash contribution made by the civil servant.

- (2) Yes, 699 for the period 1 January 1985 to 31 December 1985.

HANS: 25/2/86
*Members of Parliament sent overseas
*Mr D J N MALCOMESS asked the Minister of Foreign Affairs:

- (c) USA.
- (d) To

enable Members to acquaint themselves at first hand with developments in the USA of significance to South Africa.

Whether any members of Parliament were sent overseas by his Department in 1985; if so, (a) how many, (b) what are their names, (c) which countries did they visit in each case, (d) what was the purpose of each visit and (e) what was the total cost to the State, including the cost of air travel, of these visits?

The MINISTER OF FOREIGN AFFAIRS:

The Department of Foreign Affairs did not send Members of Parliament abroad because Members of Parliament do not permit themselves to be ordered about [interjections.] In view of *inter alia*, the disinvestment campaign pursued against South Africa in the USA in general and in the US House of Representatives and the Senate, the Department considered it advisable and in South Africa's interests to invite a limited number of Members of Parliament to visit the USA in order to

enable members to acquaint themselves at first hand with developments in the USA of significance to South Africa.

meet policy makers and opinion formers and

discuss matters concerning our bilateral interests with such persons.

- (a) 19.
- (b) Messrs A K A Abram-Mayet; S P Barnard; G S Bartlett; A Fourie; P A C Hendrickse; J H Heyns; Prof G Marais; Messrs S Pachai; B W B Page; J A Rabie; Dr J N Reddy; Messrs A Stanley; D M Streicher; G P D Terblanche; C Uys; C J van der Merwe; H E J van Rensburg; D W Watterson; L Wessels.

on the hose and do with it whatever he likes on a Sunday. [Interjections.]

HANS WILD 25/2/86
25. Mr P R CROGGERS asked the Minister of Education and Development Aid:

What was the cost of purchasing land for the purpose of consolidation as at the specified date for which figures are available?

†The DEPUTY MINISTER OF DEVELOPMENT:

R1 101 000 000 on 31 December 1985.

HANS WILD 25/2/86
26. Mr L F STOPBERG asked the Minister of Home Affairs:†

(1) What is the policy of the Government with regard to the reclassification of non-Whites as members of the White race group;

(2) (a) what total amount of Coloured persons, Indians and Blacks have been classified as members of the White race group in the latest specified period of 10 years for which figures are available and (b) what were the main reasons for this;

(3) whether he will make a statement on the matter?

The MINISTER OF HOME AFFAIRS:

(1) The directions regarding the classification of persons are contained in the Population Registration Act, 1950, and the hon member is especially referred to sections 1(2) and 5 of that Act.

(2) (a) The hon member is referred to the annual reports of the department concerned, that were published since 1972 and are available for perusal in the library of Parliament.

(b) The reclassifications are due to the correction in accordance with the Population Registration Act of incorrect classifications.

(3) No.

HANS WILD 25/2/86
27. Mr H SUZMAN asked the Minister of Law and Order:

(1) Whether, with reference to his reply to Question No 1 on 11 June 1985, the board convened in terms of Police Regulation 64(1)(b) has completed its investigation; if not, why not; if so, what were the findings;

(2) whether any action has been taken against a certain constable, whose name has been furnished to the South African Police for the purpose of the Minister's reply, as a result of the findings of the board; if not, why not; if so, (a) what action and (b) what is the name of this constable;

(3) whether he will make a statement on the matter?

†The MINISTER OF LAW AND ORDER:

(1) Yes, that the member is fit to remain in the Force.

(2) Yes.

(a) The Commissioner has decided to withhold the final ruling of the board for a period of twelve (12) months (that is until 19 June 1986) and has ordered that the member be seriously reprimanded by his Divisional Commissioner and that it will depend solely on himself whether he will remain in the Force any longer.

(b) Constable N B Harker.

(3) The Divisional Commissioner shall report three-monthly to the Commissioner on the member's conduct, pro-

ductivity and general fitness, with a final report as soon as possible after 19 June 1986, whereupon a final ruling will be made.

HANS WILD 25/2/86
28. Mr W L VAN DER MERWE asked the Minister of Constitutional Development and Planning:†

Whether resident of black towns in the Vaal Triangle area are in arrears with amounts that are payable to the State; if so, what total amount was so owing from 1 September 1983 until the latest specified date for which figures are available?

†The DEPUTY MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

No amounts payable to the State are in arrear as these monies are payable to the Black Local Authorities.

†Mr W L VAN DER MERWE: Mr Chairman, arising from the hon the Deputy Minister's reply, if any moneys are in arrears to the Black local authority, or if he knows the amounts, will it be recovered and from whom? [Interjections.]

†The DEPUTY MINISTER: Mr Chairman, it is an extremely complicated process to obtain the amounts from all the Black town councils. As far as I am aware when amounts are in arrears, which is usually the case, attempts are made to collect them from the persons owing them.

†Mr H D K VAN DER MERWE: Mr Chairman, arising further from the hon the Deputy Minister's reply, does the hon the Deputy Minister know whether in fact moneys are in arrears?

†The DEPUTY MINISTER: Mr Chairman, moneys are always in arrears; in all residential areas that is so, but attempts are made to collect these moneys.

HANS WILD 25/2/86
29. Mr L F STOPBERG asked the Minister of Constitutional Development and Planning:†

(1) Whether residents of Black towns in which riots occurred in the past year, are in arrears with amounts payable to the State in respect of (a) rent and (b) municipal services; if so,

(2) (a) what is the total amount owing in each case in respect of the latest specified period of 12 months for which figures are available and (b) in what way has this loss of revenue been financed in the meantime in each case;

(3) whether any steps are being taken to recover the moneys in arrears from the people concerned; if so, (a) what steps, (b) by whom and (c) with what result?

†The DEPUTY MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

(1) (a) and (b) No amounts payable to the State in respect of rent and municipal services are in arrears as these moneys are payable to the Black local authorities/development boards. The hon member is, however, at liberty to approach the Black local authorities/development boards concerned directly for information.

(2) (a) and (b) Fall away.

(3) (a), (b) and (c) Black local authorities/development boards act in their own right without my or my Department's intervention and the information can therefore not be furnished.

†Mr S P BARNARD: Mr Chairman, arising out of the hon the Deputy Minister's reply, I would like to ask him whether the subsidising is done by the local authority or by the Government? I am now referring to subsidies which are necessary for reconstruction and alterations and for providing continued services in those areas.

†The DEPUTY MINISTER: I do not think that subsidising has anything to do with the payment of overdue moneys. [Interjections.] Provision is, however, made in our budget for, amongst other things, the development boards and extension work which must be done.

†Mr J H HOON: Mr Chairman, further arising out of the hon the Deputy Minister's reply I would like to ask him whether somebody who fails to pay these moneys, will have his water and lights cut off or his services suspended?

†The DEPUTY MINISTER: Actually, it is logical that this must be done, but upon inquiry it appeared that the systems of water supply of many of these Black residential areas are so complicated that one cannot simply cut off one house's water, but that a whole block in that residential area has its water cut off. The same goes for electricity. However, normally it has to be done. [Interjections.]

†Mr H D K VAN DER MERWE: Mr Chairman, further arising out of the hon the Deputy Minister's reply I would like to ask whether the same rule that he mentioned in connection with Black people, also applies to Whites?

†The DEPUTY MINISTER: It is a fact that the White residential areas are better developed as far as this is concerned, and therefore we do not have so many problems with water and electricity supply and this can be done more easily. This is only more proof of the backlog in Black residential areas compared to White residential areas.

†Mr W V RAW asked the Minister of Transport Affairs:

- Senior official visits 25/2/86
- Q COL 187
- (1) Whether a certain senior official of the South African Transport Services has been paying official visits to neighbouring states; if so, (a) what (i) is the (aa) name and (bb) rank of this person and (ii) was the purpose of these visits and (b)(i) on what dates were these visits paid and (ii) what

countries were so visited over the past two years;

(2) whether, as a result of negotiations conducted by the said senior official, any agreements with other countries have been entered into on behalf of the South African Transport Services; if so, what agreements;

(3) whether any negotiations in this regard were conducted at Ministerial level; if not, why not;

(4) whether he will make a statement on the matter?

†The MINISTER OF NATIONAL EDUCATION (for the Minister of Transport Affairs):

(1) Yes.

(a) (i) Mr J P Radyn.

(bb) Assistant General Manager (Operating).

(ii) To discuss transport matters of mutual interest.

(b) (i) 18 April 1984.

13 August 1984.

6 to 9 October 1984.

6 to 9 December 1984.

20 to 22 January 1985.

11 February 1985.

11 March 1985.

1 April 1985.

9 to 12 June 1985.

17 to 18 June 1985.

12 August 1985.

8 to 10 September 1985.

18 November 1985.

23 to 26 November 1985.

(ii) Zambia, Malawi, Zimbabwe, Mozambique and Swaziland.

(2) No.

(3) No, because these negotiations are conducted on managerial level.

(4) No.

Mr W V RAW: Mr Chairman, arising out of the hon the Minister's reply, I should like to know whether the hon the Minister of Foreign Affairs could perhaps say that he is satisfied that these negotiations should be conducted on a departmental level rather than through the Department of Foreign Affairs?

The CHAIRMAN OF THE HOUSE: Order! Is the hon member directing the question to the hon the Minister of Foreign Affairs?

Mr W V RAW: Well, Mr Chairman, since the hon the Minister is not here, perhaps his hon benchmate could help.

The MINISTER: Mr Chairman, I think the hon member should rather Table that question or have a private discussion either with my hon colleague on whose behalf I am replying or with the hon the Minister of Foreign Affairs.

Gymnasium: established/expanded

*31. Mr W V RAW asked the Minister of Transport Affairs:

(1) Whether a gymnasium has been (a) established or (b) expanded at the head office of the South African Transport Services in Pretoria; if so, (i) when, (ii) at what cost, (iii) for what purpose and (iv) what (aa) equipment and (bb) facilities are available there;

(2) whether staff members of all grades have access to this gymnasium; if not, (a) why not and (b) what (i) categories of, and (ii) how many, staff members have access to it?

The MINISTER OF NATIONAL EDUCATION (for the Minister of Transport Affairs):

(1) (a) No. However, such a gymnasium was established at the Johannesburg head office of the South African Transport Services. Replies given to further parts of the question relate to this gymnasium.

(b) No.

(i) November 1984.

(ii) R23 525.

(iii) To promote the cardiovascular fitness of management and top senior officers.

(iv) (aa) Five ergometers.

One treadmill.

Two exercise benches.

Two total gyms.

(bb) A large room, showers and changing cubicles.

(2) No.

(a) Limited space.

(b) (i) Only management and senior officers to deputy director level.

(ii) 175.

Catering 25/2/86

*32. Mr W V RAW asked the Minister of Transport Affairs:

(1) Whether the organisation responsible for catering on the South African Airways has advised the South African Transport Services that it intends to discontinue this service; if so, with effect from what date;

(2) whether this organisation is contractually bound for a certain period; if so, for what period;

(3) whether it intends to complete this period; if not,

(4) whether the contract with this organisation contains a penalty clause; if so, what is the purport of this clause;

(5) whether alternative catering arrangements have been or are to be made; if so, what arrangements?

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~~557~~

STAR

26/2/86

The Star Wednesday February 26 1986

23

By Sue Leeman,
Pretoria Bureau

Urbanise blacks, says HSRC report

areas occurring during the women's teens.

Urbanisation and "modernisation" of South African blacks is needed to keep down population growth and reduce poverty, says a report by the Institute for Sociological and Demographic Research (Isodem) of the Human Sciences Research Council.

An inflexible policy of influx control is therefore unrealistic in view of the high level of population growth — and impoverishment — it would promote, the report says.

The purpose of the investigation was to determine the implications of certain black urbanisation policies for population growth.

Researchers found that, initially, the removal of influx control and other hindrances to black migration might cause a high rate of black urbanisation — but that such a step was likely to lead to more manageable population levels than if influx control were maintained.

According to Isodem's division for demographic research, there has been a substantial decline in the size of black families in the "white areas"

(where up to 40 percent of the women practise family planning) to an average of four children per family.

In the black states the estimated average number of children in a family is between six and seven, with only about 16 percent of the women using contraception.

The researchers found that black reproduction usually began at an early age with 55 percent of all first births among black women in "white"

In addition, cultural values of fertility and low standards of living — 75 percent of South African blacks live in Third World conditions — often increased fertility levels.

However, the researchers said, "if the majority of South African blacks were to become urbanised and thus forced by the demands of modern metropolitan life to abandon their traditional fertility behaviour, and if an effective and dynamic family planning programme were introduced countrywide, the black population growth rate would be reduced drastically".

STAR 26/2/86

Squatting relieves homes crisis ¹²³ study

Pretoria Bureau

Non-formal housing — including squatting — would have to be allowed by the authorities to relieve the urban housing shortage, a population redistribution study has found.

The HSRC's Institute of Sociological and Demographic Research (Isodem) researchers found that migrants still expected to be better off in the cities and would continue to head for those areas.

They found that formal housing would not provide the only solution to the accommodation problem. "Non-formal housing,

such as squatting, will inevitably have to be permitted to relieve the housing shortage," the study said.

And in commerce, informal businesses had to be allowed to develop because formal job creation would not be able to satisfy the growing need for employment.

The researchers said the relative attraction of the large cities as migration destinations and industrial growth points should be reduced by developing medium-size cities and towns.

However, the authorities should concentrate on fewer

growth points. The Government's policy of decentralisation conflicted with its growth-point policy because State aid needed for growth points was being channelled to too many places at the same time.

The researchers said that if that pattern continued there was little hope for the successful development of rural areas. Also, no attempts to slow down the rate of urbanisation could succeed if adequate opportunities were not created in the rural areas.

The study made it clear that South Africa did not have the capacity to develop more than

two growth points every five years. In spite of that, the number of growth points increased from 31 in 1971 to 59 in 1982.

By combining rural and growth point development, national aims such as decreasing regional differences in per capita income, improving access to production factors such as land, labour and possibly even the relief of existing migration pressure on large cities, could be realised. "To achieve this, the growth points should be developed in such a way that they can become complete alternative mini-metropolises," the study said.

COUNCIL

Row over ^{S.T.A.R.} 'racist' fees ^{26/2/86} ⁽²³⁾ for halls

Johannesburg management committee chairman Mr Francois Oberholzer has rejected criticism that the city council is "racist" in charging more for hiring out halls for political meetings in Indian areas than in white suburbs.

Mr Oberholzer told the council last night the Indian management committee had approved of the tariffs for halls hired out in Lenasia.

He was replying to a question from the PFP leader in the council, Mr Sam Moss. Mr Moss quoted a letter from the Transvaal Indian Congress which claimed it was more expensive to hire halls in Lenasia for political meetings than it was in white areas.

Mr Moss said if it was true charges were different, then the council should act to end the discrimination.

In an open letter to the council, the TIC said it believed the council and officials had a "secret, unwritten policy on the hiring of halls to extra-parliamentary organisations opposed to apartheid like the TIC and the UDF".

The TIC referred to an incident in June 1985 when it was refused council permission for use of the main hall at the Lenasia Civic Centre.

R11,6-m (123)
STAR
housing plan
26/2/86
for coloureds

Council is to ban boreholes in Lenasia

STAR 26/2/86
By Colleen Ryan

A major coloured housing project valued at R11,6 million is to be developed in Nancefield and Eldorado Park.

The project will involve at least 390 stands and Government land made available to the Johannesburg City Council.

The council is to apply for a loan from the House of Representatives for the scheme.

The director general in charge of housing for the House of Representatives has offered the land providing the council assists with the relocation of families in the Klipriviersoog area, according to a council report.

Johannesburg's housing director, Mr Thys Wilsnach, said higher income earners would be housed in the new economic development and poorer families in the Klipriviersoog area would be moved into vacated sub-economic homes.

The redevelopment of Klipriviersoog will provide 600 homes.

The Johannesburg City Council will prevent sinkholes developing in dolomite land in Lenasia by filling up all boreholes in the area and banning any further excavation.

A city engineer's department report has warned that unrestricted use of ground water in dolomitic areas could lower the water table and lead to sinkholes, and resultant destruction of property and possible loss of life.

The council accepted the report and agreed at last night's meeting to spend R100 000 closing up boreholes. It will also cancel all borehole rights in Lenasia.

The report said: "It is necessary that legal boreholes be dismantled and sealed up." And it recommended that owners of boreholes sunk with council permission be compensated for their equipment.

The report said: "The council should furthermore undertake sealing of the boreholes by filling them with cement grout throughout their length to prevent them being used again and also to ensure that they do not become pathways for surface water to migrate to the groundwater."

The council also decided that all illegal boreholes be filled up, but at the expense of the owners. "The planning department has details of about 60 illegal boreholes and the detection of illegal boreholes is an ongoing matter," the report said.

123
BUS DAY 26/2/86
**Aid given
in rent
collection**

GOVERNMENT was giving black local authorities all possible assistance in collecting rent arrears, Deputy Minister of Constitutional Development and Planning Piet Badenhorst said yesterday in the House of Assembly.

He said he did not know if it was necessary to give precise figures on the amount of the arrears.

Some blacks who wanted to pay were subject to intimidation.

The government was engaged in a stabilisation programme to bring order to townships.

Government was busy with an investigation into the future of development boards. There was little doubt that they would be phased out.

When regional services councils came into being, the skills of development board personnel would find a home, he said. — Sapa.

CP oppose R49-m to
improve townships

8/12/26/2/1965 (123)
PARLIAMENT — Increased rents in black townships would cause immediate rioting and disorder and still not bring in the revenue needed for improving their infrastructure. M. Pietie Badenhorst, Deputy Minister of Constitutional Development and Planning, said yesterday.

Replying to questions from CP members in the committee stage of the Additional Appropriation Bill, he said the R49 million budgeted for had nothing to do with arrears rents.

The money was allocated to development boards for the improvement of black townships' infrastructure and as bridging finance to be repaid.

This was necessary because past rents and services had been provided at uneconomical prices.

Rents were collected by community and city councils and had nothing to do with development costs.

Mr Jan Hoon (CP, Kuruman) asked if the additional amount needed for development would be reduced if arrears rent was collected.

Mr Badenhorst replied that collected arrears rents would help with but not cover development costs.

The vote was put with the CP opposing; all the other parties in the House. Noting there were less than 15 CP members present, the Chairman of Committees, Dr Helgard van Rensburg, declared the vote approved. — Sapa.

Bus Day supp

(123)

The dome: strong and easy to build

Geodesic: the shortest distance between two points on a curved surface; triangular and pentagonal and hexagonal shapes

Supplement to Business Day — Thursday, February 27, 1986

LIVING under a dome is nothing new to mankind. It has been done for thousands of years.

Zulus use beehive huts which can hold up to 50 people for an indaba. The hut has a hole at the top and provides an airy haven from the searing African heat.

At the other extreme is the Eskimo, who lives in an igloo made from ice blocks.

Bearing this in mind, geodesic domes have a lot going for them. They offer a complete, versatile space enclosure system and are used extensively abroad. From residential to office complexes, from warehouses to storage facilities, these structures meet SA building requirements. Locals, however, have still to get used to the novelty.

Peter Jennings, MD of Space Construction, describes a new project going up in Soweto for the Alliance Francaise. "It comprises three geodesic domes in aluminium which will not burn. And because of its construction — without beams or columns — it provides the largest possible clear space for lectures.

cool in summer or heat in winter.

The preformed triangles make it very strong. A load applied at any point is spread over a large area. Because of this, lighter materials, when assembled in the form of a dome, can support amazing loads.

The concept is growing in popularity. It has proved its adaptability to all climates and cost-effectiveness is a big plus.

Ideal shape

"It is basically simple and can be erected quickly by unskilled workers. Because of its lightness, a whole large dome can be transported by truck or even delivered by air.

"Erecting a dome with a modular floor needs no bricks, cement, sand, timber or water; 100 m² of covered floor area can be provided by four people in a day."

Fundamentally, geodesics are an excellent solution to the need for attractive, strong, energy-efficient structures for hot or cold weather.

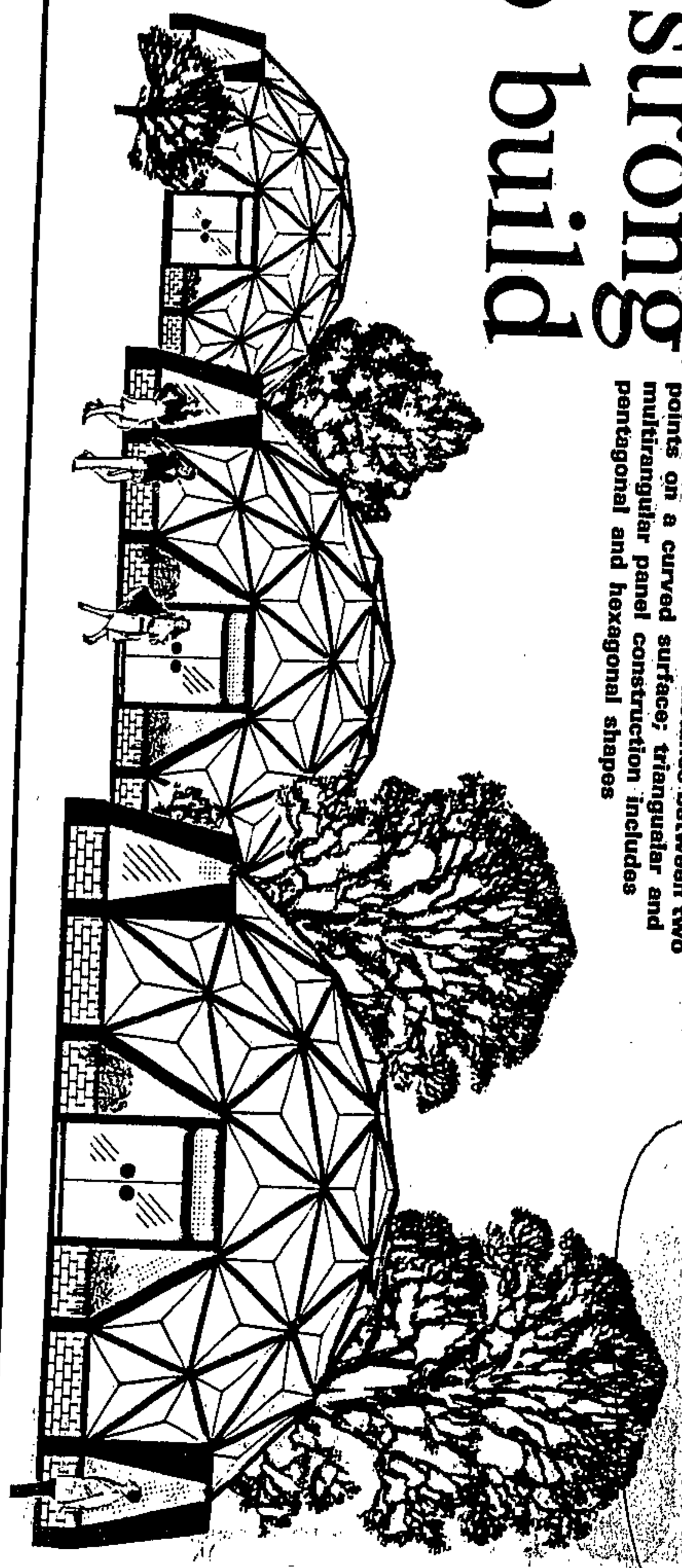
The dome is the ideal shape for temperature control, lighting and sound, and it provides a low-cost, low-upkeep controlled environment.

Its beauty and symmetry are appealing. These forms accent the fact that convexly-curved surfaces are stronger than flat ones, that most materials are stronger in tension than in compression; that pre-stressing members by forming them in a curve adds strength; and that a hemisphere encloses more space with less material than any other shape.

Conserves heat

The triangle is the only inherently rigid structural configuration. Used in combination they make the geodesic dome possibly the strongest, lightest, most efficient building system devised.

Because the least possible surface is exposed to the weather, the dome conserves heat better than any other shape. Its shape also encourages natural air circulation, making the dome easy to



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A REASSESSMENT of the standards for low-cost housing resulting from the urgent need for much more housing which is acceptable to, and can be afforded by, the low-income sector of the population, has led to the establishment by the Agreement Board of "Mantag" — a new concept in the evaluation and certification of innovative building systems.

Mantags are intended to apply only to buildings erected in certain designated areas set aside by a local community for low-income housing and where the concept of controlled site-and-services, roof schemes, core housing, self-help housing and

New evaluation concept

do-it-yourself are involved.

As is the case with Agreement certification, it remains the prerogative of the building authority under whose jurisdiction the proclaimed area falls to decide whether or not to demand compliance with Mantags when approving the use of innovative building methods.

Where an innovation covered by a Mantag is to be used in self-help situations, or in a situation where components of the system are sold to individuals or local builders for erection in designated

areas, the certificate holder must be able to exercise the degree of control necessary to ensure correct assembly and construction.

Mantag (Minimum Agreement Norms and Technical Advisory Guide) consists of three parts:

- The Man (Minimum Agreement Norms), which indicates that the building method is suitable for the construction of houses providing at least the minimum performance levels essential for safety and health;
- The Tag (Technical Ad-

visory Guide), which contains comments on those aspects of performance which, while not considered essential to health and safety, would be of interest and of use to authorities or prospective users of the method; and

- The technical specification, which would describe the method of construction covered by the Mantag.

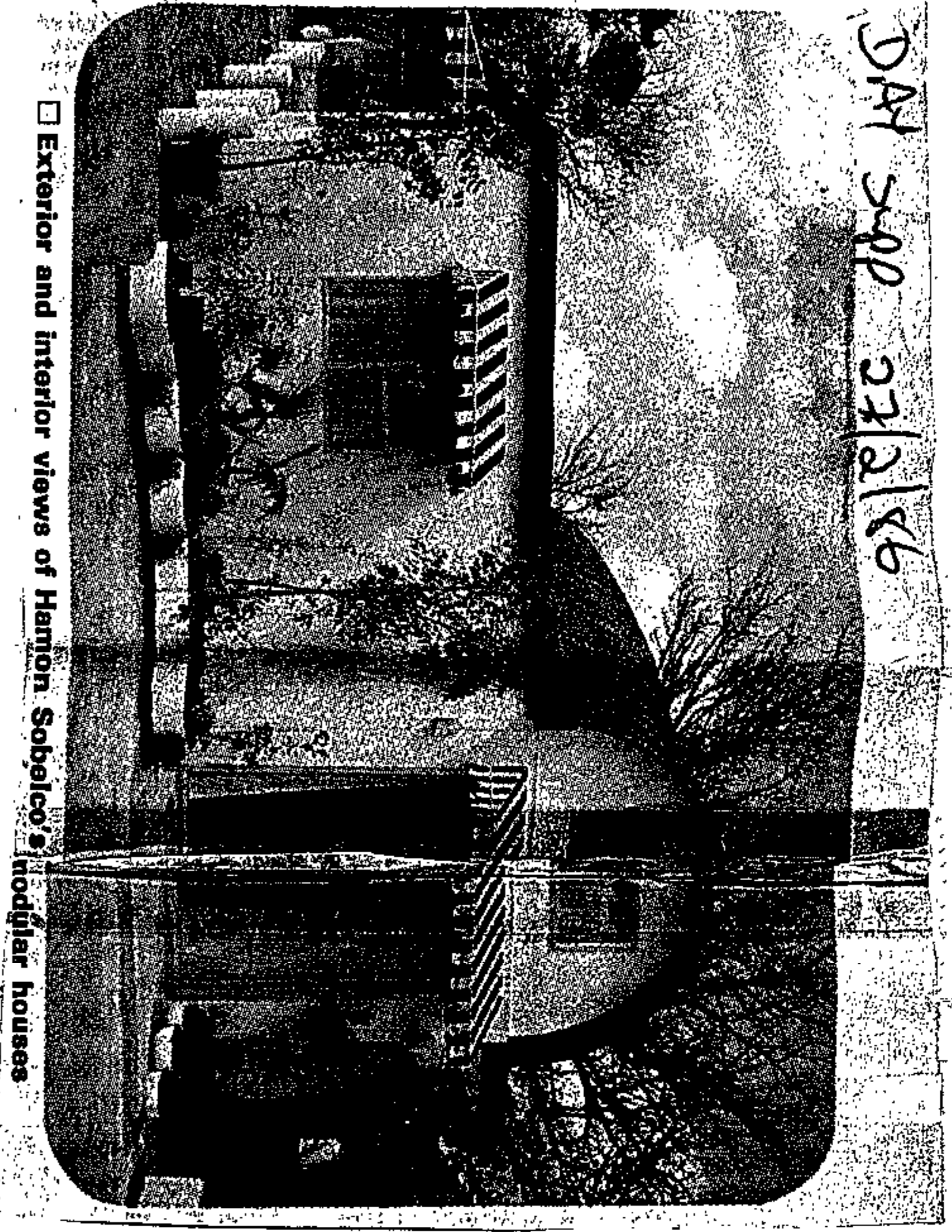
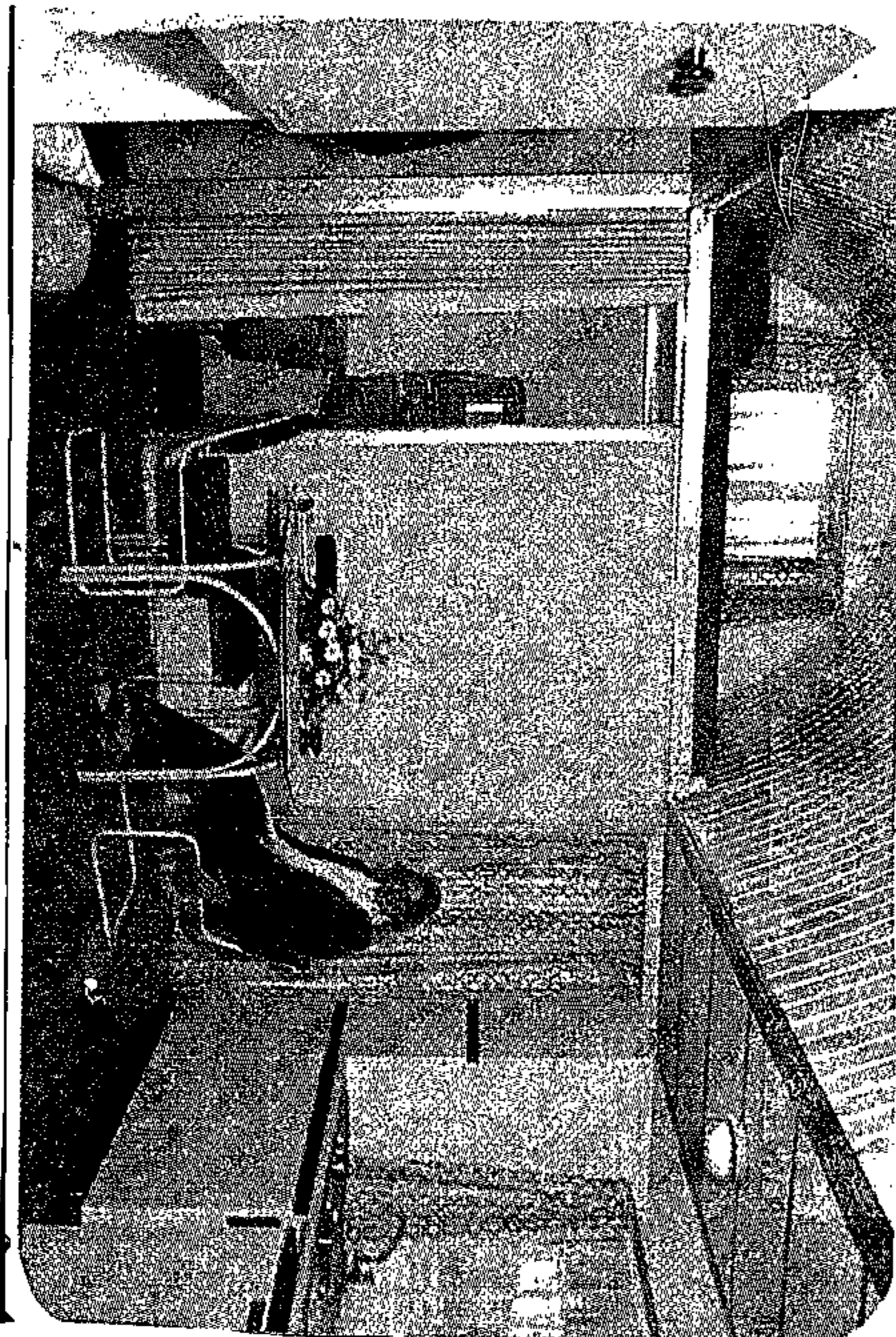
The nature and scope of the criteria to be used by the board for Mantag evaluations are set out in its Booklet No 2 (July 1985), Minimum Agreement Norms and Technical

Advisory Guide.

Agreement certificates for unconventional building methods have been accorded "deemed to satisfy" status in the National Building Regulations. This means approval for the use of Agreement certified building systems cannot be refused by local authorities unless the building to be erected is considered aesthetically unacceptable.

However, critics of the system say this point is being used by building inspectors to "hassle" builders when other red tape

123
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Exterior and interior views of Hampton Sobajco's modular houses

It's a rocky road to complete acceptance

WITH the desperate shortage of housing, an industrialised system which offers high quality and good looks at a cost-effective price should be welcomed with open arms.

But, according to Roy Komlosy, marketing manager for the modular building systems division of Hamon-Sobelco, the road to launch this high-quality range of products in SA has indeed been a rocky one.

"Everywhere we have demonstrated and exhibited our building system the public have been more than enthusiastic, recognising that we can supply a high-quality, extremely flexible, aesthetically-pleasing housing unit that need not look like any other, and at a very reasonable price," he said.

Reaction

However, enthusiasm and public demand are only one side of the coin. When one begins to sell the product, the problems begin, he said.

The Hamon-Sobelco system was developed in Europe by an Italian architect and launched in SA in August 1984. Initial market reaction response was excellent and, in January 1985, the company decided to establish the product on the local market. Its task was, among other things, to investigate local sources of supply to manufacture the house locally.

Since then the company has developed the necessary systems and suppliers who now offer the housing units with 100% local content.

Feedback from the Cape and Natal has been extremely encouraging with excellent response from the general public and property owners along the coast, said Komlosy.

But within a short time of embarking on a marketing project, Hamon-Sobelco ran into problems with legislation and local authorities, and found it isn't so easy to offer the public a single-bedroomed dwelling.

"We found we had to make sure our design and construction conform to

the relevant SABS specifications, and thereby conform overall to the national building regulations now in force."

Hamon-Sobelco's experience has been that the authorities measure industrialised building systems by the same standards as for conventional dwellings, using the same test parameters. The chances are that many industrialised building units will fail because the regulations have been written around conventional building standards.

According to Komlosy, industrialised building systems are supposed to be cheaper than conventional building methods but, if they have to conform with conventional building regulations, the price advantage starts to disappear.

The Hamon-Sobelco system does conform with the national building regulations and meets the various SABS requirements relating to fire rating, wind loading, impact tests and rain penetration specifications, among others, he said.

Plain sailing

Having received five positive test certificates from the SABS, he hoped all would be plain sailing. Again, this proved not to be the case. Each and every municipality has to be approached with complete plans and details as would be required if one were building a conventional dwelling.

"We feel municipalities still have a bricks-and-mortar mentality. They are reluctant to allow the construction of industrial building systems and, although we provide full plans and details to meet their requirements, our developments and individual housing units are often not accepted."

Asked why he thinks municipalities have such a negative attitude to industrialised building systems, he offered the following explanation:

"Firstly, the perception of industrial building systems is that of prefabs constructed shortly after World War II to meet Europe's crucial housing

shortage. They seem to think this encourages slum areas, lowers property values and detracts from the image a particular municipality is trying to present.

"Another negative perception is that these systems are inferior to conventional dwellings. This is simply not the case, as our systems are designed with a life of at least 25 years and, if one looks at Europe and the US in particular, one sees that the prefabricated houses are widely used, still standing and accommodating families even after 40 years' use."

Spacious

The company feels its system is pleasing in appearance. Its domed roof concept gives a feeling of spaciousness. The modular concept allows complete flexibility in design, which means that no two dwellings have to look the same. Additions to the basic unit can be made when funds permit.

Units are installed on a concrete base as a permanent dwelling, or can be erected with a suspended floor and used as demountable accommodation.

Another major advantage is the do-it-yourself possibility, allowing the handyman to erect his own dwelling, thus saving the costs of builders.

The high-tech design and the use of modern materials means that erection is extremely fast, usually within two weeks of delivery to site.

The dwelling is practically maintenance-free and does not require multiple tradesmen to erect. When in full production, the Hamon-Sobelco house will be pre-wired and pre-plumbed to factory specifications, thereby eliminating on-site problems.

Despite these advantages, the building societies have yet to agree to advance bond finance on the houses.

Komlosy said that in spite of all the difficulties, Hamon-Sobelco remains committed to a long-term policy of participation in the housing market.

27/2/86

Blame building inspectors — MD

TRICON is a fast building system introduced here a year ago by Demcon Building, whose MD, Andy Demos, shakes his head sorrowfully when discussion arises on the horrific shortage of cheap housing.

"Peri-urban has 66 committees, each one well-versed in giving cost-effective builders the run-around. Building inspectors (often one-time builders) now importantly control their own little empires and interpret the law their own way. Sheltered employment — it is great. And if I ever find two aesthetic committees that can agree on anything, I will faint from shock.

"Red tape and bureaucracy are costing me a fortune and have lost me my foreign backing," he claims.

Tricon was brought out from the UK originally and was adapted to African conditions in Zimbabwe. It is widely used in Europe and the rest of Africa, says Demos. It is a pre-cast system of panels with bolts and clamps to secure the panels, which can be thickened for insulation.

The price of the unit was extremely cheap until a building inspectorate aesthetics department wanted a hip-type

joint instead of a plain gable, he says. That put the price up by R2 000.

"They don't do their homework," he complains. "They hassle you and one can't answer back; no-one willingly starts a vendetta going when in business.

"I have had a consultant's report done for R4 000, but no-one looks at it.

"I put in an application in March, and telephoned to remind the authorities to get on with it. In May I went to the offices in Pretoria; they had lost it. When running a business at R750 a day, how can one afford this? So I put in another application in May which they had lost by August."

Third time round he was told to go ahead, he says, but then building inspectors stopped him.

"That building has still not been passed. There is nothing wrong with it. Government must instruct the lower echelons more carefully.

"My foreign finance was withdrawn because they can get a quicker return on their money elsewhere; they got tired of the hassles. That was when I lost R75 000 worth of work on the East Rand.

"Tricon can get a house up in a week, ready to move in to, at a cost of R230/m². Why am I held back by officialdom?"

7/8/86

MAKING inroads into the black, coloured and Asian housing market is the United Building Society's Development Corporation. Since its inception in 1979, it has built more than 6 000 units in all markets - approximately 900 are in black areas.

The Development Corporation believes there is a large demand for quality, individually-constructed homes.

"We develop according to the needs of a particular area," says GM Piet Kruger, "and demand for quality housing in this sector of the market is high."

An example is the United's flagship development in the Cape: Bernadino Heights. A R70m invest-

Quality is keynote

ment over 10 years, it is an upmarket housing development for the coloured community.

With 148 units already completed out of an eventual 1 000, the project caters for the professional person who wants to buy a home that is individually designed and that ranges in price from R45 000 to R60 000.

Exclusivity of the area and its consequent guarantee of capital appreciation of the housing investment is a major cause of concern for prospective buyers.

"As we are operating

under a guarantee from the authorities regarding future developments in the area, we are able to reassure our clients that the area will not deteriorate - and neither will their investment," says Kruger.

The United Development Corporation is currently involved in projects countrywide.

"We are developing in Wellington in the Cape; in Mamelodi we have completed a development of 30 houses and will be developing a further 200; in Kagiso (near Krugersdorp) we have 152 stands,

of which we have already developed 32."

Asked whether there is any differentiation between the criteria applied to different groups in the granting of loans, Kruger said: "The criteria remain the same. In the case of our black clients, they must comply with the requirements for the 99-year leasehold, as well as with the normal building society requirements."

One of the problems encountered in the development of black areas is the availability of proclaimed serviced stands for development.

MORE than 50% of all home loans granted to black families by financial institutions are financed by the United Building Society. This share of the market represents more than R200m, spread across more than 9 000 black families.

About 2 500 loans have been granted since April 1984, totalling R76m; 90% of these loans were for new homes.

The United is also active in self-help housing. At Kattlehong on the East Rand 730 loans totalling R7,5m have already been granted and the society is committed to finance a further 300 prospective clients.

United has lead in black market

In the case of the coloured community, more than 12 000 home loans have been granted by the United to date, amounting to around R300m.

In the Durban area, the United has granted more than 7 500 loans to Indian families, representing an investment of more than R225m.

"We will continue to al-

locate resources to these areas. We have never refused a home loan to a black person because of a lack of funds, and we will continue to ensure that there are always funds available for this purpose," said chief executive Piet Badenhorst.

The society has branch offices in Sebokeng, Jabulani, Umlazi, Kwa Mashu and Dube.

Perm looks to Third World

IN VIEWING the contribution building societies make towards solving the housing problem, I would like to outline two very important factors:

□ The management of building societies are charged with the responsibility of balancing the interests of the suppliers of funds with those of the users of funds. They do not have free access to a bottomless pit of cheap funds. The funds available must be invested very securely.

□ They operate within the bounds of the Building Societies Act and are closely regulated as to what they can and cannot do.

Having stated these parameters, I would like to set out the Perm's approach towards solving the housing problem.

One of the Perm's stated objectives is to provide a stable flow of funds for housing finance to the full spectrum of South Africans. In other words, not only in the high-value market, and ensuring that the focus is on housing finance.

The Perm has made a realistic assessment of SA in the latter part of the Eighties and into the Nineties. There is little likelihood that an organisation which ignores the Third World component of our society and concentrates exclusively on the First World element will make any major contribution to the socio-economic issues confronting us. The specific issues in meeting the housing challenge relate to standards and affordability.

First World housing standards are not appropriate in solving the housing problem. The Perm has adopted a principle of setting its qualifying housing standard as such that any reasonable person would have an interest in preserving the structure in question. In short, the house would have foundations, solid walls, a well-constructed roof, proper sewerage and access to water.

To secure the interests of the suppliers of funds and comply with the regulatory obligations imposed by the Act, the property in question, apart from meeting the above standards, must be urban property registered in a Deeds Registry.

The ability to pay is reasonably assessed by the Perm. Different circumstances are taken into account - there is not one inviolate rule regardless of circumstances.

Evidence of implementation of Perm policy is plentiful; for example:

The Perm's finance, accounting and technical GM, JF VAN HONSCHOOTEN, looks at the contribution building societies make towards the housing problem



□ The newly-approved Standard Building Regulations for all areas in the Republic, have been adopted as the Perm's standard requirements.

□ The Perm is doing all in its power to put roofs over peoples' heads. Some of the ways this is being done are:

- making home loans available to residents in non-independent states in areas close to major urban centres;
- establishing ties and financially assisting various associations of black builders;
- pioneering of granting loans to black women despite the limitations placed on their legal capacity;
- funding self-help and core housing projects;
- retaining close ties with established developers who are providing much-needed housing in both black and white areas; and
- providing affordable black and white housing through the Perm Development Corporation.

□ Accepting innovative new construction methods appropriate to their particular areas. This embraces wattle and daub construction, prefabricated construction, blast concrete methods, and others;

□ Promoting affordable housing concepts by way of providing appropriate plans to prospective homeowners.

Thus, within the constraints of balancing the interests of suppliers of funds with those of users of funds and the close statutory regulations, the Perm has clearly focused on SA of the Nineties.

It has fully recognised that the housing problem cannot be solved along traditional First World lines. New and innovative approaches are being implemented.

Help build a secure South Africa

Black home ownership is a vital ingredient of our country's future stability. There is a pressing need to create a stable, permanently housed Black society which has a financial stake in South Africa.

Time Housing is at work building a more secure South Africa by working closely with individual home owners and with responsible, far sighted companies who share our philosophy.

We have the experience and the expertise to carry a building scheme right through from red tape, financing, construction and handover.

Join us in our quest.

TIME HOUSING



To:
Time Housing (Pty) Ltd.
PO Box 726
BERGVLEI 2012
Tel: (011) 786 0604

For the personal attention of the Managing Director.

Yes, I would like to know more about how Time can help in providing housing for my staff.

NAME

DESIGNATION

COMPANY

ADDRESS

..... TEL NO.

Can hooligans kick walls in?

27/2/86.
WHEN using cost-effective building systems in black townships, owners have to cope with problems that do not occur to whites — such as: are the walls thick enough not to be kicked in by hooligans, and fire resistant enough not to be razed to the ground?

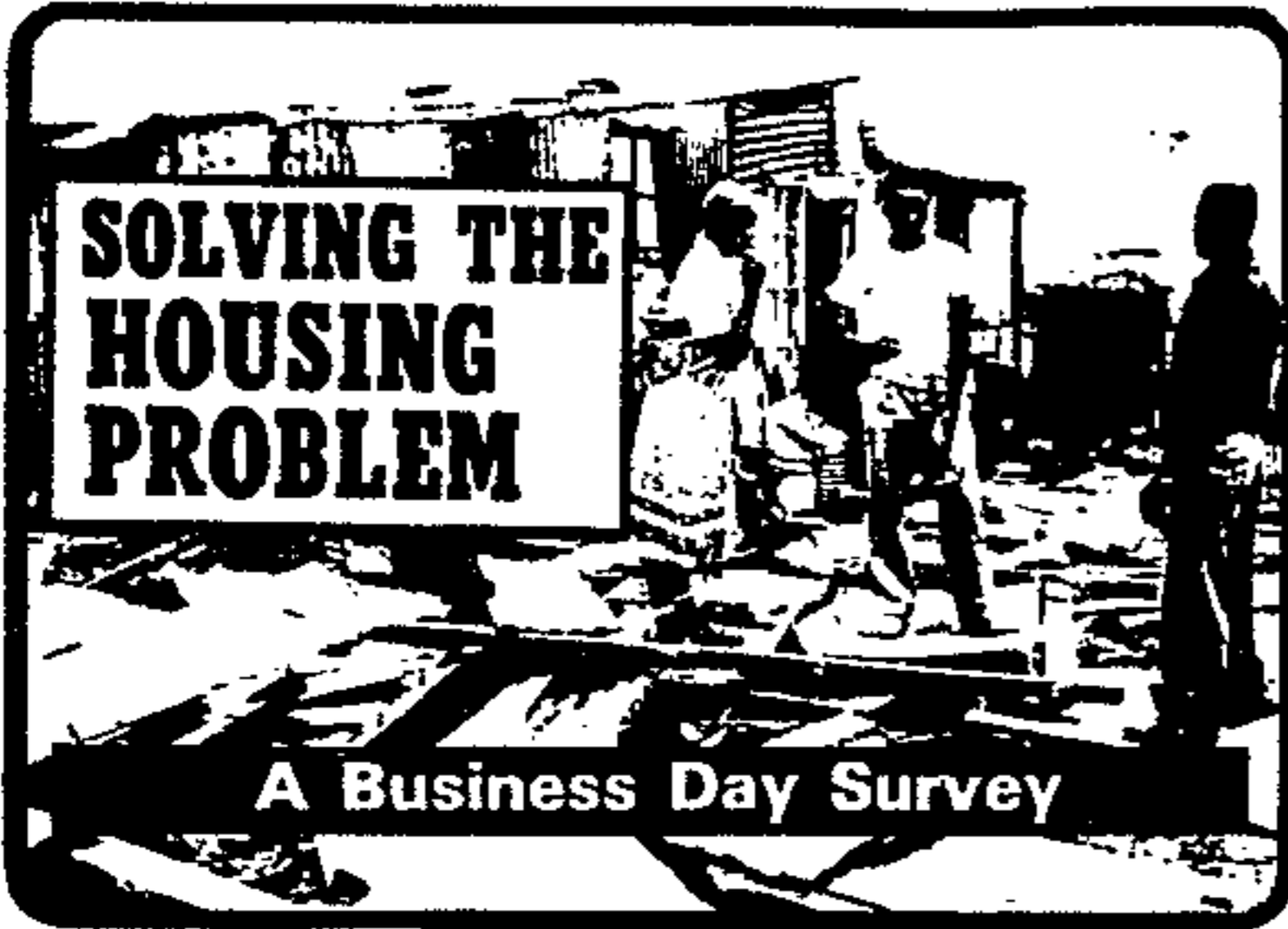
"Lightweight structures do present a problem in places such as Soweto," agrees Frank Carter, marketing manager of Murray & Roberts subsidiary Ribco, specialists in industrial building systems.

Two main building systems have been developed while a third — ribhouse — is an adaption of these for better quality houses.

□ The ribframe system is for application to single-storeyed and multi-storeyed structures where large open areas are required, eg schools, dormitories, hospital wards, offices, factories, etc. It is a framed concrete structural system in which columns are usually cast *in situ* and all other elements including external and internal walls, beams, slabs, stair units and sills are precast.

□ The ribwall system is a loadbearing crosswall structural system and is applied in the construction of flats, apartments, hotels, hostels and the like. Again, all elements, including the external walls, are precast.

□ The ribhouse system is designed for the construction of single-storeyed buildings of all shapes and sizes. Originally developed for high standard detached homes, it is a loadbearing external wall system with all elements being precast.



Edited by Matthew White

Deregulation will help solve low-cost housing

UNLESS deregulation, societies and other financial institutions, could cope with the demand for home ownership provided the bureaucratic procedures that delay and frustrate housing development could be simplified.

"I feel home ownership for the middle income groups would become a reality and that the private sector, with building

The private sector has an important and growing role to play in solving the problem, he says, and his company is already committed to developing affordable homes for black, coloured and Asian communities.

Private sector developers are providing homes for sale to these communities and their role is to: Establish the needs and affordability of people within the community, select suitable locations for the homes and strive for the co-operation of the local and central government authority.

Provide serviced stands within an economic township design with the bulk services and in-



LTA's Goodey: urges one-stop service

rastructure provided eventually by government;

In conjunction with the community leaders, design homes based upon homeowners' needs and affordability; and Provide the necessary capital resources to undertake the construction of the housing units and provide guaranteed home loans for the homeowner.

"It is important the developer provides a 'one stop' service enabling the homeowner to be guided through loan application

procedures and the myriad controls and red tape set up by bureaucracy," says Goodey.

"LTA Building Projects believes local business-people should identify with the development of housing projects within their community.

"With this in mind LTA, with development partner Comlat, has entered into joint development housing schemes with Asian partners in Tongaat and Durban, AD&CH, a black-controlled company for black housing, in Welkom, Kroonstad and Tembisa, and we are investigating housing in Ennerdale and other areas with members of the coloured community.

"I do not accept that the housing problem is entirely one of inadequate finance, lack of resources and land shortage.

"I believe the low-cost housing problem will be resolved only by the informal sector together with self-help schemes where people are assisted by government to be able to provide housing for themselves."

Housing SA's masses demands higher priority

MATTHEW WHITE, Surveys Editor

SOUTH AFRICA faces problems on so many fronts that the housing crisis is not getting the attention it deserves.

For political, economic and humanitarian reasons, housing should be given far higher priority than it is currently accorded.

Estimates vary, but the current housing backlog is probably not less than 400 000 units, and to close the gap by the end of this century, about 250 000 units a year need to be built.

There is no doubt that, physically, this can be achieved. Given political and economic stability, the use of appropriate technology and abundant labour could see virtually everyone adequately housed, by Third World standards, with only one other proviso: that there is meaningful deregulation.

The housing problem has, like the economy, both Third and First World components.

Middle class

For the rapidly growing middle class, which includes most whites and an increasing number of blacks, coloureds and Asians, the problem is that the price of housing is increasing faster than their income. Saving the necessary deposit for a home of one's own is, in these inflationary times, like trying to run up a down escalator while carrying a heavy backpack.

Most urban blacks may wish they had such problems. For them the housing problem is much more basic: merely having a shelter they can call their own and the amenities others take for granted is as yet an unrealised dream.

For many years government itself accepted the responsibility for providing urban black housing. This was, quite evidently, not because it saw it as a duty to those in need of such housing, but because it mistakenly believed that by controlling the supply and quality of housing it could reverse the flow of people from the rural areas into the city.

Now that the impossi-

bility of this Verwoerdian scheme has been demonstrated, government has tried to shrug off the problem — largely onto the private sector, which also doesn't want the responsibility, particularly when its hands are still tied by apartheid legislation.

While government has moved towards liberalising its previously rigid attitudes on such matters as freehold rights resale of property, it remains the arbiter of what land it will provide services for and allow to be developed for housing.

Vital area

The supply of serviced land is hopelessly inadequate. If the private sector is to become more meaningfully involved, it must be allowed access to this vital area.

Government must also go further along the road to changing legislation that discourages black home ownership. Its vaunted 99-year leasehold scheme has been a crashing failure as was shown by the flop of the "great sale" of 500 000 State-owned properties. Announced with great fanfare in 1983, fewer than 8% have been sold to date.

Deregulation must also be applied to the type of housing permitted. Much more emphasis needs to be placed on unconventional methods and materials, especially those which the people themselves can use to build their own homes.

Industrialised building methods can demonstrate enormous savings over conventional brick-and-mortar construction, but there are still many barriers to the implementation of such systems. Local authorities have the power to refuse to permit certain buildings even after they have received Agreement Board certification on grounds of "aesthetics" on which there is no agreed standard.

Major role

The local authorities clearly have a duty to ensure property owners to ensure minimum standards are met. However,

there needs to be a greater awareness of the benefits of new methods and an education programme to eradicate the prejudice against them that is apparent among many municipal officials.

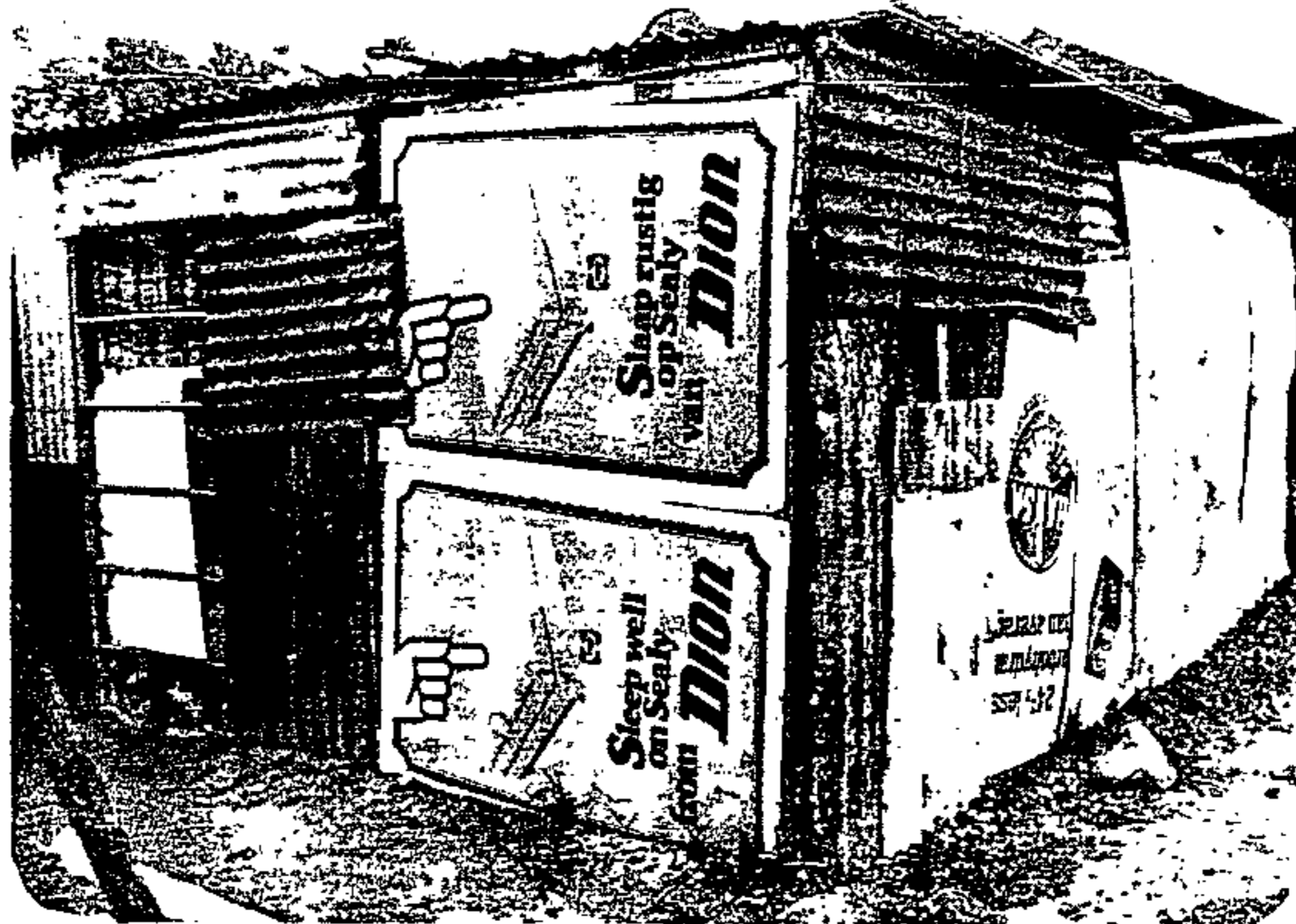
While new methods and materials can play a major role in helping to solve the housing problem, they are still far too costly for a large part of the population.

If a real dent is to be made in the housing backlog, far greater opportunities must be provided for people to build their own houses. That this can be done while maintaining adequate health and safety standards has been

proved in many areas of Africa.

Utilising the natural desire of all people to improve their own circumstances will contribute more than any other factor to solving the housing problem. People have, after all, been building their own homes for millennia and, while many urban people may have lost these skills, the re-acquisition of them will provide a spin-off that will benefit first the informal sector, and then the country at large.

The housing problem, in fact, has the potential to provide SA with a labour-intensive pool of activity that could provide the basis for a vast social upliftment.



Shacks like this, without even the ironic humour of the hoardings, proliferate throughout SA. The lack of proper service makes them a health hazard. Despite this, the structure has been put together with some skill — there is even a window. Properly encouraged, the owner could no doubt build a house that, besides meeting basic standards of health safety, would be a far more comfortable habitation and a source of pride.

THE Cape Divisional Council (Divco) is establishing an experimental housing village at Belhar township on the Cape Flats aimed at promoting the concept of self-help housing.

Forty plots have been set aside for the project, which is also to be used to encourage innovative

Experimental village

construction methods and ideas with a view to developing suitable permanent affordable self-help housing for the lower income group.

"We are wide open to ideas and anything inno-

vative that will lead to a reduction in building costs," says a spokesman for Divco.

Official controls and guidelines will be completely flexible. The only ground rule is that any

proposed dwelling must be suitable for incremental development as well as for use within the framework of the self-help concept.

Interested parties are invited to contact the engineer in charge of Divco's housing development branch (Telephone: (021) 733120/1/2).

Red tape and conmen are among major problems

HOME ownership for blacks has not worked, according to Allied Building Society senior GM Geoff Rowker.

This is despite the fact that enlightened employers of black labour have already helped to arrange housing and bonds for their staff, and efforts to

bring about an education programme for blacks.

Employees can try to get help from their company personnel department, to organise a loan or a guarantee.

"The difficulty is getting the message through to lower echelon workers who have no understand-

ing of home ownership. Black clerical staff ask for bonds. Often it costs them more to own a property than to pay rent.

"The whole story crystallised in the lack of success of the big sale when 500 000 units were up for sale and only 38 000 were sold.

"The Urban Foundation, building societies and everyone else tried to help by producing booklets and contacting employers. Our staff were trained to answer queries about 99-year leasehold, but there are no enquiries.

"There is a tragic lack of home ownership for blacks. Our job is to uplift standards, meet housing needs, improve shells by adding ceilings and sanitation but there is always a level below which we cannot go, a strata of lower-level labourers who will never attain home ownership.

"If a black wants to own a home, he has to have a site allocated to him. Then he goes to the administration board for provisional right of leasehold. He then brings plans and quotes to us and we have the property investigated. If everything is in order, the provisional grant falls away and he gets a permanent grant.

"But there is red tape and bureaucracy and if an official decides he wants to see the bond first, the runaround starts, because it does not work that way. It is an educational problem for everyone, not just the man concerned.

"What is criminal — and cases do exist — is when conmen get the uneducated to sign papers they do not understand, and then the complications get messy. It is not surprising that many blacks feel it is a big swindle, or not worth the hassle, and just do not make an effort to own a home."

Time to scale down tastes, says Ibas

BOU DAY supp
SOUTH AFRICANS have to scale down their tastes in accommodation, according to Peter Klopper, director of Ibas (Industrial Building Association of SA).

"Where everybody wanted two bathrooms, garages and servant's rooms, one has to start looking at one bathroom, carport and part-time servant," he says

Cost-effective

"When it comes to industrialised building, blacks don't want it because whites don't use it. But whites are going to have to start looking at more cost-effective accommodation, too.

"Pre-cast concrete, mobile homes ... all-industrialised housing is ac-

ceptable in terms of the new building regulations and can be knocked only on grounds of aesthetics or if it can be proved it downgrades the value of property in the area."

Ibas is a national body registered in terms of the Labour Relations Act, promoting the interests of the industrial building industry.

"Our larger members specialise in low-cost mass housing schemes, schools, etc," says Klopper.

"Again the problem arises — blacks feel they are getting inferior schools because whites have brick and mortar schools. Industrialised building has to be made more fashionable. It is more vandal-resistant than conventional schools. We are looking at an all-concrete school,

(23)
from floor-to-roof trusses."

The benefits of building with concrete are tremendous, he says, because it is tendered on a design and erect basis ... no architect, no quantity surveyor; those costs are eliminated. The building goes up in half the usual time, so there are no escalation costs.

Statistics

"The time will come when all schools — irrespective of colour — will be standardised. We have to build 15 classrooms a day, every day, to cope with our needs to the year 2000."

While there are no accurate statistics available on industrialised building,

27/2/81
figures released by the Agrément Board reflected that during the five-year period between 1971-75, about 11 000 houses were built in the Republic using industrialised methods with Agrément certification.

"During the subsequent five years, this number increased to 34 000. Of these, 24 000 — or some 70% — were erected in government-financed, low-income housing schemes.

The use of innovative methods for school building construction increased from 6 200 to 12 500 classrooms built over the two periods, and it is estimated to account for about one-third of all classrooms built today. Most of these are for primary schools and represent an increase of more than 50% since 1982.

| (a) | (i) | (ii) |
|---------|-------|---------|
| 1982-83 | 3 482 | 276 404 |
| 1983-84 | 3 318 | 251 038 |
| 1984-85 | 3 984 | 241 566 |
| 1985-86 | 4 058 | 233 986 |

(Figures in (i) included in (ii))

The increase in the personnel comple-

ment in the General Manager's Office is mainly due to the fact that the Chief Accountant's Office (829 units) was incorporated in the Financial Section of the General Manager's Office during June 1983. In addition, 86 units from the Publicity and Travel Department and 53 units from various regions were transferred to the General Manager's office after reorganisation of activities.

| (b) (i) | 1981-82 | 1982-83 | 1983-84 | 1984-85 | 1985-86 |
|---------------------------|---------|---------|---------|---------|---------|
| General Manager | 1 | 1 | 1 | 1 | 1 |
| Deputy General Manager | 3 | 3 | 3 | 3 | 3 |
| Assistant General Manager | 11 | 11 | 10 | 10 | 10 |
| Chief Engineer | 2 | 2 | 2 | 2 | 2 |
| Chief Legal Adviser | | | | 1 | 1 |

| (b) (ii) | 1981-82 | 1982-83 | 1983-84 | 1984-85 | 1985-86 |
|---------------------------|---------|---------|---------|---------|---------|
| General Manager | 1 | 1 | 1 | 1 | 1 |
| Deputy General Manager | 3 | 3 | 3 | 3 | 3 |
| Assistant General Manager | 11 | 11 | 10 | 10 | 10 |
| Chief Engineer | 6 | 6 | 6 | 6 | 6 |
| Chief Legal Adviser | | | | 1 | 1 |

Passengers

234. Mr L F STOPBERG asked the Minister of Transport Affairs:†

- (1) (a) What is the value of the fixed assets and materials used for the conveyance of passengers between Pretoria and Mabopane and (b) how many passengers were conveyed in each year since this railway line was put into operation;
- (2) whether the South African Transport Services received subsidies from the State in respect of these passengers; if so, what did these subsidies amount to in respect of each of these years?

service was officially commissioned) 1984 approximately 28 million 1985 approximately 33 million

(2) Yes. The State compensates the South African Transport Services for a portion of total losses incurred in respect of socio-economical services. Separate calculations for specific services are not made.

The total amounts received, are as follows:
 1983/84 R588 million
 *1984/85 R405 million
 *1985/86 R558 million

*Estimated.
 †Answers to Questions

248. Mr A B WIDMAN asked the Minister of Communications:

- (a) How many (i) White, (ii) Coloured and (iv) Black apprentices were indentured to his Department and (b) in which trades were they indentured as at the latest specified date for which figures are available?

The MINISTER OF COMMUNICATIONS:

- (a) (i) 72, and
 (ii), (iii) and (iv) none; and

- (b) (i) motor mechanic (31), diesel mechanic (10), carpenter (14), painter/decorator (5), plumber (6), welder (5), and electrician (1),

as at 14 February 1986.

Technicians/postmen

249. Mr A B WIDMAN asked the Minister of Communications:

- (a) How many employees in his Department resigned in 1985 and (b) how many such employees were (i) technicians and (ii) postmen?

The MINISTER OF COMMUNICATIONS:

- (a) 5 576; and
 (b) (i) 217; and
 (ii) 302.

(b) (i) 53, and
 (ii) 130,
 as at 19 February 1986.

Electricians
 253. Mr A B WIDMAN asked the Minister of Communications:
 (a) How many (i) Coloured, (ii) Asian, (iii) White and (iv) Black learner telephone electricians completed their training in 1985 and (b) how many electricians in each race group are employed by his Department at present?

The MINISTER OF COMMUNICATIONS:

- (a) (i) 182,
 (ii) 130,
 (iii) 945,
 (iv) 177, and

(b) (i) 911,
 (ii) 577,

- (iii) 7 973, and
 (iv) 674.

NOTE: The figures under (b) reflect the position on 31 December 1985 and include all electrician grades except learners.

Gainfully employed persons

274. Mrs H SUZMAN asked the Minister of Administration and Economic Advisory Services:

- What percentage of gainfully employed (a) Whites, (b) Coloureds, (c) Indians and (d) Blacks were (i) directly and (ii) indirectly in State employ in the Republic as at the latest specified date for which figures are available?

The MINISTER OF ADMINISTRATION AND ECONOMIC ADVISORY SERVICES:

The information hereunder was ob-

Answers to Questions

248. Mr A B WIDMAN asked the Minister of Communications:

Q. Col 252

in the SADT town Lethlabile with the understanding that Lethlabile will not be incorporated in Bophuthatswana.

(a) In respect of certain towns, decisions have not been taken yet because the necessary investigations have not been completed and because in the cases of other towns, submitted recommendations are still under consideration.

(b) The Minister of Constitutional Development and Planning.

(c) After receipt and evaluation of information regarding certain towns and as soon as I have evaluated those cases which were submitted for consideration.

(d) Each case is considered in view of its particular circumstances and with the aim of improving living conditions.

(4) No, except if statements on certain decisions appear desirable.

HAN SWARD 72. Mr B J N MATLOME asked the Minister of Transport Affairs:

What was the total loss incurred by the South African Transport Services on commuter services in the (a) Vaal Triangle, (b) Cape Town/Peninsula, (c) Port Elizabeth/Uitenhage and (d) Durban/Pinetown areas in the 1985-86 financial year?

The MINISTER OF TRANSPORT AFFAIRS:

- (a) Estimated at R-million 290
(b) Estimated at 143
(c) Estimated at 9
(d) Estimated at 125

Prisons: deaths 236. HAN SWARD 74. Dr M S BARNARD asked the Minister of Justice:

(1) Whether any deaths were reported in South African prisons in 1985; if so, (a) how many prisoners in each race group died of (i) natural and (ii) unnatural causes in that year and (b) what were the main causes of these (i) natural and (ii) unnatural deaths in respect of each race group;

(2) whether post-mortems were performed on such prisoners; if so, how many post-mortems were performed in 1985?

The MINISTER OF JUSTICE:

(1) Yes. (a)(i) and (ii) 1 January 1985 to 31 December 1985.

Table with 2 columns: Race, Natural, Unnatural. Rows: Black, Coloured, Asian, White, Total.

(b)(i) Black: Natural causes, Heart diseases, tuberculosis and asthma.

Coloured: Cancer, heart diseases, epilepsy and tuberculosis.

Asian: Heart disease.

White: Heart diseases and cancer.

(b)(ii) Black: Unnatural causes, Assault by fellow prisoners and suicide.

Coloured: Assault by fellow prisoners and suicide.

Asian: None.

White: Suicide.

As far as natural deaths are concerned, post-mortems are also conducted when, in the opinion of the medical practitioner involved any uncertainty exists as to the exact cause of death. However, these figures are unfortunately not readily available.

HAN SWARD 77. Mr R A FSWART asked the Minister of Constitutional Development and Planning: 27/2/86 Q-COL 237

(1) How many persons in each specified Development Board area applied for leases in terms of the 99-year leasehold scheme in 1985 and (b) how many applications were granted;

(2) whether the figures in respect of each such Development Board represent an increase or decrease in comparison with the relevant figures for 1984?

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

West Rand Development Board

- (1) (a) 11 095
(b) 6 295

(2) Decrease.

East Rand Development Board

- (1) (a) 2 977
(b) 2 188

(2) Decrease.

Eastern Cape Development Board

- (1) (a) 3 033
(b) 1 592

(2) Increase.

Southern OFS Development Board

- (1) (a) 2 769
(b) 533
(2) Increase.

Orange-Vaal Development Board

- (1) (a) 986
(b) 985

(2) Increase.

Northern Areas Development Board

- (1) (a) Nil
(b) Nil

(2) Falls away.

Eastern Transvaal Development Board

- (1) (a) 273
(b) 194

(2) Increase.

Natalia Development Board

- (1) (a) 56
(b) 56

29 withdrawn due to a high sales price and 27 kept back awaiting new sales price

(2) Increase.

Northern Cape Development Board

- (1) (a) 440
(b) 440

(2) Decrease.

**

**INVESTMENT
AND FINANCIAL
PLANNING '86**

ADVERTISMENT SPECIAL

123

**Effect of inflation
on housing prices
in Port Elizabeth**

E. J. 128/2/86

"THE horrific inflation rate of 20,7% will have an affect on housing prices throughout the Republic and Port Elizabeth.

"However, a decline in inflation can be expected.

"But we will be lucky if we can contain inflation within 18%," said Mr R E Munford, Managing Director of the EP Building Society.

"The cost of building new dwellings will increase with the rate of inflation, and this factor alone will push up the general depressed market prices on houses.

"The economy is entering an upward phase with the increase in overall confidence which again will have a positive effect on the price of dwellings," he said.

"The only real negative areas which would effect

the price of dwellings is if political reform is not seen to be happening, and if inflation continues at rates of 18%, investment and bond rates must increase adequately to ensure the investor of a real return on his savings.

"Since the Head Office of the EP Building Society came to Port Elizabeth it has been gratifying to note the positive attitude of the Port Elizabeth citizens, and the way in which they are accepting the challenge of today's financial climate.

"With the increased demand for bond fiannee, building societies will once again have to ensure that valuations are realistic and that prospective home owners are able to afford the type of property that they wish to purchase.

"Building Societies do, therefore, have a real social responsibility to ensure that clients do not over-extend themselves.

"The EP Building Society is proud that not only does it give 24-hour service, but also carries out its responsibility to its clients," Mr Munford says.

"The black housing market is taking on an ever increasing role, and will, in years to come, enjoy greater support from financial institutions when political stability returns, and a genuine market is established in these areas.

"We look forward to the day when people in the financial world look at a white or a black housing problems on an overall basis for the entire country where the standard of housing enjoyed will depend on income alone."


(b) In the areas which were declared Emergency Areas.

(c) The particulars are not readily available.

(d) For the period 21 July 1985 to 4 February 1986.

(2) I refer the Honourable Member to question no 32 which I answered orally on 11 February 1986.

(3) (a), (b) and (c) The particulars are not readily available.

HANNS
42. Mr E K  asked the Minister of Law and Order: 3/3/86

(1) How many members of the South African Police were (a) killed and (b) injured in the Republic in attempts to contain rioting in 1985;

(2) (a) how many buildings belonging to (i) the State and (ii) private individuals were destroyed or damaged as a result of rioting in 1985 and (b) what is the estimated (i) value of the buildings so destroyed and (ii) amount of the damage so sustained;

(3) (a) how many arrests of civilians were made in this connection in 1985, (b) on what charges were they arrested and (c) how many such civilians were still being held as at the latest specified date for which figures are available?

The MINISTER OF LAW AND ORDER:

(1) (a) 16.

(b) 330.

(2) (a) (i) 1 153.

(ii) 2 787.

(b) (i) to (ii) Whereas estimated

HOA

values by the police in the past were considered as not authoritative, it has been decided not to present it any longer.

(3) (a) 4 806.

(b) Arson, Attempted Arson, Malicious Injury to Property, Public Violence, Intimidation, Explosives Act, Murder, Attempted Murder, Serious Assault, Assault on Police, Sabotage.

(c) 901 on 7 February 1986.

3/3/86 Detainees
HANNS. Q. COL. asked the Minister of Law and Order: 260

How many visits to detainees held under section 29 of the Internal Security Act, No 74 of 1982, were made by (a) inspectors and (b) magistrates in 1985?

The MINISTER OF LAW AND ORDER:

(a) 2 823

(b) 3 407.

Restricted persons

47. Mrs H SUZMAN asked the Minister of Law and Order: 3/3/86

(a)(i) How many persons in the Republic are at present restricted under each specified section of the Internal Security Act, No 74 of 1982, and (ii) in respect of what date is this information furnished and (b) how many restricted persons left the Republic during the latest specified period of 12 months for which figures are available?

The MINISTER OF LAW AND ORDER:

(a) (i) Ten persons are at present restricted under sections 19(1) and

20 of the Internal Security Act, 1982.

(ii) 10 February 1986.

(b) None.

Group Areas

80. Mr G B D MCINTOSH asked the Minister of Constitutional Development and Planning: 3/3/86

How many group areas had been proclaimed in the Republic for (a) White, (b) Coloured and (c) Indian occupation as at 31 December 1985;

(2) what was the total area proclaimed for each group as at that date?

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

(1) (a) 453.

(b) 341.

(c) 124.

(2) (a) 749 402 ha.

(b) 96 394 ha.

(c) 50 776 ha.

HANNS. Q. COL. asked the Minister of Constitutional Development and Planning: 3/3/86

(1) Whether the payment of any housing rentals in respect of Black townships was outstanding as at 31 December 1985; if so, (a) what total amount is involved and (b) in respect of how many residences were such rentals outstanding in each specified township as at that date;

(2) whether any families (a) were and (b) are to be evicted from their homes for failing to pay their rent in 1985; if so, (i) how many families, (ii) from which townships, and (iii) what was

the amount of their rental arrears, as at the latest specified date for which information is available?

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

(1) (a) and (b) Yes. The Department of Constitutional Development and Planning does however not keep record of such details and the cost and time involved in conducting a survey to obtain such information is not considered to be justified.

(2) (a) and (b) Development Boards and Black Local Authorities act in their own right without my or my Department's intervention and the information can therefore not be furnished.

Advertisements

112. Mr D J DALLING asked the Minister of Law and Order: 3/3/86

(1) What was the total amount spent by the South African Police in 1985 on placing advertisements for any purpose in newspapers in the Republic;

(2) what amount was paid to each specified newspaper in the above regard in that year?

The MINISTER OF LAW AND ORDER:

(1) R5 513,76.

(2) Potchetsroom Herald R 283,36
Publication of the Engineers Association of SA R1 209,60
SA Associated News R1 602,72
Paper R1 602,72
Kalvin Publications R 815,36
R5 513,76

Advertisements

117. Mr D J DALLING asked the Minister of Foreign Affairs:

(1) What was the total amount spent by

HOA

time pegged the profit margin of municipalities on the rendering of services; if so, what are these profit margins;

- (2) whether any control is exercised to ensure that municipalities do not (a) exceed these profit margins and (b) circumvent the limiting of profit margins by accounting methods; if not, why not; if so, what is the nature of the control exercised in each case?

THE MINISTER OF FINANCE:

- (1) No. Neither rigid directives nor legislative powers in respect of the profit margin on the trading services of local authorities (which are autonomous bodies and where the principle of devolution of authority is applied) are used by the Central Government. The former Croeser Working Group, however, did recommend as a guideline that local authorities should in the normal provision of services not realise a surplus of more than 10% on trading services. This guideline was approved by the Cabinet during June 1981 and is contained in the Croeser Working Group Report of 6 May 1982 which is at the disposal of all local authorities.

- (2) No. The Department of Finance only exercises macro financial control over the capital and revenue budgets of local authorities.

Note:

- (i) A rate of increase on the capital and revenue budgets of local authorities is determined annually by the Minister of Finance in order to co-ordinate and guide public sector expenditure.
- (ii) The power for local authorities to determine tariffs on trading services is derived from provincial ordinances.
- (iii) Local authorities have in fact a standard financial code as a manual for financial management. This control function is undertaken by the Provincial Audit Division.

Own Affairs: 308
HANSARD 202
Accommodation units for aged persons 4386
 1. Mr R A F SWART asked the Minister of Local Government, Housing and Works:

How many accommodation units for aged White persons (a) had been built in the Durban municipal area with financial assistance from the State as at 31 December 1984 and (b) were so built in this area in 1985?

THE MINISTER OF LOCAL GOVERNMENT, HOUSING AND WORKS:

Since financial assistance is rendered for the erection of old age homes and flats for the aged, as well as the acquisition and conversion of existing buildings to old age homes, and flats for the aged, a distinction is made between such homes and flats built and acquired respectively.

- (a) Until 31 December 1984.

- (i) Old Age Homes erected accommodating 1 161 persons.
- (ii) Existing buildings converted to Old Age Homes accommodating 493 persons.
- (iii) Flats erected to a total of 162 units.
- (iv) Existing buildings converted to flats to a total of 55 units.

- (b) Period January 1985 until 31 December 1985

- (i) Old Age Homes erected accommodating 38 persons.
- (ii) Flats erected to a total of 10 units.

HANSARD 202
Afrikaans: oorspronklik
 *3. Mr H D K VAN DER MERWE asked the Minister of Education and Culture:†
 Whether the Government has appointed

ed a commission of inquiry to inquire into the opening of residences of Afrikaans universities to members of all population groups; if so, (a) when and (b) who are the members of the commission?

THE MINISTER OF EDUCATION AND CULTURE:

No, and

- (a) and (b) fall away.

†Mr H D K VAN DER MERWE: Mr Speaker, arising out of the hon the Minister's reply, I would like to ask whether he is aware that the rector of the University of Stellenbosch has said that Stellenbosch was ready now to open its residences to non-White students?

†The MINISTER: Mr Speaker, the hon member's question is not relevant to the question which is under discussion.

†Mr H D K VAN DER MERWE: Mr Speaker, further arising out of the hon Minister's reply, I want to know whether he can give the categorical reply today that it is the policy of the Government that residences at Afrikaans universities will not be opened to non-Whites?

†The MINISTER: Mr Speaker, that is also irrelevant to the question which was put. If one looks at the question on the Question Paper, it is very obvious that the hon member's question is irrelevant.

†Mr H D K VAN DER MERWE: Mr Speaker, the hon the Minister must not try to avoid the question. [Interjections.] It seems to me that hon NP members are so nervous that they do not want to give me a chance to speak. [Interjections.] I now again ask the hon the Minister whether he can give the House the assurance that the residences of Afrikaans universities will not be opened to non-Whites. [Interjections.]

†The MINISTER: Mr Speaker, the hon member for Rissik has every right to put the question which he has just put again at a later stage. In the meantime I just want to tell the hon member for Rissik that in terms

of the Constitution and the policy of the Government the principle of provision of services has been built in for several years. Over the years it so happened at various universities that under certain conditions the opportunity was given to people of colour to attend the university. This takes place in terms of the policy of provision of services.

†Mr H D K VAN DER MERWE: Mr Speaker, must I now come to the conclusion that the residences will be opened to non-White students in terms of the principle of the provision of services? [Interjections.]

4386
 *4. Mr K M ANDREW asked the Minister of Education and Culture:
HANSARD 202
 Whether any teacher training colleges for Whites were (a) built and/or (b) extended by his Department or any provincial education departments during the last specified period of 10 years for which figures are available; if so, (i) what are the names of these colleges, (ii) where are they situated, (iii) when were they built and/or extended, (iv) what was the total capital cost of these buildings and/or extensions and (v) what total number of students can be accommodated in the buildings concerned?

THE MINISTER OF EDUCATION AND CULTURE:

- (a) Yes.

- (i) Teachers' College and two hostels;
- (ii) Port Elizabeth;
- (iii) 1978;
- (iv) R3 964 274;
- (v) 350.
- (b) Yes.
- (i) Oudtshoorn Onderwyskollege and two hostels; Durban Onderwyskollege; Edgewood College

Govt renews efforts to sell houses to blacks

THE government has embarked on a national advertising campaign in a renewed effort to sell houses to blacks.

Part of the programme is an appeal to employers to promote home-ownership among their staff.

Sale co-ordinator Alex Weiss of the Department of Constitutional Development and Planning says of a total of 345 000 houses made available since July 1983, about 40 000 have been sold. Most of the buyers were from the West Rand and Soweto.

Homes are being sold under a leasehold scheme.

Weiss says prices have been dropped by up to 40% and in some instances amount to little more than the original erection cost. Homes can be paid for over periods of up to 30 years.

"We are making it as easy as possible for registered tenants to buy their own homes," he says.

The 10% deposit is repayable over 24 months and for those in arrears with their rents, some development boards will capitalise

JANE STRACHAN

the arrears and add this to the purchase price of the house.

Employers are being encouraged to play a part in helping their employees buy their own homes. Weiss says employers such as Sats, Escorn and some of the large commercial enterprises are actively promoting home-ownership through vigorous housing assistance programmes.

Smaller employers could follow suit, he adds, and the department is prepared to put interested parties in touch with some of the institutions for guidelines on employee housing programmes.

A representative of the West Rand Development Board says the average sale price on leasehold ranges from R800 to R1 500, including all costs. However, the replacement valuation price of exactly the same properties ranges from R8 000 to R10 000, excluding land. He says all sales being made now are still under the leasehold system.

Freehold ownership is almost certain to be passed during the current parliamentary session. Assuming it goes through, it is possible that purchasers will have a choice between the systems, and those on leasehold will be able to convert.

Government representatives are reluctant to pre-empt Parliament's decision and comment on what options will be available.

It is possible that those who have bought on 99-year leasehold will have the opportunity to change to freehold, but it is not known if this will be by a simple certificate change or if the difference between the leasehold and valuation price will have to be paid in.

United Building Society deputy GM Piet Kruger says the society has not yet heard anything formally from government about the freehold possibility.

Demand from blacks for loans for homes is very active, he adds, but he cannot attribute this to last December's freehold announcement.

NSW hardens its anti-SA stance

MARSHALL WILSON

SYDNEY — The Labour government in New South Wales will apply to the letter of the law Canberra's policy of active disengagement with South Africa.

This week NSW premier Neville Wran confirmed he had approved a buying policy which requires all tenderers for government contracts "to indicate the level of South African ownership or source of supplies, where relevant".

"I have now concurred in a request that the state co-operate in the implementation of a ban on all new government loans to the government of South Africa or its agencies," Wran said.

Meanwhile the new Independent Teachers' Association has also joined the campaign.

This week its general secretary Michael Raper warned that the union would not allow private schools to host SA Rotary exchange students to circumvent regulations which will ban them from entering state schools for 1987.

About 20 exchange students from SA come to NSW every year.

123

B-DAY 7/3/86

BUYING OR SELLING A COMPUTER?
THE COMPUTER EXCHANGE
 Coll
 The used computer marketplace
 728-7115 or 728-7139

FINNIAL
BLACK HOUSING 14/3/86 123

Long way to go

The introduction of 99-year leasehold for urban blacks eight years ago has so far only scratched the surface of the huge backlog in black housing.

Government and businessmen agree on

the urgent need for more black housing. The emphasis to date, however, has largely been on building prestige houses for relatively well-off blacks. Very little has been done to assist the poor, who are, of course, in the majority.

Even new flats, an innovation, which are provided by local authorities like the Soweto Council, have turned out to be "too expensive" to rent for most. The problem, say black local authorities, lies in building societies' reluctance to finance small loans for the neediest segment. So backyard dwellings mushroom.

House sales

Government, perhaps demonstrating its determination to give blacks a stake in the townships, has made available for sale the entire stock of 346 921 rented houses in all black areas. Since 1973, it has been trying to sell them to registered tenants. Yet the lack of financing has evidently been the stumbling block. By last December, only 39 430 units had been sold.

The largest single sale has been in the West Rand Development Board area, which includes Soweto. Of 100 566 housing units, only 26 580 (26,43%) have been sold. Next

best was in the Central Transvaal Development Board area, which includes Pretoria. Here, a mere 5,16% of the 27 633 units have been sold. In both the East Rand and the Oranje-Vaal areas, sales have been less than 5% of what is available.

The government is embarking on a new drive to sell all housing units by the end of next June. Employers are being urged to help employees and discounts of up to 40% are offered. Current prices are lower than replacement costs and range between R700 and R5 800.

The Department of Constitutional Development and Planning's public relations consultant, Luzien Vallun, tells the *FM* that government's "big sale" is hampered largely by delays in processing title deeds. Blacks apparently prefer to get title almost immediately after purchase. Problems such as area surveying have been overcome. However, many suggest that white bureaucrats have not been enthusiastic about expediting sales, despite ministerial directives to speed up the process.

A study by the Urban Foundation, which is in the forefront of black housing development, put the shortage in black urban housing in 1980 at 560 000 units. The foundation

stressed that 28 000 units have to be built each year until the turn of the century simply to overcome the existing shortfall. The figure excludes the need created by natural population increase and migration to the cities.

Employer role

Take Katlehong on the East Rand as an example. It has a population of 230 000 but only 18 000 "official" dwellings, which suggests an occupancy rate of nearly 13 per house. Actually, most of the township's inhabitants live in shacks and other backyard structures.

Shacks are evident in nearly all black townships. And it would seem that this state of affairs will worsen when, and if, influx control is abolished. Clearly, efforts to cope with the problem must be redoubled. Many more companies ought to encourage black employees to buy their homes, and perhaps assist financially.

Large parastatal organisations, such as Escom and the SA Transport Services (Sats), as well as certain mining houses, such as Anglo, provide housing schemes for their black employees. This is all to the good, but their efforts seem puny in the context of the huge demand that exists countrywide.

quirements are described in section 52(2) of the Black Communities Development Act, 1984 (Act 4 of 1984).

(b) (i), (ii)(aa) and (bb) The requirements are described in the regulations promulgated by Government Notice R1036 of 1968.

(2) Yes, in respect of freehold title.

(a) All SA citizens or Foreign Blacks who are legally in the RSA, will be able to buy in respect of renting serviced sites a decision has not yet been taken.

(b) 3 December 1985.

(c) (i) and (ii) The decision has not yet been implemented awaiting amendment to legislation.

(3) (a), (b) and (c) Yes. Initially permission has been granted to persons who settled at Khayelisha from Crossroads to remain in the Cape Peninsula for a period of 18 months. As soon as legislation has been accepted all applications will be considered accordingly.

HANSARD 11/3/86
Towns/townships: rents/service charges in arrears 123
*37. Mr K M ANDREWS asked the Minister of Constitutional Development and Planning:

(1) Whether there are any Black towns and/or townships falling within Development Board areas in which (a) rents and (b) service charges due to be paid are more than (i) 25, (ii) 50 and (iii) 75 per cent in arrears for the period 1 July to 31 December 1985; if so, (aa) which towns and/or townships and (bb) what total amount of money is involved;

(2) whether any action is being or has

HQA

been taken in this regard; if so, what action;

(3) whether services are still being rendered to these towns and/or townships; if not, when did the rendering of such services cease?

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

(1) Black local authorities and development boards are autonomous bodies who collect rent and service charges themselves. The Department of Constitutional Development and Planning is not involved with this. For this reason the information is not readily available. This Department is however aware that inhabitants in some towns are up to five months in arrear with payment of rent and service charges.

(2) Steps are taken by Black local authorities and development boards to collect arrear monies by inter alia instituting legal procedures against defaulters, arranging with employers for stoporders against salaries of defaulters and interviewing defaulters in order to influence them positively and to obtain their co-operation.

(3) Yes.

South African Games

*38. Mr M A TARR asked the Minister of National Education:

(1) Whether his Department has been approached to make any funds available for the staging of the South African Games in Johannesburg between 4 and 19 April 1986; if so, what was his response;

(2) whether his department intends making any funds available for this purpose; if so, what amount?

HQA

The MINISTER OF NATIONAL EDUCATION:

(1) Yes, the application received favourable consideration.

(2) Yes, an amount of R500 000 has been voted in the 1985/86 financial year for this purpose. A further amount of R500 000 has been included in the 1986/87 draft estimates.

(b) Still under consideration.
(c) Not yet determined.

(2) Not under consideration.

(a), (b) and (c) fall away.

(3) No, no forced removals are anticipated.

(a), (b) and (c) fall away.

Durbanville: group area for Coloureds
*39. Mr P G SOLBE asked the Minister of Constitutional Development and Planning:

(1) Whether a new group area for Coloured persons has been or is to be established near Durbanville; if so, (a) why, (b) where and (c) what will be the size, in hectares, of this group area;

(5) Yes.

(b) No, there are no possibilities for extension.

(4) (a) Upgrading or otherwise does not fall under the Department of Constitutional Development and Planning.

(2) whether Morningstar, near Durbanville, is to be deproclaimed as a group area for Coloured persons; if so, (a) why, (b) when and (c) what steps are to be taken in respect of this land;

(a) From the Minister of Local Government, Housing and Agriculture of the Administration: House of Representatives.

(b) 10 February 1986.

(3) whether the residents of Morningstar are to be moved; if so, (a) why, (b) when and (c) where will they be moved to; if not,

(c) (i) That I should issue a statement giving the assurance that the residents of Morningstar will not be moved but that people for whom accommodation cannot be supplied in Morningstar will have to resettle at Fisantekraal or elsewhere in the Peninsula.

(4) whether Morningstar is to be (a) upgraded and (b) extended; if not, why not; if so, when;

(5) whether he or any member of his Department has received any representations regarding Morningstar; if so, (a) from whom, (b) when and (c) what was the (i) nature of the representations and (ii) response thereto?

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

(1) Yes, the establishment of an area is under consideration at present.

(a) Due to need.

(ii) That I unfortunately cannot issue a statement at this stage but that I have requested the Director-General: Department of Constitutional Development and Planning to see to it that the investigations for possible alternative areas be finalised as soon as possible and that I will keep the Minister of Local Government, Housing and Agriculture informed of developments.

so, (a) where are these barracks situated, (b) how many offenders can they accommodate and (c) for what reasons were they established;

his Department in 1985 on placing advertisements for any purpose in newspapers in the Republic;

(3) what was the average number of offenders detained in detention barracks in 1985?

(2) what amount was paid to each specified newspaper in the above regard in that year?

The MINISTER OF DEFENCE:

(1) (a) (i) 6.

(ii) None.

(b) 910.

(c) 28 February 1986.

(2) No, (a), (b) and (c) fall away.

(3) 187 per month. An average of 153 members per month, of the SA Defence Force and SWA Territorial Force were also kept in safe custody in detention barracks for the following reasons:

- awaiting trial;
- police inquiry concerning the alleged offence not yet completed;
- waiting for escort to be transferred to another detention barracks.

WEDNESDAY, 12 MARCH 1986

†Indicates translated version.

For written reply:

General Affairs:

Advertisements

127. Mr D J DALLING asked the Minister of Public Works:

(1) What was the total amount spent by

HoA

The MINISTER OF PUBLIC WORKS:

(1) R31 787,86.

(2) The *Ladysmith Gazette* R 394,88

The *Natal Mercury* 1 366,60

Sunday Tribune 720,72

The *Daily News* 1 047,27

Rapport 4 896,00

Tempo 1 168,53

Eastern Province Herald 1 018,06

Die Oosertig 1 044,98

Daily Dispatch 580,80

Die Karoornuus 67,20

Evening Post 120,05

Mosselbay Advertiser 51,06

Die Volksblad 686,76

Diamond Fields Advertiser 779,52

The Citizen 1 973,00

Beeld 4 312,72

Die Vaderland 450,00

The Star 2 154,00

Vaal Weekblad 95,00

Die Burger 1 074,83

The Argus 1 179,57

Cape Times 225,28

Financial Mail 1 209,60

Rapport Ekstra 241,92

Sunday Times 2 454,23

Tygerberger 327,97

Bloemnuus 22,00

The Friend 62,16

Die Noord Transvaler 174,80

The Highveld Herald 132,25

Excelsior News 99,00

New Castle Adviser 112,00

Brispos 46,00

The Western Transvaal Record 212,80

The Natal Witness 501,60

Die Transvaler 281,20

Pretoria News 503,50

175. Mr C W EGLIN asked the Minister of Education and Development Aid:

1985 for Blacks in each national state by the South African Development Trust;

(1) What was the estimated shortage of housing for Blacks in each national state at the end of 1985;

(3) when is it expected that the shortage will be eliminated in each national state?

(2) how many houses were provided in

The MINISTER OF EDUCATION AND DEVELOPMENT AID:

(1) The estimated shortages were as follows:

| | |
|---|--------------------------|
| Lebowa | 18 180 |
| Owagwa | 24 240-30 000 |
| KwaZulu | 100 000 (80 000-100 000) |
| KaNgwane | 6 000 |
| KwaNdebele | 3 850 |
| Gazankulu | 2 000 |
| Other South African development Trustland | 14 948 |

(2) The South African Government has implemented self-build schemes in all the national states and no longer builds family housing itself. The South African Development Trust provides serviced sites. The following numbers of sites were developed in 1985:

| | |
|---|-------|
| Lebowa | 2 284 |
| Gazankulu | 4 673 |
| KaNgwane | 759 |
| KwaZulu | 2 519 |
| Other South African Development Trustland | 4 272 |

Furthermore low interest loans were made available to persons in the low income group for self-build purposes. The following numbers of such loans were granted during 1985:

| | |
|---|-----|
| Lebowa | 117 |
| Owagwa | 51 |
| KwaZulu | 673 |
| KaNgwane | 231 |
| KwaNdebele | — |
| Gazankulu | 645 |
| Other South African Trustland | 175 |

(3) It is not possible to determine when the shortage will be eliminated. Fac-

HoA

tors such as the natural increase in population, urbanization, the creation of job opportunities, availability of funds, etc, which are indeterminate at this stage, are involved.

Subsidised motor vehicles: owners

298. Mr D J N MALCOMESS asked the Minister of Transport Affairs:

In respect of the 1984-85, financial year, in what capacity was each of the officers of the various Government Departments falling under the Administration: House of Assembly employed who owned one of the 341 subsidised motor vehicles as referred to in paragraph 9 on pages 16 and 17 of the Annual Report of the Department of Transport for 1984-85?

The MINISTER OF TRANSPORT AFFAIRS:

| | |
|-------------------------------------|----|
| Head of Department | 1 |
| Deputy Director | 3 |
| Assistant Director | 13 |
| Control/Extension Officer | 5 |
| Extension Officer | 36 |
| Circle Engineer | 2 |
| Senior Engineer | 3 |

STP
123 184
Homes lack explained

PARLIAMENT 13/3/86
there was an estimated shortage of more than 134 000 homes for blacks in the national states at the end of 1985, the Minister of Education and Development Aid, Dr Gerrit Viljoen, said yesterday.

In a written reply to a question by the Leader of the Opposition, Mr Colin Eglin, Dr Viljoen said an additional 14 948 homes were needed on "other South African Development Trust land".

The shortages ranged from 2 000 in Gazankulu to between 80 000 and 100 000 in KwaZulu.

It was impossible to say when the shortage would be eliminated, he said.

The South African Government had implemented self-build schemes in all the national states, while the Trust provided serviced sites. Low interest loans were given to people in the low income group for self-build projects. — Sapa.

Eastern Express R1 284,19
 Boksburg Advertiser R1 284,19
 Alberton Record R1 284,19
 Roodepoort Record R1 284,19
 Northcliff/Melville Times R1 284,19
 Randburg Sun R1 284,19
 Sowetan R1 539,00

Q COL SAJ
TRANSARD 17/3/86
 Administration costs
 139. Mr R W HARDINGHAM asked the Minister of Constitutional Development and Planning:

What were the administration costs in respect of each of the Black townships administered by the Natalia Development Board during the latest specified period of 12 months for which figures are available?

THE MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

Administration costs for the period 1 July 1984 to 30 June 1985:

| | | |
|--------------------------|-----------|------------|
| BLACK TOWNSHIPS | | |
| SHAKAVILLE | R | R |
| (i) Administration costs | 120 022 | |
| (ii) Agency fees | 504 092 | 624 114 |
| HAMBANATI | | |
| (i) Administration costs | 198 212 | |
| (ii) Agency fees | 1 075 306 | 1 273 518 |
| NINGIZUMA | | |
| (i) Administration costs | 1 650 438 | |
| (ii) Agency fees | 8 966 423 | 10 616 861 |
| SHAYAMOYA | | |
| (i) Administration costs | 37 275 | |
| (ii) Agency fees | 155 995 | 193 270 |
| KLAARWATER | | |
| (i) Administration costs | 147 345 | |
| (ii) Agency fees | 894 103 | 1 041 448 |
| COLENSO | | |
| (i) Administration costs | 22 382 | |
| (ii) Agency fees | 100 096 | 122 478 |
| DANNHAUSER | | |
| (i) Administration costs | 28 386 | |
| (ii) Agency fees | 133 060 | 161 446 |
| DUNDEE | | |
| (i) Administration costs | 128 823 | |
| (ii) Agency fees | 679 885 | 808 708 |
| GLENCOE | | |
| (i) Administration costs | 71 697 | |
| (ii) Agency fees | 458 554 | 530 251 |
| GREYTOWN | | |
| (i) Administration costs | 97 053 | |
| (ii) Agency fees | 449 259 | 546 312 |
| KOKSTAD | | |
| (i) Administration costs | 100 814 | |
| (ii) Agency fees | 415 957 | 516 771 |
| LADYSMITH | | |
| (i) Administration costs | 135 006 | |
| (ii) Agency fees | 507 900 | 642 906 |
| MATATIELE | | |
| (i) Administration costs | 30 458 | |
| (ii) Agency fees | 66 806 | 97 264 |
| MOOIRVIER | | |
| (i) Administration costs | 79 824 | |
| (ii) Agency fees | 326 334 | 406 158 |
| PAULPIETERSBURG | | |
| (i) Administration costs | 35 997 | |
| (ii) Agency fees | 122 820 | 158 817 |

SOBANTU

(i) Administration costs 201 290
 (ii) Agency fees 732 225 = 933 515

THE MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:
 (a) 18 388.
 (b) 39 175.

VRVHEID
 (i) Administration costs 116 501
 (ii) Agency fees 64 722 = 181 223

(i) and (ii) All the Boards do not keep the required statistics to 31 January 1986.

BERGVILLE/WINTERTON
 (i) Administration costs 5 960
 (ii) Agency fees 12 464 = 18 424

99-year leasehold scheme

CEDARVILLE
 (i) Administration costs 10 876
 (ii) Agency fees 8 911 = 19 787

149. Mr P R C ROGERS asked the Minister of Constitutional Development and Planning:
 (a) How many persons in each specified Development Board area applied for leases in terms of the 99-year leasehold scheme in 1985 and (b) how many applications were granted?

ESTCOURT
 (i) Administration costs 33 256
 (ii) Agency fees 235 224 = 268 480

THE MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

HOWICK
 (i) Administration costs 16 273
 (ii) Agency fees 168 980 = 185 253

West Rand Development Board
 (a) 11 095.
 (b) 6 295.

WEEENEN
 (i) Administration costs 15 835
 (ii) Agency fees 67 287 = 83 122

East Rand Development Board

ORANJEVAAL
 (i) Administration costs 123
 (ii) Agency fees 2188

(a) 2 977.
 (b) 2 188.

145. Mr P R C ROGERS asked the Minister of Constitutional Development and Planning:

How many houses (a) built and (b) sold in terms of the 99-year leasehold scheme were financed (i) by building societies and (ii) by means of private capital from the inception of this scheme to the latest specified date for which figures are available?

Oranje-Vaal Development Board
 (a) 986.
 (b) 985.
 Southern Free State Development Board
 (a) 2 769.
 (b) 533.

Natalia Development Board

- (a) 56 (29 withdrawn due to high prices).
 (b) 56 (27 processed, but delayed due to re-assessment of house prices).

East Cape Development Board

- (a) 3 033.
 (b) 1 592.

Central-Transvaal Development Board

- (a) 2 079.
 (b) 1 553.

Western Transvaal Development Board

- (a) 63.
 (b) 43.

Highveld Development Board

- (a) 1 792.
 (b) 1 269.

Northern Cape Development Board

- (a) 440.
 (b) 440.

Western Cape Development Board

- Walvis Bay
 (a) 332. (a) 20.
 (a) 287. (a) 19.

Northern Transvaal Development Board

- (a) None.
 (b) None.

Eastern Transvaal Development Board

- (a) 273.
 (b) 194.

HOA

Houses

HANSARD 17/3/86
 169. Mr P R ROGBERS asked the Minister of Constitutional Development and Planning:

- (a) What was the total number of houses built in Black townships administered by Development Boards in the latest specified year for which figures are available and (b) what was the estimated backlog in respect of these Black townships at the end of that year?

THE MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

- (a) 7 661 houses in 1985.
 (b) 63 296.

Aged persons: accommodation
 HANSARD 17/3/86 Q. 532.
 173. Mr C W EGLIN asked the Minister of Constitutional Development and Planning:

- (1) Whether there is any accommodation available in the Cape Town area for aged Black persons; if so, (a) how many units and (b) where are they situated in each case; if not, why not;
 (2) whether any accommodation units for aged Black persons are to be built in the Cape Town municipal area with financial assistance from the State; if not, why not; if so, (a) how many units, (b) when and (c) where?

THE MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

- (1) (a) Two units.
 (b) One unit at Langa with accommodation for 54 aged Black persons and one unit at Nyanga with accommodation for 24 aged Black persons.
 (2) (a) Phumlani organisation (a registered welfare organisation) plans the erection of an old age home for 125 aged Black persons and a service centre.

- (b) The organisation has already submitted an application for a loan to the amount of R2 125 000,00.

(c) Phumlani, Gugulethu.

HANSARD 17/3/86
 174. Mr C W EGLIN asked the Minister of Constitutional Development and Planning:

- (1) What was the estimated shortage of housing for Blacks outside the national states at the end of 1985;
 (2) how many houses were provided in 1985 for Blacks (a) outside the national states and (b) in each province by (i) the State, (ii) local authorities and (iii) the private sector;
 (3) when is it expected that the shortages will be eliminated in areas outside the national states?

THE MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

- (1) Approximately 221 572.
 (2) (a) In urban Black townships.
 (i) 9 213.
 (ii) 339.
 (iii) 7 061.
 (b) In urban Black townships.
 Transvaal
 (i) 4 348.
 (ii) 299.
 (iii) 4 979.
 Cape Province
 (i) 4 685.
 (ii) Nil.
 (iii) 595.

- Orange Free State
 (i) 180.
 (ii) 40.
 (iii) 1 487.
 Natal
 (i) to (iii)—Nil.

- (3) The following factors will have an influence on the provision of housing and the subsequent elimination of shortages—
 (i) Economic climate.
 (ii) Availability of funds for sub-economic housing.
 (iii) Availability of funds for infrastructure.
 (iv) Availability of land.
 (v) The pace at which development by the private sector will take place.
 (vi) Rate of urbanisation.
 (vii) Growth rate of the urban Black population.
 It is therefore impossible to give a meaningful reply to this question.

Old Crossroads,
 HANSARD 17/3/86 Q. 534
 178. Mr K M ANDREW asked the Minister of Constitutional Development and Planning:

- (1) Whether any (a) rents, (b) service fees and/or (c) other specified charges are payable by residents of Old Crossroads; if so, (i) what amount is payable per (aa) person and (bb) household in respect of each specified charge and (ii) what total amount was collected from residents of Old Crossroads in respect of each of the above-mentioned rents, services and other charges over the latest specified

HOA

Natalia Development Board

- (a) 56 (29 withdrawn due to high prices).
 (b) 56 (27 processed, but delayed due to re-assessment of house prices).

East Cape Development Board

- (a) 3 033.
 (b) 1 592.

Central-Transvaal Development Board

- (a) 2 079.

- (b) 1 553.

Western Transvaal Development Board

- (a) 63.

- (b) 43.

Highveld Development Board

- (a) 1 792.

- (b) 1 269.

Northern Cape Development Board

- (a) 440.

- (b) 440.

Western Cape Development Board

- (a) 332.

- (a) 287.

- (a) 19.

Northern Transvaal Development Board

- (a) None.

- (b) None.

Eastern Transvaal Development Board

- (a) 273.

- (b) 194.

HoA

Houses

123
 173/86
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HANSARD 173/86 Q. COL 532.
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 (2) (a) Phumlani organisation (a registered welfare organisation) plans the erection of an old age home for 125 aged Black persons and a service centre.

HoA

- (b) The organisation has already submitted an application for a loan to the amount of R2 125 000,00.

- (c) Phumlani, Gugulethu.

123
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 (i) 4 348.
 (ii) 299.
 (iii) 4 979.
 Cape Province
 (i) 4 685.
 (ii) Nil.
 (iii) 595.

HoA

Orange Free State

- (i) 180.

- (ii) 40.

- (iii) 1 487.

Natal

- (i) to (iii)—Nil.

- (3) The following factors will have an influence on the provision of housing and the subsequent elimination of shortages—

- (i) Economic climate.

- (ii) Availability of funds for sub-economic housing.

- (iii) Availability of funds for infrastructure.

- (iv) Availability of land.

- (v) The pace at which development by the private sector will take place.

- (vi) Rate of urbanisation.

- (vii) Growth rate of the urban Black population.

It is therefore impossible to give a meaningful reply to this question.

Old Crossroads

HANSARD 173/86 Q. COL 534.
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Homebuilders suffer from lack of knowledge

By Frank Jeans

While there is a constant cry for massive housing programmes, it seems that when it comes down to the nitty-gritty of homebuilding, resources worth millions are being wasted through lack of management skill and communication with potential homeowners.

Mr Graham Alexander, chairman of Randburg-based company Building Management, Costing and Advisory Services (BMS), says: "Because of the lack of knowledge on the one hand and the failure to communicate on the other, there are people still living in shacks next to half-completed mansions."

Mr Alexander, whose company provides a building management package for owner builders and small building operations, believes this apathy is resulting in valuable funds going to waste.

He gives as an example the housing effort in

Sekekuneland in Lebowa where owner-builders are bogged down because of lack of knowledge about the building process and the "failure of even reputable organisations in the materials supply field" to talk to them.

"As in the homelands, substantial amounts of finance are readily available," he says.

"A state employee, for instance, can get a loan at good rates for home building, set against a figure of about twice the annual income of the family unit. This can be as high as R80 000."

"Because of indifference, however, people are not getting the homes they desire."

Urging greater communication between the small builder and the people who provide materials and services, Mr Alexander claims there are housing projects throughout the country where people have suffered losses which run into millions.

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Labour tension simmers in homeland's industrial heart

The kwaNdebele National Development Corporation (KNDC) aims to encourage, plan, finance, co-ordinate, promote and carry out the development of the self-governing homeland of kwaNdebele, and has been closely involved in building Ekandustria.

This industrial deconcentration point, 17 km outside Bronkhorstspuit, 100 km from Johannesburg and 55 km from Pretoria, has a number of attractions.

The incentives available to industrialists at Ekandustria are substantial. They include:

- A R35-a-month subsidy for every worker for seven years.
- Fixed factory rental for 10 years coupled with a subsidy worth 25 percent on actual construction and land cost.
- An interest subsidy of 25 percent, housing subsidy for key personnel of all races of 20 percent (ordinary labourers excluded).
- Relocation allowance of up to R500,000.
- Tender preferences on Government contracts of 4 percent.

Developers hope that Ekandustria will become an industrial powerhouse for the self-governing homeland of kwaNdebele, due to become independent on December 4 this year. A recent strike at Ekandustria's factories prompted SHERYL RAINE to take a look at this deconcentration point.



- Training incentives at the discretion of the SA Government.
 - Water costs 35c a kl and electricity R10 a kVA and 2c a kWh.
- South Africa's labour laws do not apply to the area, and this has been an added incentive in the case of some businesses which have relocated.
- However, recent rumbles of labour tension have prompted the KNDC to advise industrialists to establish worker commit-

tees to communicate with their workers. But the KNDC cannot enforce any recommendation.

A KNDC spokesman referred to a stayaway by virtually the entire Ekandustria workforce on February 20, as the work of agitators and intimidators. The local police, who were called in to disperse strikers, attributed it to the African National Congress.

The KNDC's labour relations

officer has warned that Ekandustria workers' wages are too low, that the situation is dangerous and volatile. The workers are soft targets for would-be agitators, he says. He hopes the kwaNdebele Government will, after independence, introduce labour laws to protect workers.

There is evidence that, even though South African trade unions are discouraged from operating in the region, at least one, the SA Allied Workers Union, is already handing out membership forms.

There are now 45 businesses in operation in Ekandustria and 52 factories have been completed. The number of people employed in Ekandustria and nearby Siyabuswa, totals 2 500, but when present factories are working at their full capacity, there will be 5 600 job opportunities.

The KNDC is building a further 15 factories in Ekandustria and is planning 30 more on 36 ha of 214 ha still to be developed.

Labour-intensive factories are favoured and recipients of subsidies are carefully screened.

More than two million blacks homeless — Eglin

News
18/3/86

123

Political Staff
MORE than two million blacks do not have homes and many more are living in sub-standard housing.

These figures have been revealed as a result of questions in Parliament by the leader of the Progressive Federal Party, Mr Colin Eglin.

Ministers have given information which shows that there is a shortage of at least 390 790 homes with only 16 613 being provided by the combined forces of the state, local authorities and the private sector last year.

Mr Eglin warned today that the housing situation was getting worse and could have disastrous consequences for the country.

The amounts provided in yesterday's Budget to make up the backlog were totally inadequate.

Major effort

A major effort would have to be made "if the present housing crisis is not going to turn into a national disaster."

Mr Eglin said it could be estimated from the shortage of homes that more than two million blacks could be considered homeless.

Last week the Minister of Development Aid, Mr Gerrit Viljoen, told Parliament there was shortage of almost 200 000 houses in the homelands and more than half the shortage was in the Durban area.

And yesterday the Minister of Constitutional Development, Mr Chris Heunis, said there was a shortage of 221 572 in the non-homeland areas.

Mr Heunis said a number of factors influenced the housing shortage and its elimination.

These included the economic climate, availability of land, the pace at which development by the private sector could take place, the rate of urbanisation and the natural increase of the black population.

Girl, 5, killed in collision with car

Staff Reporter

A five-year-old girl was killed when a car struck her in Halt Road, Elsie's River.

Natasha Peters, of 24th Street, Elsie's River was knocked down about 1:30pm yesterday.



Development, training allocations boosted

CAPE TOWN — A total of R631 million would be spent on improvement of infrastructure and for black housing in 1986/87, the Minister of Finance, Mr Barend du Plessis, announced yesterday.

He referred to the undertaking given by the State President, Mr P. W. Botha, in August last year that R1 billion would be spent on upgrading underdeveloped areas over the next five years.

In 1985/86, R100 million had been set aside to launch this high priority project.

"As planning is far advanced, the momentum will be greatly accelerated in 1986/87 by the allocation of R320 million for this service," Mr Du Plessis said. This was the optimal level for 1986/87.

The provision would supplement the R311 million already allocated to black housing to bring the total to R631 million.

Mr Du Plessis also said the training effort for unemployed would be doubled in the coming year to involve 550 000 people.

He said that R70 million, which remained of the R600 million allocated to job creation last year, would be carried over to the new fiscal year.

"Since the government is convinced that this deserving project should be expanded, a further R90 million is now being allocated while R75 million is also being provided for the continuation of training for the unemployed, thus R235 million in all.

Mr Du Plessis said that R28 million earmarked for job creation projects via the Small Business Development Corporation last year had also not been utilised due to the start-up time involved in launching such a programme.

The R28 million would now be paid to the SBDC as a starting balance for further work creation programmes for 1986/87.

The government would make no corresponding cut in its supplementary proposals and would, on the contrary, invest R30 million in the SBDC as share capital.

"The government trusts that the private sector, as partners in the SBDC, will follow this example and contribute an equivalent amount in share capital," Mr Du Plessis said. — Sapa

400 000 units needed Eglin warns on housing

19/3/86



MR EGLIN
DISPATCH

JOHANNESBURG — South Africans would have to make a "major concerted effort" to correct the black housing shortage if the present crisis was not going to become a national catastrophe, the Leader of the Opposition, Mr Colin Eglin, said here last night.

Addressing a public meeting, he said increasing pressures and the forthcoming lifting of influx control made this effort all the more necessary.

The latest government estimates for the black housing shortage for the whole of the Republic was "close to a staggering 400 000 units". This meant that well over two million blacks in South Africa were without housing, while many more were living in substandard housing, with the minimum of amenities and the barest infrastructure.

Equally alarming was the fact that the state and the private sector together only provided 16 613 houses for blacks in the urban townships during 1985.

The private sector still found today that to develop a property and sell it to a black citizen re-

quired the approval of 27 different departments of governmental authorities.

"It is against this background that the amounts provided for housing in the Du Plessis Budget are hopelessly inadequate." Mr Eglin said South Africa was "one of the most overgoverned countries this side of the Iron Curtain".

There were those who suggested that the PFP should turn its back on Parliament.

It would be "the height of folly" for the PFP to abandon its parliamentary base and to leave the National Party government unquestioned and unchallenged in the highest legislature in South Africa. It would be doing a grave disservice to the cause of non-racialism if it opted out and allowed the Conservative Party to take over as the official opposition.

"Nevertheless, Parliament remains a uniquely important site of power and action among the many political sites in South Africa. It is the only site where laws are made — and scrapped — where the government can be called to account, and where there can be a face-to-face debate with the government on vital political issues." — Sapa

Permits

for white areas

Post Reporter

PEOPLE of any population group may apply for permission to buy property and live in a white group area.

This was said today by a senior official in the Department of Constitutional Development and Planning, Mr Basie Botha, after whites had queried the sale to coloureds of property in Greenbushes, Port Elizabeth.

Mr Botha said permits to live in white areas were granted by his department. While the permits are for limited periods, they are renewable.

He said during the past year six applications were received by his department from coloured people wanting to live in white areas in Port Elizabeth, including Greenbushes.

A permit was granted to a coloured applicant to live in Greenbushes, one application was turned down and two other applications are still being considered for Greenbushes, he said.

A coloured family received a permit to live in another white area in PE. Yet another coloured family's bid for living space in a white area in PE was unsuccessful.

Reasons for refusals could not be divulged because it was an internal matter, he said.

Mr Botha said most permit applications were from coloured and Indian entrepreneurs or professional men wanting to operate in white areas.

Most of the applications in this category were successful.

The Group Areas Act, he said, made provision for coloureds, Indians and Africans to apply for a permit to live or trade in any white area.

Application forms are obtainable from his department at the Eben Donges Building, Hancock Street, PE.

He said several Indian families received permits to live in Grahamstown's white area because the city's Indian area had not yet been developed.

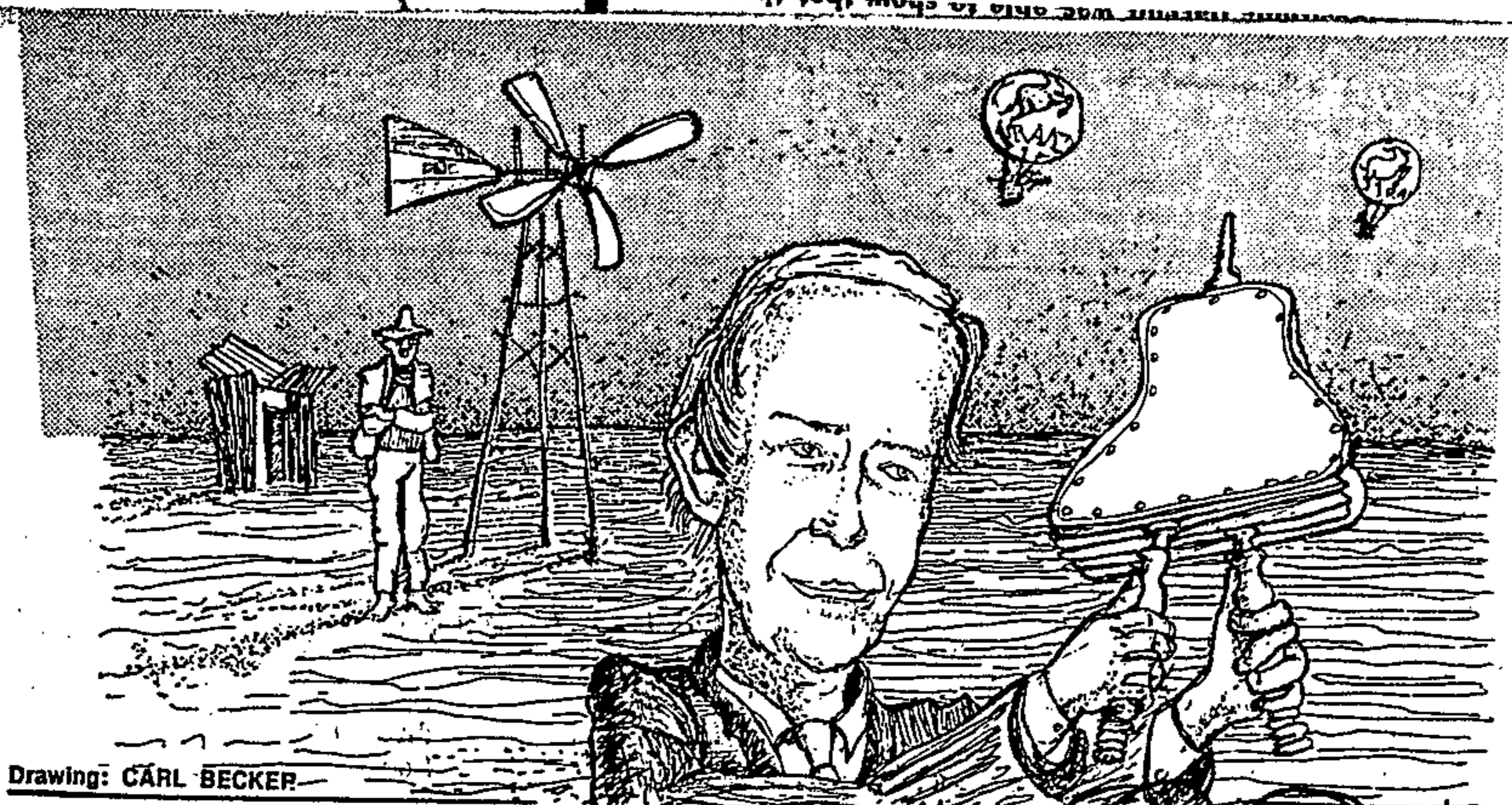
Indian families also lived in Uitenhage's white group area under the permit system.

Some white property owners in Greenbushes complained this week about coloured people being allowed to live and buy property there.

E. Post

123

20/3/86



Drawing: CARL BECKER

WEEKLY 11. 123 21/3/86

An insensitive arithmetic

TWO comments on the budget stick in my mind. Although they came from opposite ends of the spectrum, they said roughly the same thing.

TV ad-star Clive Weil of Checkers said it was "a rich man's budget", all right for people earning salaries but "insensitive" to the rest of the population.

And UDF publicity secretary Murphy Morobe predicted that the economic consequences of the budget were "more likely to fuel resistance than stem it". Neither mentioned housing, but their remarks become painfully applicable to the derisory sum allocated to black housing.

We don't know yet what amounts will be allocated to housing for coloured and Indian people because that is an "own affair" and will be dealt with in "own affair" budgets.

But black housing is a "general affair", which means that everything to do with it is decided by whites.

So Finance Minister Barend du Plessis was able to disclose that he was planning to spend a total R331,3-million on black housing.

This is less than 50 percent of the total R650,6-million he allocated for all housing.

BUDGET '86

Jean Le May reports from the House

When this is put alongside the cut in the bread subsidy, the refusal to lift GST on all food, and the failure to reach parity in schooling, pensions and social services for blacks, Morobe's reaction is understandable.

The budget provisions were "a continued assault on the already severely eroded living standards of blacks" and continued the trend of forcing the poorer sections of the population to carry the major burden of apartheid.

I hope the government is listening to Morobe's remarks but I doubt it. I hope the government will make the connection next time a police van or even a bread delivery van is hit by a shower of stones in Guguletu or Soweto, but I doubt that too.

Some people have already made the connection, among them PFP leader Colin Eglin, the Urban Foundation and the Black Sash, all of whom described the allocation for black housing as "inadequate".

Eglin said replies to questions in parliament had revealed that more than two million blacks did not have homes and many more were living in sub-standard housing.

Ministers had given information, he said, which disclosed a shortage of at least 390 790 homes, with only 16 613 provided by the state, local authorities and the private sector last year.

Last week Minister of Development Aid Gerrit Viljoen said there was a shortage of almost 200 000 houses in the homelands, and Constitutional Development Minister Chris Heunis admitted to a shortage of 221 572 in non-homeland areas.

Another question elicited the information that no family homes at all had been built in Guguletu, Nyanga and Langa last year.

In yet another, a questioner was told that the population of Soweto was just short of a million, at which Helen Suzman interjected: "You can double that."

Her comment arouses the interesting speculation that government planners are as bad at arithmetic as they are insensitive to the makings of even worse crises inherent in the budget provisions.

Get into black housing — Heunis

Political Staff

The Minister of Community Development, Mr. Chris Heunis, urged the private sector yesterday to get involved in the provision of housing for blacks.

Speaking at the annual general meeting of the National Homebuilders Association in Johannesburg, he said the Government was enthusiastic about the involvement of the private sector.

Legislation would be introduced this year for the development of townships on private land which had been earmarked for township extension and development.

He again offered the assistance of his department in the solving of individual problems that private developers may still encounter.

There should be no difference between getting involved in the provision of housing for blacks and housing for other population groups.

IMPEDIMENTS

The Government was prepared, and had in fact leaned backwards to remove all impediments that may in the past have prevented objectives for black housing being reached.

It was now legally possible for any eligible black to obtain title to property in a black township.

As in the case of other population groups, there were certain formalities that had to be complied with by developers. First of all sites had to be developed.

There were approximately 300 black townships outside the national states and the Development Trust areas.

Surveyed sites were available in all the main metropolitan areas. The present backlog of housing units for blacks in urban black townships was 221 572 units.

The State had provided large amounts for a housing infrastructure and the private sector and the individual now had the ideal opportunity to get involved.

BODAY 25/3/86

Heunis: Share housing costs 123

IT WAS generally accepted that the provision of housing could be used as a dynamic instrument for development, Constitutional Development and Planning Minister Chris Heunis said yesterday.



● HEUNIS

Speaking in Johannesburg at a meeting of the National Association of House Builders, he said the

State should not bear the greatest responsibility or financial burden for urbanisation.

This burden could be turned into an asset by allowing the private sector and developing communities themselves to play a role in urban development.

The potential for the development of urban areas had to be unlocked by reliance on principles of free enterprise, community development and devolution of power.

Housing development could contribute to the creation of work opportunities.

Government realised that individuals who wanted to operate successfully as owner-builders had to have access to serviced sites and loans.

The existence of a productive, informal construction industry was therefore of the utmost importance. — Sapa.

The MINISTER OF LAW AND ORDER:

| | |
|-------------------|-------|
| (1) Transvaal | 1 190 |
| Natal | 510 |
| Cape Province | 839 |
| Orange Free State | 316 |
| Total | 2 855 |

(2) 3 908.

HANSARD 25/3/86
 QCA 731
 208. Mr D J DALLING asked the Minister of Administration and Economic Advisory Services:

- (1) In what categories has full parity been achieved in the salaries paid to officers of different race groups in the Department of Justice;
- (2) what is the total number of non-White officers in the said Department who enjoy full parity in salary;
- (3) in what categories has full parity not been achieved in the salaries paid to officers of different race groups in that Department;
- (4) what is the total number of non-White officers in that Department who do not enjoy full parity in salary;
- (5) (a) what steps are being taken to eliminate the existing disparity and (b) when is it estimated that such disparities will be eliminated?

The MINISTER OF ADMINISTRATION AND ECONOMIC ADVISORY SERVICES:

- (1) Coloured and Indian State prosecutor and higher ranks
 Magistrate and higher ranks
 Justice Administration Clerk and higher ranks
 Court Interpreter and higher ranks
 Security Assistant and higher ranks
 Storekeeper and higher ranks

Provisioning Administration Clerk and higher ranks
 Personnel Clerk and higher ranks
 Accounting Clerk and higher ranks
 Legal Officer and higher ranks
 Legal Administration Officer and higher ranks
 State Advocate and higher ranks
 Assistant State Attorney and higher ranks
 Assistant State law Advisor and higher ranks
 Regional Magistrate and higher ranks
 President and Permanent Member: Appeal Court for Commissioners' Courts and Divorce Court
 Warden and higher ranks

- Black
 Magistrate
 Chief Court Interpreter
 Senior Storekeeper and higher ranks
 State Prosecutor
 Warrant Officers and higher ranks up to Lieutenant Colonel
- (2) Coloured and Indian 2 234
 Black 607

(3) Coloured and Indian
None (enjoy full salary parity)

- Black
 Court Interpreter
 Justice Administration Clerk
 Security Assistant
 Sargeant
 Warden
 Storekeeper
 Provisioning Administration Clerk
 Assistant Provisioning Administration Clerk
 Accounting Clerk
- (4) Coloured and Indian Nil
 Black 7 003

(5) (a) In order to effect its policy of parity in the salaries of the different population groups. The Government accepted a plan divided into different phases in which the wage gap was to be narrowed and eliminated on a horizontal basis from the highest

to the lowest levels. This plan has to a large extent been effected in concurrence with general salary increases granted in recent years. The elimination of further differences, in both salaries and measures, at present receives attention during occupational specific maintenance investigations.

(b) As and when maintenance investigations into occupational groups are carried out, but within the framework of available funds.

HANSARD 25/3/86
 QCA 733
 Identify documents in flux control
 213. Mr D J DALLING asked the Minister of Law and Order:

How many Blacks in (a) the Sandton municipal area and (b) Alexandra Township were charged in 1985 with offences relating to (i) identity documents, (ii) influx control and (iii) curfew laws?

The MINISTER OF LAW AND ORDER:

- (a) Sandton.
 (i) 273.

- (ii) 254.
 (iii) None.
- (b) Alexandra.
 (i) 5.
 (ii) 18.
 (iii) None.

HANSARD 25/3/86
 QCA 734
 313. Mr R A F SWART asked the Minister of Constitutional Development and Planning:

(1) (a) How many houses were built by each specified Development Board in 1985 and (b) what was the amount spent on (i) housing and (ii) infrastructural development for such housing by each Development Board in the 1984-85 financial year;

(2) whether there is a shortage of housing in townships in any Development Board area; if so, how many units are required in each specified Development Board area?

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

| | (1)(a) | (b)(i) R | (ii) R | (2) |
|---------------|--------|------------|------------|--------|
| Eastern Tvl | 522 | 899 388 | 1 842 878 | 748 |
| Northern Tvl | Nil | Nil | Nil | 279 |
| West Rand | 100 | 884 000 | 938 000 | 2 780 |
| East Rand | 130 | 2 942 877 | 7 587 137 | 7 961 |
| Northern Cape | Nil | Nil | Nil | 5 407 |
| Orange Vaal | 503 | 4 988 392 | 8 157 548 | 2 122 |
| Southern OFS | Nil | Nil | Nil | 4 300 |
| Eastern Cape | 966 | 4 600 422 | 1 473 346 | 8 755 |
| Western Cape | 3 001 | 25 321 737 | 40 746 919 | 9 051 |
| Natalia | Nil | Nil | 2 893 200 | 12 400 |
| Central Tvl | Nil | Nil | Nil | 1 217 |
| Western Tvl | 222 | 609 420 | 3 322 603 | 3 553 |
| Highveld | 52 | 390 000 | 125 000 | 4 723 |

HANSARD 25/3/86
 Repatriations 25/3/86
 347. Mrs H SUZMAN asked the Minister of Constitutional Development and Planning:

- (1) How many Black workers from (a) Zimbabwe, (b) Lesotho, (c) Swaziland, (d) Botswana and (e) Mozambique were repatriated in 1985;
- (2) how many of these workers in each category had been granted exemption

The DEPUTY MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

- (1) No.
- (a) Application for the determination of the amount payable for a right of leasehold on land has to be submitted to the Minister for his approval. Development Boards have been requested to submit outstanding applications in this regard. Most of the applications have been received and are in the process of submission for approval.

(b) Verkeerdevlei Nylstroom
Amsterdam Makwassie
Zeerust Soekmekaar
Swartruggens Duiwelskloof
Vanstadensrus Roedtan
Leeudoringstad Naboomspruit
Ottosdal Louis Trichardt
Hartbeesfontein Mfuleni
Messina

(2) 28 February 1986.

HANSARD 25/3/86
*10. Mrs H SUZMAN asked the Minister of Justice:

- (a) How many persons are at present serving life sentences for offences against the security of the State and (b) in respect of what date is this information furnished?

The MINISTER OF JUSTICE:

(a) and (b). Twenty two (22) on 12 March 1986.

HANSARD 25/3/86
*11. Mr A B WIDMAN asked the Minister of Public Works:

- (1) Whether any member of his Department has received any representations regarding the opening of a deeds office in Port Elizabeth; if so, (a) from whom and (b) when;

The DEPUTY MINISTER:

Mr Speaker, the opening of a deeds office in any place requires a thorough investigation. As I indicated at a previous occasion in this House, if the opening of a deeds office is envisaged, firstly consultations will take place with law societies throughout the country and secondly the extent of the work in its totality will be looked at.

In respect of the registration of Black deeds with the coming into operation of the 99-year leasehold system, there is under these circumstances not yet enough reason for the opening of a deeds office.

HANSARD 25/3/86
*12. Mr H H SCHWARZ asked the Minister for Administration and Economic Advisory Services:

- (a) What is the total number of public relations officers who are employed in the Public Service, (b) what is the total cost of employing them and (c) in respect of what date is this information furnished?

The MINISTER FOR ADMINISTRATION AND ECONOMIC ADVISORY SERVICES:

- (a) 45.
(b) R1 907 530,00 with regard to the service benefits package.
(c) 17 March 1986.

HANSARD 25/3/86
*13. Mr H H SCHWARZ asked the Minister of Trade and Industry:

What was the total amount paid out in respect of decentralisation or deconcentration benefits from 1 February 1985 to 31 January 1986?

The MINISTER OF TRADE AND INDUSTRY:

R386 million.

HANSARD 25/3/86
*14. Mr D J N MALCOMB asked the Minister of Transport Affairs:

- (1) Whether, prior to the departure of a Cape Town to Wellington train from Cape Town Station at or about 18h10 on 6 March 1986, any coaches for all races were changed to coaches for Whites only by any officials attached to the South African Transport Services; if so, (a) why, (b) how long before the time of departure and (c) on whose instructions;

- (2) whether there were any non-White commuters in the coaches for all races prior to the changing of the signs; if so, how many;

- (3) whether these non-White commuters were required to vacate the coaches in question; if so, with what result;

- (4) whether it is the policy of the South African Transport Services to alter coach classifications (a) shortly before the time of departure and (b) when commuters are already seated; if so, why;

- (5) whether any action has been taken as a result of this incident; if not, why not; if so, what action;

- (6) whether he will make a statement on the matter?

The MINISTER OF TRANSPORT AFFAIRS:

- (1) Yes, in the case of one coach.
(a) The turning of boards on coaches before departure of a train is standard procedure and forms part of the normal duties of train personnel.
(b) Approximately ten minutes before departure.
(c) In accordance with standing instructions.

(2) Yes, it should have been effective for an undetermined period.

(3) No. The hon member is, however, referred to my statement of 26 February 1986 when the decrease in fuel prices was announced which included an announcement in this regard.

Mr D J N MALCOMESS: Mr Speaker, arising out of the answer of the hon the Minister, may I ask him whether, in view of the court ruling on this matter that has now taken place, he is prepared to let the matter rest there or whether he intends to take the matter further and appeal against the ruling; or alternatively, after the legislation in order to bring about a situation where the members of the public have to pay more for their petrol?

†The MINISTER: Mr Speaker, in the first instance, we are not planning to appeal; secondly, we are not planning to alter the Act; and thirdly I want to mention that the judge's ruling is being studied and as soon as we have studied it in full, we shall decide on a plan of action.

Mr H H SCHWARZ: Mr Speaker, further arising out of the hon the Minister's reply, if in fact he is opposed to the concept of using coupons, has he not discussed this matter with the hon the Minister of Trade and Industry in view of the application of the Trade Practices Act?

†The MINISTER: Mr Speaker, to the best of my knowledge the way in which the coupons were offered is not a contravention of the Trade Practices Act.

Mr D J N MALCOMESS: Mr Speaker, further arising out of the hon the Minister's reply, may I ask the hon the Minister whether in view of the lower crude oil prices which we have all seen publicised in the Press today, he himself has any intention of reducing the petrol price in the near future? [Interjections.]

†The MINISTER: Mr Speaker, I gladly reply to that question. I think our Department and the Government have already proved that we immediately reduce the price

HoA

as soon as it is possible. We are busy investigating the whole matter and the moment it is possible to reduce the price, we shall not hesitate to do so.

†The MINISTER: Mr Speaker, I am sorry to hear that. I shall do my utmost to reduce the price as soon as it is possible. We are busy investigating the whole matter and the moment it is possible to reduce the price, we shall not hesitate to do so.

Whether any South African Defence Force personnel have been engaged in any manoeuvres or taken any action in Mabo-pane in 1986; if so, (a) on what dates, (b) why, (c) what was the nature of the manoeuvres or action and (d) what specified (i) personnel were involved and (ii) equipment was used in each case?

†The DEPUTY MINISTER OF DEFENCE:

No, (a), (b), (c) and (d) fall away.

†The MINISTER: Mr Speaker, in the first instance, we are not planning to appeal; secondly, we are not planning to alter the Act; and thirdly I want to mention that the judge's ruling is being studied and as soon as we have studied it in full, we shall decide on a plan of action.

†The MINISTER: Mr Speaker, I am not personally aware of all the details of the incident, but any member of the Security Branch is also an ordinary member of the South African Police, with the normal authority that any member of the Police Force has to do his job as he may encounter it.

(1) Whether a certain person from Malungu Park in Gululetu, whose name and particulars have been furnished to the South African Police for the purpose of the Minister's reply, was arrested or detained by the South African Police on or about 11 February 1986; if so, (a)(i) when, (ii) why, (iii) in terms of what statutory provisions and (iv) where was he held and (b) what (i) is the name and (ii) are the particulars of this person;

(2) whether this person has since been released; if not, why not; if so, when?

The MINISTER OF LAW AND ORDER:

(1) Yes.

(a) (i) 11 February 1986.

(ii) Questioning and investigation.

HoA

(iii) He was initially detained in terms of section 50 of the Criminal Procedure Act, 1977 (Act 51 of 1977) and from 12 February 1986 he is being detained in terms of section 29 of the Internal Security Act, 1982 (Act 74 of 1982).

(iv) Pollsmoor Prison.

(b) (i) Mzwandile Mpangazita Mchiteka.

(ii) It is not clear which particulars are being required.

(2) No, since the investigation is not completed yet.

†The MINISTER: Mr Speaker, I am not personally aware of all the details of the incident, but any member of the Security Branch is also an ordinary member of the South African Police, with the normal authority that any member of the Police Force has to do his job as he may encounter it.

(1) Whether members of the Security Branch of the South African Police in De Aar arrested or detained any persons from Prieska on or about 5 March 1986; if so, (a) how many and (b) why;

(2) whether these persons were travelling by car at the time; if so,

(3) whether any action was taken in respect of the car in which these persons were travelling; if so, (a) what action and (b) why;

(4) whether these persons have subsequently been released; if so, when;

(5) whether he has received any representations regarding these persons; if so, (a) from whom, (b) when and (c) what was the nature of (i) the representations and (ii) his response thereto?

†The MINISTER OF LAW AND ORDER:

(1) Yes.

(2) in respect of what date is this information furnished?

HoA

The DEPUTY MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

(1) No.

(a) Application for the determination of the amount payable for a right of leasehold on land has to be submitted to the Minister for his approval. Development Boards have been requested to submit outstanding applications in this regard. Most of the applications have been received and are in the process of submission for approval.

(b) Verkeerdevlei Nylstroom
Amsterdam Makwassie
Zeerust Soekmekaar
Swartruggens Duiwelskloof
Vanstadensrus Roedtan
Leeudoringstad Naboomspruit
Ottosdal Louis Trichardt
Hartbeesfontein Mfuleni
Messina

(2) 28 February 1986.

Offences against security of State
*10. Mrs H SUZMAN asked the Minister of Justice:

(a) How many persons are at present serving life sentences for offences against the security of the State and (b) in respect of what date is this information furnished?

The MINISTER OF JUSTICE:

(a) and (b). Twenty two (22) on 12 March 1986.

Port Elizabeth: deeds office
*11. Mr A B WIDMAN asked the Minister of Public Works:

(1) Whether any member of his Department has received any representations regarding the opening of a deeds office in Port Elizabeth; if so, (a) from whom and (b) when;

†The DEPUTY MINISTER:

Mr Speaker, the opening of a deeds office in any place requires a thorough investigation. As I indicated at a previous occasion in this House, if the opening of a deeds office is envisaged, firstly consultations will take place with law societies throughout the country and secondly the extent of the work in its totality will be looked at.

In respect of the registration of Black deeds with the coming into operation of the 99-year leasehold system, there is under these circumstances not yet enough reason for the opening of a deeds office.

Public relations officers
*12. Mr H H SCHWARZ asked the Minister for Administration and Economic Advisory Services: QCOL 685.

(a) What is the total number of public relations officers who are employed in the Public Service, (b) what is the total cost of employing them and (c) in respect of what date is this information furnished?

†The MINISTER FOR ADMINISTRATION AND ECONOMIC ADVISORY SERVICES:

(a) 45.

(b) R1 907 530,00 with regard to the service benefits package.

(c) 17 March 1986.

Decentralisation of concentration benefits
*13. Mr H H SCHWARZ asked the Minister of Trade and Industry:

What was the total amount paid out in respect of decentralisation or deconcentration benefits from 1 February 1985 to 31 January 1986?

The MINISTER OF TRADE AND INDUSTRY:

R386 million.

†The DEPUTY MINISTER:

*14. Mr D J N MALCOLM asked the Minister of Transport Affairs: QCOL 686.

(1) Whether, prior to the departure of a Cape Town to Wellington train from Cape Town Station at or about 18h10 on 6 March 1986, any coaches for all races were changed to coaches for Whites only by any officials attached to the South African Transport Services; if so, (a) why, (b) how long before the time of departure and (c) on whose instructions;

(2) whether there were any non-White commuters in the coaches for all races prior to the changing of the signs; if so, how many;

(3) whether these non-White commuters were required to vacate the coaches in question; if so, with what result;

(4) whether it is the policy of the South African Transport Services to alter coach classifications (a) shortly before the time of departure and (b) when commuters are already seated; if so, why;

(5) whether any action has been taken as a result of this incident; if not, why not; if so, what action;

(6) whether he will make a statement on the matter?

†The MINISTER OF TRANSPORT AFFAIRS:

(1) Yes, in the case of one coach.

(a) The turning of boards on coaches before departure of a train is standard procedure and forms part of the normal duties of train personnel.

(b) Approximately ten minutes before departure.

(c) In accordance with standing instructions.

Boards built 5 496 houses in 1985

By BARRY STREEK
Political Staff

HOUSE OF ASSEMBLY.
—Despite an official estimate of a shortage of 64 513 houses for black people in the urban areas of South Africa, the 13 development boards constructed only 5 496 houses last year — and more than half were built in the Western Cape.

Five of the develop-

ment boards did not build any houses last year.

This was revealed yesterday when the Minister of Constitutional Development and Planning, Mr Chris Heunis, replied to a question tabled by Mr Ray Swart (PFP Berea).

He said 3 001 of the 5 496 houses were built by the Western Cape Development Board in 1985.

No houses had been built by the Northern Transvaal, Northern Free State, Natal and Central Transvaal development boards.

Mr Heunis said R40,6-million had been spent on housing by the development boards, R25,3-million of which had been spent by the Western Cape board.

He also said the development boards had

spent R60,1-million on infrastructure, R40,7-million of which had been spent in the Western Cape.

However, four development boards — Northern Transvaal, Northern Cape, Southern Free State and Central Transvaal — had not spent anything last year on infrastructure.

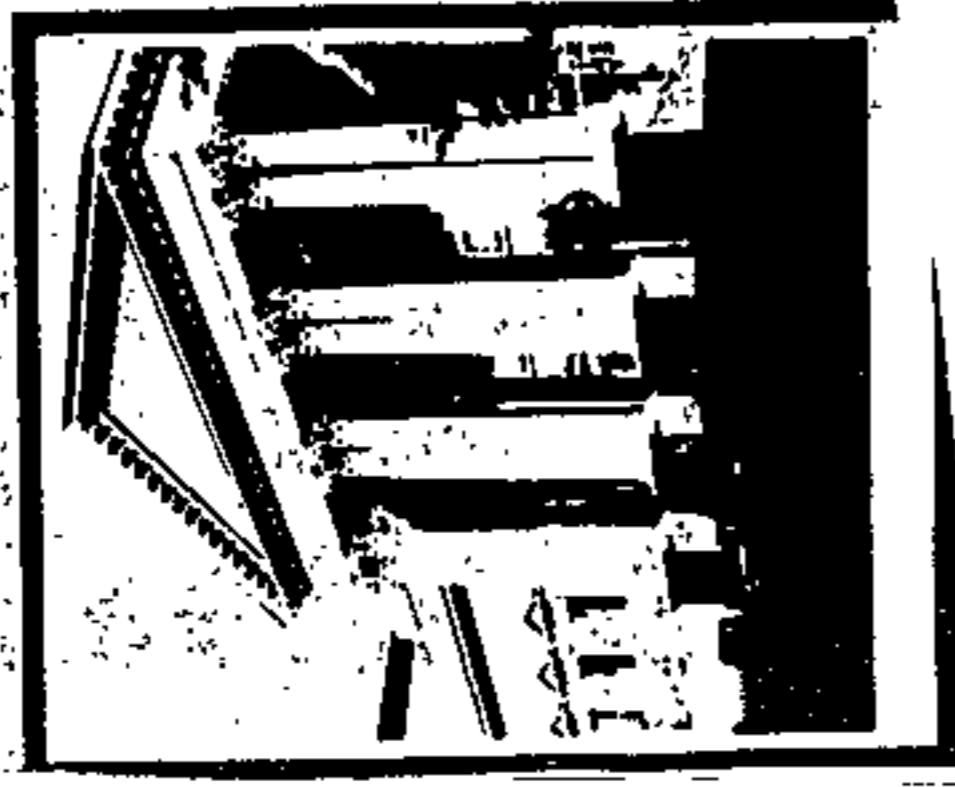
In reply to another question, Mr Heunis told the Leader of the Oppo-

sition, Mr Colin Eglin, that there was an estimated shortage of 7 500 houses for black families in the Peninsula, but he could not estimate when the shortage of housing in the area would be eliminated.

He said it was impossible to give "a meaningful reply" to the question about when the shortage would be eliminated because several factors would have an influence

on the provision of housing and the elimination of shortages.

These factors included the economic climate, the availability of funds for sub-economic housing, the availability of funds for infrastructure, the pace at which development by the private sector took place, the rate of urbanization and the growth rate of the black population.



Housing survey planned

PARLIAMENT — A national survey would be done on the housing needs of whites, coloureds and Indians of all income groups, the Minister of Local Government, Housing and Works in the white own administration, Mr Amie Venter, said yesterday.

Speaking in the second reading debate on the Appropriation Bill of the administration, he said the survey was aimed at providing a "complete image" of housing needs.

At the same time, all waiting lists for housing administered by the houses of Assembly, Representatives and Delegates would be revised and computerised.

The lack of a reliable data-base had been a serious problem.

● Mr Venter also said additional relief would be provided for whites who, despite measures introduced last year, were still unable to afford the rents on their homes. — Sapa.

The MINISTER OF TRANSPORT AFFAIRS:

(1) Cape Town Station 3
Table Bay Harbour 4
17
4
72
26
284
68
26

- (a) 3
- (b) 95
- (c) 3
- (d) 34
- (e) 99
- (f) 502
- (g) 50
- (h) 44

Woodstock does not have its own Railways Police post and cases which occur at this Station are reported to the Railways Police post at Cape Town Station.

| | (a) | (b) | (c) |
|---|-----|-----|-----|
| Murder..... | — | — | 7 |
| Robbery..... | 10 | 2 | 100 |
| Rape..... | — | — | 7 |
| Assault with intent to do grievous bodily harm .. | 3 | 14 | 89 |
| Common assault | 2 | 9 | 114 |
| Theft | 35 | 56 | 695 |
| Burglary..... | 3 | 9 | 106 |
| Malicious damage to property... | 4 | 1 | 65 |

Family housing units
603. Mr. P. P. SOAL asked the Minister of Education and Development Aid:

- (1) (a) How many family housing units were built in 1985 in each national state by (i) the national state authority, (ii) private owners and (iii) the South African Government and (b) what was the total amount spent by each in respect of each national state;
- (2) whether there is a shortage of housing units in any national state; if so, how many units are required in respect of each national state;
- (3) whether any family housing units are being built in the national states at present by (a) the national state authority, (b) private owners and (c) the South African Government; if not, why not; if so, (i) how many units are being built by each in each national state and (ii) when are they due to be completed in each case?

The MINISTER OF EDUCATION AND DEVELOPMENT AID:

| | (i) | (ii) | (iii) |
|---------------------------------|---------|---------|-------------|
| Lebowa | Unknown | Unknown | 65 |
| KaNgwane | Unknown | Unknown | 237 |
| KwaZulu | Unknown | Unknown | 868 |
| Gazankulu | Unknown | Unknown | 130 |
| South African Development Trust | Unknown | Unknown | 1 589 |
| Land | Unknown | Unknown | R 262 000 |
| Lebowa | Unknown | Unknown | R 895 351 |
| KaNgwane | Unknown | Unknown | R 2 734 594 |
| KwaZulu | Unknown | Unknown | R 455 000 |
| Gazankulu | Unknown | Unknown | |
| South African Development Trust | Unknown | Unknown | R 3 242 973 |
| Land | Unknown | Unknown | |

The MINISTER OF JUSTICE:

| Division | Persons |
|---------------------------------------|---------|
| Transvaal Provincial Division | 2 456 |
| Cape of Good Hope Provincial Division | 603 |
| Orange Free State Provincial Division | 563 |
| Natal Provincial Division | 339 |
| Northern Cape Division | 109 |
| Eastern Cape Division | 258 |

Companies under compulsory liquidation

611. Mr H H SCHWARZ asked the Minister of Justice:

How many companies were placed under compulsory liquidation in the area of each Master of the Supreme Court in 1985?

The MINISTER OF JUSTICE:

| Division | Companies |
|---------------------------------------|-----------|
| Transvaal Provincial Division | 1 232 |
| Cape of Good Hope Provincial Division | 429 |
| Orange Free State Provincial Division | 154 |
| Natal Provincial Division | 258 |
| Northern Cape Division | 23 |
| Eastern Cape Division | 137 |

Bonus bond prize money: unclaimed

616. Mr H H SCHWARZ asked the Minister of Finance:

- (1) What amount in bonus bond prize money was unclaimed as at the latest specified date for which figures are available;
- (2) whether any action is to be taken in regard to such unclaimed money; if so, (a) what action and (b) when?

The MINISTER OF FINANCE:

- (1) R2 025 400—as at 28 February 1986.
- (2) Yes.

(a) All redeemed bonds are continuously compared with winning

(2) Yes, it is not possible to give a completely accurate figure as the shortage of housing also depends on the actual demand. It is estimated that the shortage in terms of units is as follows:

| | |
|---------------------------------|------------------|
| Lebowa | 18 180 |
| QwaQwa | 24 240-30 000 |
| KwaZulu | 100 000 |
| | (80 000-100 000) |
| KaNgwane | 6 000 |
| KwaNdebele | 3 850 |
| Gazankulu | 2 000 |
| South African Development Trust | |
| Land | 14 948 |
| Total | 169 218 |

- (3) (a) Yes.
- (b) Yes.
- (c) No.

(i) (a) and (b): The number of houses which are built by the national states and private owners are not known.

(c) The South African Government has implemented selfbuild schemes within all the national states and no longer builds family housing units.

(ii) It is not possible to indicate when the houses will be completed as it is an ongoing process.

TRANSVAAL 26/3/86
Bankruptcy
GCSL 841

610. Mr H H SCHWARZ asked the Minister of Justice:

How many persons were declared bankrupt in each Division of the Supreme Court in 1985?

The MINISTER OF EDUCATION AND DEVELOPMENT AID:

- (1) Approximately 80 families.
- (2) (a) to (d) The area is administered by the Government of Ciskei but the Government of the Republic of South Africa intends to take over the administration. As far as is known there are no villages or towns in the area. The other information requested is not readily available.

Wartburg: population/villages, towns

391. Mr P R C ROGERS asked the Minister of Education and Development Aid:

- (1) What is the estimated population of the area known as Wartburg;
- (2) (a) how many separate villages or towns are there within the boundaries of this area, (b) what are their names, (c) how are these villages or towns administered and (d) what facilities are there in each of these villages or towns in respect of (i) community halls, (ii) schools, (iii) clinics, (iv) playing fields and (v) shops?

The MINISTER OF EDUCATION AND DEVELOPMENT AID:

- (1) Approximately 425 families.
- (2) (a) to (d) The area is administered by the Government of Ciskei but the Government of the Republic of South Africa intends to take over the administration. As far as is known there are no villages or towns in the area. The other information requested is not readily available.

Newlands, East London: population/villages, towns

392. Mr P R C ROGERS asked the Minister of Education and Development Aid:

- (1) What is the estimated population of the area known as Newlands and situated near East London;

- (2) (a) how many separate villages or towns are there within the boundaries of this area, (b) what are their names, (c) how are these villages or towns administered and (d) what facilities are there in each of these villages or towns in respect of (i) community halls, (ii) schools, (iii) clinics, (iv) playing fields and (v) shops?

The MINISTER OF EDUCATION AND DEVELOPMENT AID:

- (1) Approximately 1 500 families.
- (2) (a) to (d) The area is administered by the Government of Ciskei but the Government of the Republic of South Africa intends to take over the administration. As far as is known there are no villages or towns in the area. The other information requested is not readily available.

Kwelera: population/villages, towns

393. Mr P R C ROGERS asked the Minister of Education and Development Aid:

- (1) What is the estimated population of the area known as Kwelera;

- (2) (a) how many separate villages or towns are there within the boundaries of this area, (b) what are their names, (c) how are these villages or towns administered and (d) what facilities are there in each of these villages or towns in respect of (i) community halls, (ii) schools, (iii) clinics, (iv) playing fields and (v) shops?

The MINISTER OF EDUCATION AND DEVELOPMENT AID:

- (1) Approximately 1 500 families.
- (2) (a) to (d) The area is administered by the Government of Ciskei but the Government of the Republic of South Africa intends to take over the administration. As far as is known there are no villages or towns in the area. The other information requested is not readily available.

Mooiplaas: population/villages, towns

394. Mr P R C ROGERS asked the Minister of Education and Development Aid:

- (1) What is the estimated population of the area known as Mooiplaas;
- (2) (a) how many separate villages or towns are there within the boundaries of this area, (b) what are their names, (c) how are these villages or towns administered and (d) what facilities are there in each of these villages or towns in respect of (i) community halls, (ii) schools, (iii) clinics, (iv) playing fields and (v) shops?

The MINISTER OF EDUCATION AND DEVELOPMENT AID:

- (1) Approximately 2 200 families.
- (2) (a) to (d) The area is administered by the Government of Ciskei but the Government of the Republic of South Africa intends to take over the administration. As far as is known there are no villages or towns in the area. The other information requested is not readily available.

HANSARD
404. Mrs H SUZMAN asked the Minister of Justice: 26/3/86

Reference books/influx control
How many Black persons were convicted of offences relating to reference books and influx control in (a) each of the main urban centres and (b) the Republic in 1984 and 1985, respectively?

The MINISTER OF JUSTICE:

The information is not readily available.

HANSARD
407. Mrs H SUZMAN asked the Minister of Constitutional Development and Planning: 26/3/86

(a) How many persons in Soweto proper, Dobsonville and Diep Meadow applied

for 99-year leases in 1985 and (b) how many such applications had been granted as at the latest specified date for which figures are available?

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

- (a) 4 577 as on 31 January 1986.
(b) 4 577 as on 31 January 1986.

HANSARD
408. Mrs H SUZMAN asked the Minister of Education and Development Aid: 26/3/86

Houses 123
What was the total number of houses built for Blacks in the 1984-85 financial year in each of the (a) urban and (b) non-urban areas of each national state?

The MINISTER OF EDUCATION AND DEVELOPMENT AID:

- (a) The South African Government has implemented selfbuild Schemes in all the national states and no longer builds family housing units except in exceptional cases.

(b) Unknown.

HANSARD
409. Mrs H SUZMAN asked the Minister of Constitutional Development and Planning: 26/3/86

- (1) How many housing schemes are at present being developed in Soweto by the (a) West Rand Development Board and (b) private sector;

(2) (a) when (i) were such schemes initiated and (ii) is it envisaged that they will be completed and (b) how many housing units are involved in each case;

(3) whether any housing schemes for lower-income groups are under construction in Soweto; if so, (a)(i) how many and (ii) how many units are involved in each case and (b) in respect

of what date is this information furnished?

(1) (a) Seven.

(b) One.

City Council of Soweto in conjunction with the West Rand Development Board.

| (a)(i) | (ii) | (b) |
|--------|------|--------------|
| 1981 | 1986 | 420 flats |
| 1981 | 1986 | 434 flats |
| 1982 | 1986 | 777 houses |
| 1983 | 1987 | 2 527 houses |
| 1985 | 1986 | 1 312 sites |
| 1986 | 1986 | 272 sites |
| 1986 | 1988 | 601 sites |
| 1984 | 1986 | 376 houses |

- (2) Chaiwelo
 Jabulani
 Naledi Ext 2
 Protea North
 Naledi Ext 2 (Provision of services)
 Naledi (Emergency camp)
 Nancefield (Site and Service Scheme)
 Private Sector Naledi Ext 2

(3) Yes.

Naledi Ext 2
 Nancefield (Site and Service Scheme)

(b) - 10 March 1986.

HANSAK
 414. Mr P R C ROGERS asked the Minister of Finance: **Q 26/3/86**

- (1) What amount was collected in individual income tax by means of the PAYE system in the 1985 tax year;
- (2) (a) in how many instances did the final assessments result in (i) repayments owing to over-taxation and (ii) additional payments owing to under-taxation and (b) what were the total amounts due in each case?

The MINISTER OF FINANCE:

- (1) R5 377 704 356.
 (2) (a) (i) 925 658.
 (ii) 724 060
 (b) (i) R217 408 182.
 (ii) R1 153 377 336.

Note: Abovementioned figures exclude loan levy and relate to assessments raised

late Division of the Supreme Court were pending as at 31 December 1985; if so, (a) how many and (b) how many of these were (i) civil and (ii) criminal appeals;

(2) how many such appeals in each category have been lodged since 1 January 1986?

The MINISTER OF JUSTICE:

(1) Yes.

(a) 258.

(b) (i) Civil appeals:

| | |
|--|-----|
| Pending | 129 |
| Number lodged, but records not yet received .. | 26 |
| Judgement reserved ... | 7 |
| Total | 162 |

(ii) Criminal appeals:

| | |
|--|----|
| Pending | 90 |
| Number lodged, but records not yet received .. | 4 |
| Judgement reserved ... | 2 |
| Total | 96 |

(2) Appeals received for the period 1 January 1986 until 28 February 1986:
 Civil appeals 12
 Criminal appeals 16

HANSAK
Q 26/3/86
 429. Mrs N SUZMAN asked the Minister of Constitutional Development and Planning:

What was the total number of houses built for Blacks in the 1984-85 financial year in each of the nine main urban areas in the Republic?

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

| | |
|---------------------|-------|
| Pretoria | 92 |
| Witwatersrand | 3 742 |

| | |
|--|-------|
| Bloemfontein | None |
| Pietermaritzburg | None |
| Cape Town | 4 640 |
| Durban | None |
| Kimberley | 45 |
| Port Elizabeth/Uitenhage | 2 902 |
| Vereeniging/Vanderbijlpark/Sasolburg | 501 |

HANSAK
 446. Mr K M ANDREW asked the Minister of Constitutional Development and Planning: **Q 26/3/86**

How many workers were requisitioned from (a) Lebowa, (b) Gazankulu, (c) Owaqwa, (d) KaNgwane, (e) KwaZulu, (f) KwaNdebele, (g) Venda, (h) Bophuthatswana, (i) Ciskei and (j) Transkei by each specified Development Board in 1985?

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

Development Board: Western Cape

| | |
|--------------------------|--------|
| (a) Lebowa | 0 |
| (b) Gazankulu | 0 |
| (c) OwaQwa | 28 |
| (d) KaNgwane | 0 |
| (e) KwaZulu | 25 |
| (f) KwaNdebele | 0 |
| (g) Venda | 0 |
| (h) Bophuthatswana | 300 |
| (i) Ciskei | 6 957 |
| (j) Transkei | 42 611 |

Development Board: Eastern Cape

| | |
|--------------------------|-------|
| (a) Lebowa | 23 |
| (b) Gazankulu | 3 |
| (c) OwaQwa | 4 |
| (d) KaNgwane | 0 |
| (e) KwaZulu | 42 |
| (f) KwaNdebele | 7 |
| (g) Venda | 8 |
| (h) Bophuthatswana | 389 |
| (i) Ciskei | 5 536 |
| (j) Transkei | 4 064 |

Development Board: Northern Cape

| | |
|---------------------|----|
| (a) Lebowa | 12 |
| (b) Gazankulu | 15 |
| (c) OwaQwa | 41 |

Call to cut building standards

Municipal Reporter

Building standards would have to be lowered if there was to be any hope of beating the country's huge backlog in black housing.

This was said by Mr Frank Berkeley, financial director of Gough Cooper Homes, at a seminar on "Affordable Homes"

He said many aspects of the National Building Regulations announced in September last year would have to be waived as it was virtually impossible to apply them to black housing needs.

The only way of solving the problem was using alternative construction methods. These included using building materials not approved by the regulations — even corrugated iron.

"We have to face reality. We cannot apply first world standards to third world conditions," Mr Berkeley said.

Tax incentives were essential if the State wanted builders to invest in risky areas.

Recently a cricket tour sponsor was granted a tax incentive. "Was cricket, and the film industry that also received R14 for every R10 invested, more important than housing?"

The State had restricted housing for blacks for 30 years. Now it was passing the responsibility on to the private sector, but what incentives were offered, he asked.

Call for major push on black housing from private sector

By Shirley Woodgate,
Municipal Reporter

The private sector would have to play a major role in meeting South Africa's current black housing backlog, said Constitutional Development and Planning Minister, Mr Chris Heunis, in Randburg this week.

Addressing a seminar at the annual general meeting of the National Association of Home Builders, he said the total shortage in this country and the independent homelands in 1984 stood at 284 000 houses.

The main needs were not for homes in the R15 000 to R20 000 price range, but for people requiring R5 000 loans just to give their families a roof over their heads.

'ENORMOUS FIGURE'

Mr Heunis said black housing needs from 1980 to 1990 in South Africa had been estimated at 885 000.

To meet this enormous figure, the State would have to spend R1 212 million on services alone up to the year 2000, and a further R2 212 million would be needed if low cost housing was also provided.

Mr Heunis said the provision of the infrastructure by the State afforded the private sector, as well as individuals, a golden opportunity to share the task of solving the housing problem, described as one of the major socio-economic challenges in Southern Africa.

He said the Government believed that under self-help schemes, individuals should be provided with stands where they could erect their own houses to third world standards. They could then improve their homes at a later stage when they had the money.

State cash for housing 'inadequate'

Municipal Reporter

The main thrust of housing in South Africa is towards the black market and away from the former pattern of providing merely for white needs.

This was the message yesterday from Mr Chris Heunis, the Minister of Constitutional Planning and Development, as well as leading figures in the building industry, who addressed a seminar on "Affordable Housing" at the annual general meeting of the National Association of Home Builders (NAHB).

Mr Riley Schachat, outgoing chairman of the NAHB, said the substantial amount of money budgeted for housing by the State was totally inadequate.

The building industry would have to look to major changes and innovations in the way homes were designed, built, financed and marketed if it was to meet the challenge of the new trend.

The housing needs could not be solved using traditional building methods, Mr Schachat said. Solutions included the recognition of controlled squatting, shell and core housing and self-help concepts. "Sweat equity" should be encouraged, he said.

He pleaded for a review of the present "outdated and unrealistic" R40 000 subsidy for first-time home buyers to be increased to R52 000 and for regular updating of the amount.

Black house sales soar despite unrest

By Winnie Graham
Property Editor

29/3/86 STAR
123

The Government's mass sale of houses, started three years ago to encourage homeownership among people of all races, is gathering so much momentum in black townships that, despite the unrest, sales figures are expected to reach the 100 000 mark before the end of 1986.

And a secondary housing market among blacks is developing with properties bought for R1 200 two or three years ago now changing hands at between R12 000 and R15 000.

Recent township house sales figures show a decided upward trend. In December 638 homes were sold nationwide in black townships. In January the figure went up to 667 and last month stood at 717. Now there are plans to push sales up to 8 000 houses a month.

Mr Alex Weiss, of the Department of Constitutional Development and Planning, said yesterday the mounting interest in homeownership was all the more remarkable because of the ongoing turmoil.

And, though privately owned homes were conspicuous by their well-cared-for appearance, few had been damaged in riots and burnings.

When the homeownership scheme was first mooted in 1983, 500 000 houses went on sale. It was slow to take off. Now, it seems, initial reservations are disappearing. To date 41 000 houses have been sold. Tenants of the properties hold pre-emptive rights and are being encouraged to buy.

A massive advertising campaign was being planned from mid-April when firms would be sent information on housing and all women's organisations, from the Vroue Federasie to the Black Sash, approached for assistance.

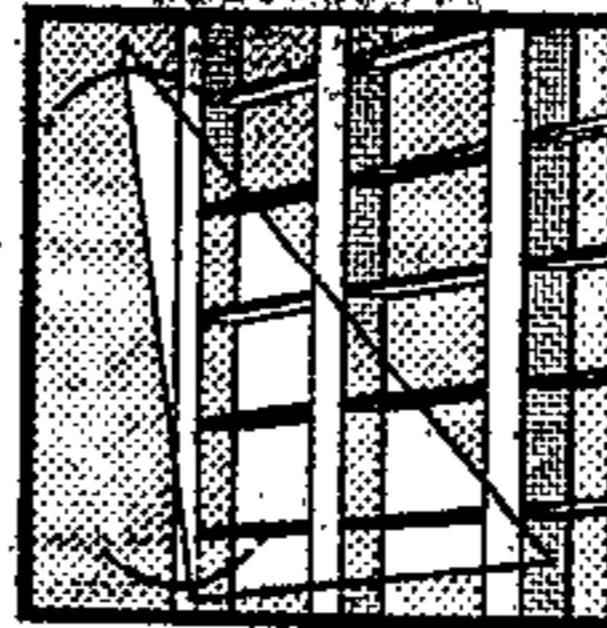
Mr Weiss said black local authorities and development boards were keen to encourage homeownership and were launching their own housing schemes.

The problems of housing all SA

BUDA. 7/4/86

123

At the end of the Students' Architectural Conference at Wits last week, the 400 architectural delegates from all over the country were more bushed than bushy-tailed. They had taken a stimulating look at Johannesburg as "Metropolis". Speakers from SA and abroad ranged from distinguished academics to fashionable architects to people concerned with architecture as a social tool. The conference covered many of the larger issues facing SA. This is the first of a three-part mini series



ARCHITECTURE/Heather Ross

HAVE you ever wondered how our townships developed into the barren urban landscapes we know today when considerable architectural talents were employed in their conception?

Tackling the role of the profession, Derek Japha, senior lecturer from Cape Town University, observed that "architect's liberal-humanist programmes get perverted in the course of their implementation," and added that architects who believe they can best influence the quality and lives of people in urban environments by joining policy-making bodies "are mistaken".

Calling his speech "a case study in perversion," Japha examined the history of the massive housing programme that resulted from the post-war housing crisis, the second of three SA has experienced so far.

Dramatic increases in urban populations from the war and huge squatter movements resulted in a national housing shortage of 250 000 to 500 000 houses. Only a few thousand houses each year were being built.

This provoked direct state participation in design and production of houses, dictating forms of housing the majority of SA's people live in today.

One can see the extent of this programme from the fact that in 1954 and 1955, 40 000 houses were built, more than in the previous 35 years put together. It began under the United Party government, but was only fully realised under the Nationalists.

"To the architects of the period a situation so obviously fluid must have seemed to offer real possibilities to influence the core of things. As a result many architects, including leading figures in the profession like Norman Hanson, were involved throughout."

In the late Thirties, interest in social rather than formal architectural considerations (which had previously held sway) came from the Transvaal Group, in the person of Kurt Jonas, a convinced Marxist.

As a student, Jonas and four colleagues produced a thesis which led to a book called "Native Housing," the first serious work on the subject by any SA architect.

The thesis sprang from socialist concerns, was influenced by Le Corbusier and seen as realistic rather

than utopian.

This was the first stage in a four-part process of the Social Programme of the SA modern movement.

The second stage marked the emergence of Hanson as the most important spokesman on housing within the profession. The internationalist approach of Le Corbusier was replaced with a regionalist programme which was scientific — first the survey then the plan.

The architectural ideas were based on neighbourhood planning theory and American greenbelt towns.

Now Hanson seriously pursued representation on the state agencies which shaped national housing policy. In 1945 he was appointed to the three major housing bodies. As a result of his efforts, a research-based programme was accepted.

The third stage brought forth research which established minimum standards of accommodation, involving concerned organisations, such as the Institute of Race Relations.

"The reports were what one might term liberal documents," said Japha. It was said that "all progressive countries need to establish and maintain the welfare and good health of their citizens, and much can be achieved by proper housing."

"But by reducing the concept of housing to the problem of standards, the reports opened the door to both the extreme reductionism of the fourth stage, and to its appropriation as a political instrument."

"After the Nationalists came to power housing policy was totally integrated in the context of Urban Areas Policy. Subsidisation, seen as a drag on the pocket of the white taxpayer, should be removed entirely. And housing should be 'designed to root out social evils'."

"The last stage, which made the programme implementable, was research into the Costs of Bantu Housing reports of 1954, on which the construction of the 40 000-house programme was based. It became no more than a programme to reduce costs, and was given an elaborate justification in pseudo-scientific terms."

the latest specified three years for which figures are available?

The MINISTER OF TRANSPORT AFFAIRS:

| | 1983 | | 1984 | | 1985 | |
|-------|------|-----|------|-----|------|-----|
| | (a) | (b) | (a) | (b) | (a) | (b) |
| (i) | 5 | 2 | 10 | 9 | 9 | 8 |
| (ii) | 2 | 10 | 7 | 6 | 4 | 1 |
| (iii) | 0 | 1 | 1 | 0 | 2 | 6 |
| (iv) | 9 | 0 | 17 | 3 | 6 | 5 |

Mortgage loans

705. Maj R SIVE asked the Minister of Communications:

What total amount has been budgeted by the Department of Posts and Telecommunications for interest subsidies on mortgage loans of officials in its employ in the 1986-87 financial year?

The MINISTER OF COMMUNICATIONS:

R73 700 000.

Mortgage loans

707. Maj R SIVE asked the Minister of Agricultural Economics:

What total amount has been budgeted by the Department of Agricultural Economics and Marketing for interest subsidies on mortgage loans of officials in its employ in the 1986-87 financial year?

The MINISTER OF AGRICULTURAL ECONOMICS:

Approximately R3,6 million.

Mortgage loans

711. Maj R SIVE asked the Minister of Mineral and Energy Affairs:

What total amount has been budgeted by this Department for interest subsidies

on mortgage loans of officials in its employ in the 1986-87 financial year?

The MINISTER OF MINERAL AND ENERGY AFFAIRS:

Amount budgeted for 1986-87—
R2 160 504,00.

Mortgage loans

712. Maj R SIVE asked the Minister of Trade and Industry:

What total amount has been budgeted by his Department for interest subsidies on mortgage loans of officials in its employ in the 1986-87 financial year?

The MINISTER OF TRADE AND INDUSTRY:

R1,2 million.

Mortgage loans

713. Maj R SIVE asked the Minister of Transport Affairs:

What total amount has been budgeted by the South African Transport Services for interest subsidies on mortgage loans of officials in its employ in the 1986-87 financial year?

The MINISTER OF TRANSPORT AFFAIRS:

R115 million.

Drivers operating goods trains

717. Mr W V RAW asked the Minister of Transport Affairs:

(a) What is the average shift-time of drivers operating goods trains to and from Sentrarend on the Durban line, calculated from the time of signing on to the time of signing off, and (b) what percentage of this time represents (i) overtime, (ii) time spent on signing on and off, (iii) time spent on travelling to and from Sentrarend and (iv) time actually spent on driving these trains?

The MINISTER OF TRANSPORT AFFAIRS:

(a) 8 hours 11 minutes.

(b) (i) 2,3 per cent.

(ii) 10 per cent which also includes the preparation of the locomotive.

(iii) Nil. Drivers stationed at Volksrust work to Sentrarend and after approximately six hours rest they work the return shift.

(iv) 87,7 per cent.

Establishment of gymnasium

718. Mr W V RAW asked the Minister of Transport Affairs:

With reference to his reply to Question No 31 on 25 February 1986, what is the detailed breakdown of the cost of establishing the gymnasium at the Johannesburg head office of the South African Transport Services in respect of (a) structural alterations, (b) the allocation of rental in respect of the space concerned, (c) each item of equipment and (d) any other specified matters?

The MINISTER OF TRANSPORT AFFAIRS:

(a) R7 500.

(b) Nil.

(c) Five Ergometers R9 124,50
 One Treadmill R10 450,00
 One Resuscitator R748,00
 One Massmeter R38,50
 One Sphygmomanometer R253,00
 One Stethoscope R18,15
 Four Sphygmometers R814,00
 Two Exercise Benches R275,00
 Two Total Gyms R1 804,00

(d) Since the establishment of the gymnasium in November 1984 R16 308 was spent in respect of services rendered by a qualified sister and the

evaluation/re-evaluation by a bio-kineticist of those who make use of the gymnasium.

Catering services: personnel

719. Mr W V RAW asked the Minister of Transport Affairs:

What was the total number of personnel in the catering services of the South African Transport Services in (a) each of the 10 senior grades, (b) other permanent grades and (c) temporary posts as at the latest specified date for which figures are available?

The MINISTER OF TRANSPORT AFFAIRS:

20 March 1986.

(a) Catering Manager 1
 Deputy Catering Manager 1
 Assistant Catering Manager 1
 Senior Superintendent 3
 District Manager (Catering) 2
 Superintendent 5
 Research Officer (Catering Services) 1
 Assistant District Manager (Catering) 1
 Bedding and Laundry Officer 1
 Chief Catering Inspector 1

Own Affairs:

39. Mr R G SOAL asked the Minister of Local Government, Housing and Works:

What amounts were spent by his Department in the 1985-86 financial year on the construction of housing for Whites in (a) Cape Town, (b) Durban, (c) Pietermaritzburg, (d) Pretoria, (e) Port Elizabeth, (f) Kimberley, (g) East London, (h) Bloemfontein and (i) Johannesburg?

The MINISTER OF LOCAL GOVERNMENT, HOUSING AND WORKS:

Since amounts for the 1985-86 financial year is not yet available, amounts spent in respect of housing for Whites in the 1985 calendar year are given as follows:

| | |
|--|------------|
| (a) Cape Town Metropolitan area | 16 859 496 |
| (b) Durban Metropolitan area | 4 806 067 |
| (c) Pietermaritzburg | 461 242 |
| (d) Pretoria Metropolitan area | 15 688 923 |
| (e) Port Elizabeth Metropolitan area | 5 436 545 |
| (f) Kimberley | 1 051 066 |
| (g) East London | 2 002 052 |
| (h) Bloemfontein | 4 078 480 |
| (i) Witwatersrand Metropolitan area | 14 475 356 |

Ques 887
Houses without electricity
Mr J G SOAL asked the Minister of Local Government, Housing and Works:

Whether any houses in White group areas are not being supplied with electricity at present; if so, what (a) total number and (b) percentage of houses situated in White group areas in each province was not being supplied with electricity as at the latest specified date for which information is available?

The MINISTER OF LOCAL GOVERNMENT, HOUSING AND WORKS:

No, not in so far as housing supplied by the Department is concerned.

HoA

Indicates translated version.

For oral reply:

General Affairs:

Advertisement of speech

*1. Mr E K MOORCROFT asked the State President:

- (1) Whether he or any member of his Office gave any instructions to any member of any Government Department concerning the distribution of copies of the contents of the advertisement of his speech at the opening of the 1986 session of Parliament which appeared in certain newspapers during February 1986; if so, (a) to whom were these instructions given, (b) of which Government Departments were they members, (c) in what capacity was each of them employed in these Departments, (d) what was the nature of the instructions and (e)(i) when and (ii) why were they issued;

- (2) whether he will make a statement on the matter?

Ques 888
The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING (for the State President):

- (1) No.
(2) Falls away.

Ministers:

*1. Mr R W HARDINGHAM—Agricultural Economics. [Withdrawn.]

Ques 888
Cape Town newspaper: television interview
Mr L F STORBERG asked the Minister of Foreign Affairs:†

- (1) Whether he (a) has received representations or complaints and/or (b) has been informed that members of the staff of a certain Cape Town newspaper, the name of which has been furnished to the Ministers' Department for the purposes of his reply, recently gave television interviews in Western Europe on the position of the freedom of the press in South Africa; if so, (i) what is the name of the newspaper concerned and (ii) what was the purport of the comment on press freedom in South Africa;

representations or complaints and/or (b) has been informed that members of the staff of a certain Cape Town newspaper, the name of which has been furnished to the Ministers' Department for the purposes of his reply, recently gave television interviews in Western Europe on the position of the freedom of the press in South Africa; if so, (i) what is the name of the newspaper concerned and (ii) what was the purport of the comment on press freedom in South Africa;

*4. Mr J C B SCHOEMAN asked the Minister of National Education:†

- (1) Whether he or his Department recently received a letter from the Midrand town council in connection with the development of a proposed Coloured residential area at Allandale 10-1R in Midrand; if so, (a) when and (b) what was the purport thereof;
- (2) whether this letter was accompanied by a motivation against the development of such an area;
- (3) whether he will make a statement on the matter?

Ques 889
The DEPUTY MINISTER OF FOREIGN AFFAIRS:

- (1) (a) No.
(b) Yes.

(i) The *Cape Times*.

(ii) The purport of the comment was that reporters had to be careful when reporting on incidents of unrest and that in fact there was not much left of press freedom. Also that the wide jurisdiction of the police, imposes restrictions on journalists.

- (2) (a) and (b) Our missions abroad report regularly on reaction overseas, including media reaction, to events in South Africa. Within my and my Department's capabilities distorted and erroneous reporting is corrected and countered by presenting the facts.

*3. Mr J C B SCHOEMAN—Constitutional Development and Planning. [Reply standing over.]

HoA

*4. Mr J C B SCHOEMAN asked the Minister of National Education:†

- (1) Whether he or his Department recently received a letter from the Midrand town council in connection with the development of a proposed Coloured residential area at Allandale 10-1R in Midrand; if so, (a) when and (b) what was the purport thereof;
- (2) whether this letter was accompanied by a motivation against the development of such an area;
- (3) whether he will make a statement on the matter?

Ques 890
The MINISTER OF EDUCATION AND DEVELOPMENT AID (for the Minister of National Education):

- (1), (2) and (3). The Department of National Education and I, as Minister in that capacity, are not in any way involved in the matter referred to in the question.

It is not within the rules of Parliament to furnish information on matters which are not within the official ambit of responsibility of a Minister's portfolio.

In my capacity as political leader I have forwarded representations on the relevant matter to the Minister concerned. Since the representations were addressed to that hon Minister, any questions on the form and content thereof should similarly be put to him.

†Mr H D K VAN DER MERWE: Mr Speaker, arising out of the reply of the hon the Minister can he inform the House whether the letter concerned was handed to his hon colleague by the hon the Minister?

†The MINISTER OF EDUCATION AND DEVELOPMENT AID: Mr Speaker, I take it that the hon member will realize that I cannot furnish him with a reply to his question since I am not the Minister concerned.

The MINISTER OF LOCAL GOVERNMENT, HOUSING AND WORKS.

Since amounts for the 1985-86 financial year is not yet available, amounts spent in respect of housing for Whites in the 1985 calendar year are given as follows:

| | |
|--|------------|
| (a) Cape Town Metropolitan area | 16 859 496 |
| (b) Durban Metropolitan area | 4 806 067 |
| (c) Pietermaritzburg | 461 242 |
| (d) Pretoria Metropolitan area | 15 688 923 |
| (e) Port Elizabeth Metropolitan area | 5 436 545 |
| (f) Kimberley | 1 051 066 |
| (g) East London | 2 002 052 |
| (h) Bloemfontein | 4 078 480 |
| (i) Witwaterstrand Metropolitan area | 14 475 356 |

123. *Ques without electricity*
 123. MR T. G. SOAL asked the Minister of Local Government, Housing and Works:

Whether any houses in White group areas are not being supplied with electricity at present; if so, what (a) total number and (b) percentage of houses situated in White group areas in each province was not being supplied with electricity as at the latest specified date for which information is available?

The MINISTER OF LOCAL GOVERNMENT, HOUSING AND WORKS.

No, not in so far as housing supplied by the Department is concerned.

HoA

Indicates translated version.

For oral reply:

General Affairs:

Advertisement of speech

*1. Mr E K MOORCROFT asked the State President:

- (1) Whether he or any member of his Office gave any instructions to any member of any Government Department concerning the distribution of copies of the contents of the advertisement of his speech at the opening of the 1986 session of Parliament which appeared in certain newspapers during February 1986; if so, (a) to whom were these instructions given, (b) of which Government Departments were they members, (c) in what capacity was each of them employed in these Departments, (d) what was the nature of the instructions and (e)(i) when and (ii) why were they issued;
- (2) whether he will make a statement on the matter?

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING (for the State President):

- (1) No.
 (2) Falls away.

Ministers:

*1. Mr R W HARDINGHAM—Agricultural Economics. [Withdrawn.]

Cape Town newspaper: television interview
 2. Mr L F STOFFBERG asked the Minister of Foreign Affairs:†

- (1) Whether he (a) has received rep-

Allandale 10-1R

*4. Mr J C B SCHOEMAN asked the Minister of National Education:†

- (1) Whether he or his Department recently received a letter from the Midrand town council in connection with the development of a proposed Coloured residential area at Allandale 10-1R in Midrand; if so, (a) when and (b) what was the purport thereof;
- (2) whether this letter was accompanied by a motivation against the development of such an area;
- (3) whether he will make a statement on the matter?

The DEPUTY MINISTER OF FOREIGN AFFAIRS:

- (1) (a) No.
 (b) Yes.

(i) The *Cape Times*.

(ii) The purport of the comment was that reporters had to be careful when reporting on incidents of unrest and that in fact there was not much left of press freedom. Also that the wide jurisdiction of the police, imposes restrictions on journalists.

- (2) (a) and (b) Our missions abroad report regularly on reaction overseas, including media reaction, to events in South Africa. Within my and my Department's capabilities distorted and erroneous reporting is corrected and countered by presenting the facts.

*3. Mr J C B SCHOEMAN—Constitutional Development and Planning. [Reply standing over.]

HoA

†Mr H D K VAN DER MERWE: Mr Speaker, arising out of the reply of the hon the Minister can he inform the House whether the letter concerned was handed to his hon colleague by the hon the Minister?

†The MINISTER OF EDUCATION AND DEVELOPMENT AID: Mr Speaker, I take it that the hon member will realize that I cannot furnish him with a reply to his question since I am not the Minister concerned.

Moratorium on removals
 HANSARD 8/4/86
 475. Mr P G SOAL asked the Minister of Constitutional Development and Planning:

Whether his Department or any Government Department previously responsible for Black affairs has assisted any Black persons to move since the moratorium on removals was declared by the Department of Co-operation and Development in 1985 up to the latest specified date for which information is available; if so, (a) how many persons have been so assisted, (b) where were they moved to and (c) what was the reason for their moving in each case?

THE MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

Yes.

(a) ±60 000 to date.

(b) The TBVC Countries, the self-governing national states, SADT towns/farms and from Crossroads to Khayelitsha.

(c) Only 84 were repatriated in terms of section 14 of the Blacks (Urban Areas) Consolidation Act, 1945 (Act 25/1945). The rest moved voluntarily with a view to improving their living conditions. Of them were refugees from mostly Ciskei and the Department of Co-Operation and Development/Development Aid provided help with their settlement. That Department also helped a great number of Blacks to move from one national state to another or to move within a certain national state from one place to another or to SADT farms earmarked for inclusion in the relevant national state.

Pharmaceutical goods

481. Dr W J SNYMAN asked the Minister for Administration and Economic Advisory Services:†

Whether his Department has any statis-

tics on the purchase of pharmaceutical goods if not, why not; if so, what total amount was spent by the (a) State and (b) private sector on the purchase of such goods in the latest specified financial year for which figures are available?

THE MINISTER FOR ADMINISTRATION AND ECONOMIC ADVISORY SERVICES:

(a) Not available, as such detailed expenditure information is not collected from government bodies.

(b) The estimated private consumption expenditure on pharmaceutical goods is R920 million for 1984-85 financial year.

507. THE LEADER OF THE OFFICIAL OPPOSITION asked the Minister of Constitutional Development and Planning:

How many houses had been sold to Blacks by his Department under the State housing sale announced by the then Minister of Community Development on 3 March 1983 as at the latest specified date for which figures are available?

THE MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

The total number of houses sold to Blacks as on 28 February 1986 amounts to 40 806.

Arms provided to community councillors
 HANSARD 8/4/86
 554. Mr P G SOAL asked the Minister of Constitutional Development and Planning:

(1) Whether he or any Deputy Minister in his Department gave any instructions to any members of Development Boards or officials of his Department to provide arms to community councillors for self-defence purposes; if so, (a)(i) why, (ii) when and (iii) to whom were such instructions given, (b) what specified arms were provided and (c)(i) to

which specified community councillors were arms provided and (ii) why in each case;

(2) whether he will make a statement on the matter?

THE MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

(1) No. The decision regarding the provision of arms to community councillors was taken by the former Minister of Co-operation and Development, Dr P G J Koorhof and this decision was confirmed at a later date by his successor Dr G van N Viljoen.

(a) (i) Self-defence.

(ii) On an ongoing basis since 1984.

(iii) To the former Department of Co-operation and Development.

(b) 9mm Parabellum pistols and in a few cases, .25, .32 and .38 pistols or revolvers.

(c) (i) Of the 1 227 community councillors representing 194 community councils, 245 community councillors from 55 community councils were issued with arms.

(ii) For self-defence.

(2) No.

Deportations/repatriations
 HANSARD 8/4/86
 570. Mr S S VAN DER MERWE asked the Minister of Constitutional Development and Planning:

(a) How many Black (i) males and (ii) females were (aa) deported and (bb) repatriated from the Republic in 1985 and (b)(i) in terms of what legislation and (ii) to which states were they so (aa) deported and (bb) repatriated?

THE MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

(a) (i) (aa) Males deported: None.
 (bb) Males repatriated: 23 979.

(ii) (aa) Females deported: None.
 (bb) Females repatriated: 1 778.

(b) Legislation.

(i) Act 59 of 1972.
 Act 25 of 1945.

(ii) (aa) None.

(bb) Bophuthatswana;

Botswana;

Ciskei;

Kangwane;

Kwazulu;

Lebowa;

Lesotho;

Malawi;

Mozambique;

OwaOwa;

Swaziland;

Transkei;

Venda;

Zambia;

Zimbabwe.

Public Service: staff
 HANSARD 8/4/86
 574. Mr S S VAN DER MERWE asked the Minister for Administration and Economic Advisory Services:

(a) How many (i) Whites, (ii) Coloureds, (iii) Indians and (iv) Blacks who were (aa) administrative, (bb) clerical, (cc) professional, (dd) technical and (ee) general A staff, and (b) what total number of persons in each race group, were there in the Public Service as at the latest specified date for which figures are available?

THE MINISTER FOR ADMINISTRATION AND ECONOMIC ADVISORY SERVICES:

(a) Section 7(4)(a) of the Public Service

Own Affairs:

Housing units

38. Mr P G SOAL asked the Minister of Local Government, Housing and Works:

- (1) (a) How many housing units for White occupation were built in each specified area in the Republic in 1985 and (b) what is the number to be built for members of this population group in 1986;

The MINISTER OF LOCAL GOVERNMENT, HOUSING AND WORKS:

| (1) (a) | (2) |
|----------------------------------|---|
| Cape Town Metropolitan area | 48 houses and welfarehousing for 363 persons. |
| Durban Metropolitan area | 352 houses and welfarehousing for 140 persons. |
| Pietermaritzburg | Welfare housing for 268 persons. |
| Pretoria Metropolitan area | 559 houses and welfare housing for 376 persons. |
| Port Elizabeth Metropolitan area | 98 houses and welfare housing for 256 persons. |
| Kimberley | 220 houses and welfare housing for 52 persons. |
| East London | 44 houses and welfare housing for 312 persons. |
| Bloemfontein | Welfare housing for 124 persons. |
| Witwatersrand Metropolitan area | 248 houses and welfare housing for 2 012 persons. |

- (b) The honourable member is referred to my reply to question 49.

- (2) (a) No, since an extensive programme of action, including the design of a new computer programme for the extension of the housing data bank that was only transferred to this Department with effect from 1 October 1985, has to be planned in conjunction with other interested parties in view of a housing need-survey.

- (b) I made an announcement on 25 March 1986 in the House of Assembly in this regard.

- (2) (b) (i) and (ii) Falls away.

HoA

er and middle income groups as well as the execution of welfare projects from the National Housing Fund. The terms economical and sub-economical housing are no longer in use since housing is supplied according to a person's income.

- (b) (i) and (ii) The information indicated below reflects the total number of units in respect of projects at present under construction in 1986 or which will be constructed in 1986.

| Welfare housing Centre | Number of persons | Housing units | Number of persons |
|------------------------|-------------------|------------------|-------------------|
| Amalia | 56 | Molteno | 80 |
| Coligny | 136 | Ashton | 64 |
| Pert-urban Health | | Bellville | 1 072 |
| Areas | | Bonnievale | 52 |
| Groblersdal | 84 | Calvinia | 24 |
| Phalaborwa | 64 | Cape Town | 2 056 |
| Pietersburg | 292 | Goodwood | 520 |
| Pretoria | 1 400 | Kleinmond | 112 |
| Rustenburg | 192 | Laingsburg | 52 |
| Sannieshof | 16 | Montagu | 32 |
| Ventersdorp | 16 | Moortreesburg | 52 |
| Potchefstroom | 1 092 | Napier | 36 |
| Albertyn | 32 | Paarl | 288 |
| Bedfordview | 400 | Parow | 280 |
| Edenvale | 200 | Riviersonderend | 40 |
| Johannesburg | 1 600 | Robertson | 128 |
| Krugersdorp | 296 | Somersset West | 400 |
| Randburg | 1 064 | Stilbaai | 72 |
| Roodepoort | 740 | Swellendam | 28 |
| Vereeniging | 636 | Villiersdorp | 24 |
| Howick | 32 | Wolseley | 56 |
| Newcastle | 100 | Lutzville | 64 |
| Vryheid | 24 | Carnarvon | 20 |
| Amanzimtoti | 160 | Victoria West | 4 |
| Durban | 292 | Kakamas | 36 |
| Queensburgh | 52 | Bloemfontein | 396 |
| Westville | 40 | Frankfort | 80 |
| Bedford | 40 | Harrismith | 64 |
| Despatch | 48 | Vijoenkroon | 80 |
| East London | 380 | Villiers | 28 |
| Fort Beaufort | 100 | Warden | 28 |
| George | 32 | Welkom | 40 |
| Jeffreys Bay | 92 | | |
| Knysna | 100 | Centre | |
| Port Elizabeth | 104 | Christiana | 20 |
| Tarkastad | 60 | Potgietersrus | 65 |
| Uitenhage | 176 | Pretoria | 287 |
| Beacon Bay | 40 | Rustenburg | 100 |
| De Aar | 12 | Witbank | 18 |
| | | Potchefstroom | 4 |
| | | Boksburg | 5 |
| | | Brakpan | 2 |
| | | Johannesburg | 472 |
| | | Randfontein | 25 |
| | | Roodepoort | 58 |
| | | Stilfontein | 30 |
| | | Pietermaritzburg | 406 |
| | | Stanger | 56 |
| | | Despatch | 24 |
| | | East London | 70 |
| | | George | 36 |
| | | Knysna | 33 |
| | | Bredasdorp | 5 |
| | | Cape Town | 1 354 |

HoA

Cape Town Divisional Council

| | |
|--------------|-----|
| Springbok | 60 |
| Stellenbosch | 17 |
| Kimberley | 49 |
| Upington | 50 |
| Warrenton | 85 |
| Bloemfontein | 7 |
| Odendaalsrus | 42 |
| Reddersburg | 50 |
| Welkom | 7 |
| | 112 |

~~51.~~ Mr P G SOAL asked the Minister of Local Government, Housing and Works:

(1) Whether, with reference to his reply to Question No 8 on 26 February 1985, the 20 applications received in

THE MINISTER OF LOCAL GOVERNMENT, HOUSING AND WORKS:

1984 for rent increases in respect of houses and blocks of flats were approved; if not, why not; if so, what was the (a) amount and (b) percentage of the rent increase approved in respect of each specified (i) house and (ii) block of flats;

(2) whether any applications for rent increases in respect of rent-controlled dwellings in the Johannesburg North constituency were received in 1985; if so, (a) how many, and (b) with what result, in respect of each suburb comprising this constituency, a list of which has been furnished to the Minister's Department for the purpose of his reply?

| (1) (a); (b); (i) and (ii) | Housing Units | Increased from (p.m.) | To (p.m.) | Percentage increase |
|---|---------------|-----------------------|-----------------------|---------------------|
| (a) 3 Third Avenue, Park Town North | | R351,06 | R367,10 | 4,569% |
| (b) 8 Fourth Avenue, Park Town North (House was reconstructed in 1962 and no determination is thus made.) | | R429,11 | (First determination) | |
| (c) 18 Twelfth Avenue, Park Town North | | R448,52 | R537,30 | 19,794% |
| (d) 14 Seymour Avenue, Park Town North | | R311,13 | R356,24 | 14,499% |
| (e) 7 Escombe Avenue, Park Town North | | R275,00 | R398,88 | 45,047% |
| (f) 41A Seventh Avenue, Park Town North | | R400,48 | R458,74 | 14,547% |
| (g) 56 Eleventh Avenue, Parkhurst | | R246,83 | R324,64 | 31,523% |
| (h) 62 Ninth Avenue, Parkhurst | | R251,15 | R334,52 | 33,195% |
| (i) 24 Eighth Avenue, Parkhurst | | R190,77 | R247,00 | 29,475% |
| (j) 40 Ninth Avenue, Parkhurst | | R239,38 | R286,31 | 19,604% |
| (k) 104 Nineteenth Avenue, Parkhurst | | R300,00 | R364,92 | 21,640% |
| (l) 14 Selkirk Avenue, Parkhurst | | | | |

| Flat blocks | Increased from (p.m.) | To (p.m.) | Percentage increase |
|--|-----------------------|-----------|---------------------|
| (a) Illovo Mansions, Illovo | R6 426,73 | R7 701,07 | 19,828% |
| (b) Dunkeld Mansions, Illovo | R8 192,54 | R9 483,86 | 15,762% |
| (c) Tyrwhitt Court, Rosebank | R3 392,35 | R3 918,29 | 15,503% |
| (d) Bonny Doon, Rosebank | R5 001,63 | R5 733,88 | 14,640% |
| (e) Tynley Hall, Rosebank | R2 556,03 | R3 279,87 | 28,319% |
| (f) Harrogate, Rosebank | R5 845,45 | R7 183,28 | 22,886% |
| (g) Antrim Court, Rosebank | R3 534,30 | R4 245,63 | 20,126% |
| (h) Villaguy-and-Peter House, Rosebank | R3 995,20 | R4 526,25 | 13,292% |

(2)(a) and (b).

| Housing units | Increased from (p.m.) | To (p.m.) | Percentage increase |
|---|-----------------------|-----------|---------------------|
| (a) 34 Cradock Avenue, Rosebank | R797,78 | R908,78 | 13,913% |
| (b) 56 Eleventh Road, Rosebank | R458,74 | R505,15 | 10,116% |
| (c) 24 Eighth Road, Rosebank | R334,52 | R380,00 | 13,596% |
| (d) 62 Ninth Road, Rosebank | R324,64 | R375,15 | 15,588% |
| (e) 4 Loch Avenue, Park Town | R500,00 | R671,17 | 34,234% |
| (f) 14 Selkirk Way, Park View | R300,00 | R398,27 | 32,756% |
| (g) 14 Seymour Avenue, Park Town North | R537,35 | R613,66 | 14,201% |
| (h) 12 Fourth Avenue, Park Town North | R429,96 | R454,79 | 5,775% |
| (i) 37 Seventh Avenue, Park Town North | R360,86 | R405,77 | 12,445% |
| (j) 41A Seventh Avenue, Park Town North | R398,88 | R441,18 | 10,604% |

FRIDAY, 11 APRIL 1986

(1) (a) A rough estimate done by the staff of the Legal Aid Board on information obtained from about one thousand concluded cases and projected on to about thirty two thousand live cases (some of them up to fourteen years old) indicates that the Board may receive accounts for about R12 million in respect of those cases over the next fourteen years.

(b) R545 718 in respect of legal costs as at 28 February 1986. Running costs excluded.

(2) Yes, R5 847 000 for the 1985/86 financial year.

(2) whether the Government makes any contribution to the funds held by the Legal Aid Board; if so, what was this contribution in the latest specified financial year for which information is available?

How many (a) White, (b) Coloured, (c) Asian and (d) Black members of the ac-

General Affairs:

11/4/86 @ 20 1037.

HANSARD Legal Aid Board 252

479. Mr D J DALLING asked the Minister of Justice:

(1) (a) What are the current estimated liabilities of the Legal Aid Board and (b) what funds are currently held by this Board to meet such liabilities;

HANSARD Technikon 11/4/86 @ 20 1038 83

590. Mr H E J VAN RENSBURG asked the Minister of Education and Development Aid:



● LE GRANGE

Anarchy is rife — Boya

SOPHIE TEMA

RENT boycotts have rendered some townships ungovernable and caused the collapse of several others, says Tom Boya, deputy president of the Urban Councils Association of South Africa (Ucasa).

Boya was commenting on a heated exchange in Parliament between PFP members, who claimed the government had lost control in a number of black areas, and Law and Order Minister Louis le Grange.

Le Grange demanded: "Give me the names."

Boya said rent debts — accumulated mainly in Katlehong on the East Rand, the Vaal and Mamelodi in Pretoria — exceeded R60m.

Government recently voted R94-million as bridging finance to administration boards to make good shortfalls as a result of the non-payment of rent in black townships.

Boya said 32 community councils and three town councils — most of them in the Eastern Cape — had completely collapsed.

"The fact that rent — the main source of income — has not been paid by some communities, has rendered the townships ungovernable and has resulted in their collapsing."

The three town councils, which Ucasa says have collapsed are Lingelihle, KwaNobuhle and Nonzwakazi in the Eastern Cape.

Among the community councils are Tsakane and Duduza on the East Rand; Parys and Vredefort in the Free State; Maritzburg in Natal; Alexandria, Beaufort West, Colesberg, Hanover, Queenstown, Richmond and Somerset East.

Housing top priority for government

11/4/86 (123)

— Louis Nel

By Frank Jeans

Housing has become an "absolute priority" with the government, says Mr Louis Nel, Deputy Minister of Information.

Speaking at the opening of the new headquarters of the Brick Development Association at Midrand, today, he said: "We cannot expect happy, contented citizens in this country before acceptable housing is provided within the reach of all sections of the community."

The Minister emphasised, however, that while people could not expect free homes — the goal was to find ways of enabling them to pay for them.

"South Africans spend about R5,6 billion a year on buildings, of which R3 billion goes on housing," said Mr Nel.

"This figure will increase dramatically as our population grows. The future prospects for the building industry, therefore, are bright."

New factory

A new brick factory with an eventual production of 96 million bricks a year is being built at Midrand in expectation of an upswing in the building industry.

Developed by the Rosema group, the plant is scheduled to come on stream next month with an initial capacity of 48 million facebricks annually. Provision has been made for a second kiln to double the output.

Rosema already has four factories with a total production of 130 million bricks a year which are marketed by Corobrik.

The new plant, on 119 ha of farmland with extensive deposits of high quality clays, will be under the control of Mr Dick and Mr Roelf Rosema.

"While the building industry is in a downward phase at the moment, we hope to have our timing right for the upturn which is expected in 1987," says Mr Dick Rosema.

LP member slain in mafia-type attack

By BOETI ESHAK

THE "mafia-type" killing of a member of the Labour Party has been linked to a campaign he launched to focus public attention on alleged housing irregularities.

Mr Frans Danster, 28, was lured out of his home in Eden Park, Alberton, on Sunday night, according to family members.

As he got to an enclosed porch to investigate a noise outside his house, a window was smashed and shots were fired at him.

Two bullets hit Mr Danster in the chest. He staggered back into the lounge and collapsed on

the floor.

Mr Danster was a member of the Eden Park Management Committee (EPMC).

Describing the killing as "mafia-type", Labour Party MP Mr Peter Jacobs said: "I believe the killing was a direct result of a pamphlet and petition presented to the management committee of Eden Park a week before Mr Danster's death."

Mr Jacobs said a pamphlet and petition, which detailed "allegations of gross misconduct and misuse of powers against certain members of the EPMC" had been handed out at that meeting.

"The same papers were sent to me in Cape Town and, I presume, to housing Minister Mr David Curry and the Alberton Town Council."

Mr Jacobs said Mr

Danster had denied he was the author of the pamphlet and petition, although he had been investigating a "housing scandal" in Eden Park.

Double rentals

Mr Danster had found that some people owned more than one home in an area where a person could be allocated only one house.

Mr Danster had also found that some homes

were being let at more than double the normal rentals to people who did not qualify for a home, said Mr Jacobs.

"Mr Danster was a re-born Christian of the Apostolic Faith Mission Church and he died for justice," said Mr Jacobs.

"He would have preferred to die for a just cause than to live and suffer injustice. He died for the right of the ordinary person to own a home."

"He came from Germiston, one of the worst slums in the Transvaal, and he believed that everybody had an equal and fundamental right to have a roof over their heads and to live without any harassment or intimidation."

No arrests

Major C R Liebenberg, liaison officer for the East Rand police, said the killing was being investigated and no arrests had been made.

Mr Danster is survived by his wife, Olive, and two children, Francesca, 11, and Favian, 5.

Several high-ranking Labour Party officials attended Mr Danster's funeral in Eden Park yesterday.



Mr Frans Danster, the Eden Park Management Committee member who was gunned down in a Mafia-type killing.

Widespread condemnation of new Bill

Employers may have to collect State's rent

CHRIS CAIRNCROSS and
CHERYLYN IRETON

BLACK local authorities are to be given powers to recover rents and money due to them. Draft legislation enabling this was tabled in Parliament yesterday by Constitutional Affairs and Planning Minister Chris Heunis.

Under the Bill, cash outstanding can be collected from employers.

This aspect has already been criticised by organised commerce and industry.

The Federated Chamber of Industries (FCI) and the Associated Chambers of Commerce (Assocom) yesterday both rejected the Bill in principle.

"Employers should not be drawn into the landlord-tenant relationship. Until now, we have sought actively to avoid being rent collectors for the State or local authorities," said FCI manpower committee chairman Bobby Godsell.

A controversial clause in the Black Local Authorities Amendment Bill — already condemned by Opposition MPs as a "recipe for trouble" — empowers local authorities to issue garnishee orders against employers, instructing them to withdraw amounts due to local authorities from employees' salaries or wages. The draft legislation states that the amount to be deducted may not exceed 25% of a worker's pay.

It also enables magistrates to issue warrants of execution against employers' movable properties if they do not collect amounts their employees owe the local authorities.

Proper notice has to be given to the employers and employees involved before this can be brought into effect.

Assocom manpower secretary Vincent

Brett, rejecting the Bill in principle, said debts should be pursued through courts or other normal channels.

Progressive Federal Party spokesman on black rural affairs Ray Swart (MP for Berea) slammed the draft legislation as a recipe for trouble.

"It disregards the rights of the individual and passes the buck to the employer," he said.

"It could be the cause of considerable friction between employer and employee and the local authority takes on itself the rights of a court to pass judgment on residents in its area, and then instructs an employer to deduct the rentals due from his employee.

"In the present climate, in which a volatile situation already exists with the jurisdiction of black local authorities,

● To Page 2

Rents Bill slammed

these measures are highly dangerous," Swart said.

Cosatu general secretary Jay Naidoo warned that employers could be caught in the crossfire if they deducted money for the councils.

Urban Council Association of SA (Ucasa) deputy president Tom Boya recently estimated that unpaid rents totalled R60m.

He said the main areas affected were Katlehong on the East Rand, the Vaal area and Mamelodi near Pretoria.

Boya said rent boycotts had rendered some townships ungovernable and 32 community councils and three town councils had collapsed as a result.

PFPP law and order spokesman Helen Suzman said the offending clause was asking for trouble.

"Government seems totally unaware of the mood of the townships, not to mention the struggle which black people are having in the present economic recession, and in the fight against inflation.

"Trying to cope with the recent boycott in this arbitrary way instead of attempting to resolve the basic causes of why people are not paying rents seems to be the height of folly.

"This is a discriminatory measure because these powers are not given to local

authorities dealing with other races, where presumably in some instances rents are not paid."

Suzman said the effect on the relationship between employers and workers was likely to be disastrous — at a time when everything should be done to minimise the dangers of strikes and industrial unrest.

"I anticipate a loud yell of protest from employers when they are confronted with a warrant of execution against their movable property because they have failed to pay back the charges for rents and services of their workers.

"This absurd provision should be withdrawn forthwith," Suzman concluded.

The Coloured Labour Party said the proposed legislation was totally unacceptable.

In a statement released in Cape Town, the LP said: "It is unreasonable and certainly unjust and discriminatory in that it concerns blacks only. Other people are also involved in non-payment of rent.

"It must be seen as a political response to the political action, in that certain organisations have forced people not to pay rent."

BUS DAY 17/4/86

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● From Page 1

PFP slams 'dangerous deduction scheme'

Political Staff
PARLIAMENT — A major row is developing over Government intentions to re-introduce measures that will force employers to deduct money owing to black local authorities from the pay-packets of their employees.

The measure contained in an amendment to the Black Local Government Act has brought immediate condemnation from the Progressive Federal

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5 MAR 17 1985
Party which has described it as "highly dangerous and irresponsible".

Government officials however yesterday defended the move, saying it was not a new principle and made the "collection of money much quicker and easier".

Mr Ray Swart, PFP black affairs spokesman, said a volatile situation existed in the black townships and the measure could fuel it further.

PIN MAIL 18/4/86

HOME OWNERSHIP

123

Better for blacks

It has taken the Department of Constitutional Development and Planning nearly three years to sell 41 000 houses under the 99-year leasehold plan it is operating in the black townships. Previously, it had sold 90 000 under the 30-year scheme which gave occupants "ownership" of the house but not the land.

This means that of the stock of 436 600 units held at the start of the campaign in 1976, only about 131 000 have been sold. Clearly, the department does not consider this good enough because it is launching a new campaign to bump up sales.

This time the effort will include an extensive advertising campaign and an all-out effort to persuade the owners of the 90 000 30-year houses to convert to the superior 99-

year scheme which bestows rights to both land and improvements.

Alex Weiss, national co-ordinator of the department's sales campaign, says it will cost about R300 to change from the 30-year scheme to 99-year leasehold. In his view, "that's a small price to pay for the benefits. They are immense."

And further concessions are coming. Explains Weiss: "We believe those who bought on leasehold will soon be allowed to convert to freehold. I expect that matter to be dealt with in parliament soon, and that the machinery will have been set in motion by June-July."

But he continues to see attractions in 99-year leasehold as well. "Owners of leasehold properties," he notes, "can mortgage their properties to building societies and offer them as collateral for credit. They are fully negotiable assets.

"Also, they are easily transferable for a further 99 years from a holder to the next of

kin in the event of death, or to someone else if the property is sold. This makes the right of leasehold indeterminate."

He recalls that it was considered a major breakthrough when, in 1976, blacks were first allowed to buy houses for R800-R1 800, albeit in selected townships, on the 30-year scheme.

In 1983, when sales involving leasehold land started, the prices were more or less the same. Some who bought were entitled to discounts of 35%-40%.

Sales flagged early this year and only about 500 units changed hands in January. But Weiss says sales are picking up again — there were 717 deals in February and he expects more than 1 000 units to be sold in both March and April. With the help of the new campaign, he is now predicting an additional 60 000 leasehold sales by the end of the year.

He is looking to employers to play their part and points out that "there are substan-

tial financial advantages available to those who help employees to buy their own homes. They can get as much as a 50% tax allowance on the cost of providing that housing."

And he sees another major advantage. "Employers who help their workers to get their own homes," he says, "will find their workforces much more stable and loyal." ■

DX

Anger over Heunis forced-rents bill

WEEKLY M 18/4/86

A ROW is brewing in parliament over an amendment to the Black Local Authorities Act aimed at breaking the rent boycott.

Possibly hundreds of millions of rands is owing in rent in black townships.

Non-payment of rent has become an economic expression of antipathy to the controversial local authorities, which are also a focus of violence in township unrest.

The Department of Constitutional Development and Planning, under which the various development boards

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By JEAN LE MAY,
Cape Town

fall, says it cannot disclose the amount outstanding because the boards and the local authorities involved are "autonomous".

However clause 13 of the bill, tabled this week and said to be the brainchild of Minister Chris Heunis, empowers black local authorities to force employers to pay outstanding rent and service charges owed by employees — including domestic workers — "out of salary or wages".

The clause is regarded as highly explosive.

Minister without portfolio Allan Hendrickse has slammed the bill as "totally unacceptable".

Labour Party and National People's Party representatives on the joint committee which will consider the bill are likely to join the PFP and other opposition parties in fighting it.

This could lead to the government being beaten on the provision, which would mean the President's Council would be called on to advise or adjudicate.

PARLIAMENT '86



Libya's terrorist role against SA has been revealed — PW

PARLIAMENT — The recent arrest of Pan African Congress (PAC) terrorists in South Africa, who had been trained in Libya, again focused attention on the role played by Libya and international terrorism pointed at South Africa, the State President, Mr P W Botha, said yesterday.

Speaking during the debate on his vote, the President said South African missions and other South African bodies represented abroad, and foreign companies with interests in South Africa had, during the past year, increasingly become targets for terrorist acts by foreign terrorist groups that could be linked with Libya.

Mr Botha said recent news



President Botha . . . pointing at Libya.

events had been dominated by the increasing tensions between the USA and Libya in connection with the latter's involvement in recent terror incidents in which innocent civilians had been killed.

"Libya is being accused of being the master brain behind an international network of terror which acts mainly against Western interests.

"Threats and acts of terrorism form the basis of Libya's foreign policy and it is no wonder that Gaddafi has been called the mad dog of the Middle East."

Gaddafi's close co-operation with the PLO was clear from his accommodation of the particularly extreme PLO faction led by Abo Nidal and which was being held responsible for the recent shooting incidents in Italy and Austria.

Libyan passports had been supplied, among others, to terrorists of this faction.

White schools quota

threats by some private schools to close their doors, particularly as the Government was insisting on a 70 percent white domination at private schools.

Unrest recommendations being attended to — Viljoen

Political Staff

PARLIAMENT — Certain matters raised by Professor Tjaart van der Walt in his report on the Vaal triangle unrest of 1984 had already been attended to, the Minister of Education and Development Aid, Dr Gerrit Viljoen, said here yesterday.

Dr Viljoen said although Professor van der Walt came to the conclusion that education was not the real cause of the unrest, he nevertheless made certain recommendations regarding educational matters.

He said: "Some of these recommendations are already

being implemented or receiving attention."

Dr Viljoen said measures being implemented included:

- A strategy for the collection of rent and service fees.
- A plan of action to enlighten residents on the purpose and functions of local authorities.

- A White Paper on urbanisation was underway.

- Everything possible was being done to assist residents to obtain their homes under the 99-year leasehold system.

- The introduction of regional service councils was receiving priority.

Rental move: warning of wide strikes

STAR
By Hannes de Wet

Trade unions and organised industry today predicted serious labour unrest if draft legislation goes ahead to force employers to collect outstanding rents for black local authorities by deducting money from employees' pay. Some unions talked outright of strikes "which will last for days".

They were reacting to the Black Local Authorities Amendment Bill, tabled in Parliament yesterday by the Minister of Constitutional Affairs and Planning, Mr Chris Heunis.

WARRANTS OF EXECUTION

A clause in the Bill empowers local authorities to issue garnishee orders against employers, instructing them to withdraw amounts due to local authorities from employees' pay. Another enables magistrates to issue warrants of execution against employers' movable properties if they do not comply.

Mrs Friede Dowie, secretary of FCI's manpower committee, said the relationship between employers and employees was a delicate one. "If employers start deducting money from salaries and wages for local authorities, labour unrest will definitely follow.

"Employers will be seen as allying themselves with the establishment. The employees will blame them directly for their reduced income."

The whole principle of the Bill was wrong, Mrs Dowie said. "A labourer's contracts with his local authority should be his own affair. Employers should not be involved in collecting money for local authorities. It is not their task."

A spokesman for Cosatu, the umbrella movement for more than 30 trade unions, said: "We view this draft legislation in a very serious light. Strong action — such as prolonged strikes — will be taken by the workers if this Bill goes through."

Showing how to improve a home

THE East Rand will soon have SA's largest permanent multi-racial exhibition centre for the building, home improvement/DIY and security industries.

The East Rand Exhibition Centre will open in August and can be reached from the R21 and R22 highways in the heart of one of the highest-density PWV areas.

Near Boksburg Pick 'n Pay Hypermarket and Jan Smuts airport, the venue caters for extensive build-

ing and home improvement activities.

The centre has a home improvements hall, a security hall, an open outdoor living exhibition area, parking and offices.

Erec will give exhibitors a permanent showcase for products and services - open seven days a week for 360 days of the year.

It will have a fully equipped information centre with professionally trained staff, giving exhibitors computerised customer information weekly.

Continuous publicity, advertising and promotional activities will attract home-owners, home-improvers and outdoor living enthusiasts.

A fifth of the PWV's population lives on the East Rand. This is expected to double in 14 years as the "draft guide plan" of the Constitutional Development and Planning Department to encourage "deconcentration from the congested central PMV area to the East Rand" come into effect.

Thumbs down to Heunis' rents scheme

20/4/86
CITY PRESS
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CP Reporters

CONSTITUTIONAL Affairs and Planning Minister Chris Heunis came under heavy fire yesterday because of his plan to "turn employers and black local authorities" into rent collectors.

The attack follows Heunis' draft legislation tabled in Parliament on Wednesday which proposes the abolition of black community councils.

According to the Black Local Authorities Amendment Bill, councils will be replaced by greater city and town councils and town committees with legislative powers.

And with a new line of control, development boards will finally lose their say over local black government.

According to the Bill, the way is opened for Heunis to delegate control of black local government to provincial administrators.

The Bill - which also gives him the power to make by-laws and regulations - was described by Heunis as "the end of an era of community councils", reports *Sapa*.

In terms of the Bill, local authorities will be given permission to increase tariffs for their services.

The Bill has been described as a Government move to crush township opposition to apartheid and follows the refusal of township residents - especially those in the Eastern Cape and parts of Transvaal - to pay rents.

Prominent and influential business groups like the Federated Chamber of Industries and the Associated Chambers of Commerce rejected the Bill in principle.

The Congress of SA Trade Unions will hold urgent regional meetings tomorrow, Cosatu acting regional secretary Bangilizwe Solo said.

"We view this bill in a very serious light. And we would like to warn the State that we will take strong action against the authorities if they go ahead with it," he said.

Solo said Cosatu has been approached by hundreds of members worried about the implications of the Bill if it finally becomes law - probably in June.

"And it is going to cause serious friction between employers and workers," he added.

Black Mining, Construction and Allied Workers' Union publicity secretary Motsomi Mkhine said the Bill was a Government move to crush resistance to apartheid.

"This Bill is aimed at circumventing resistance to apartheid - it's just another form of repression," he said.

"As representatives of black workers we would like to warn managements not to collaborate with the system in its endeavour to further suppress the interests of black workers."

Azanian National Youth Unity spokesman Carter Seleka said the Bill was completely unacceptable. He said it was aimed at trapping workers to pay the ever-increasing rents.

"The move will only provoke the patience of black people more," he said.

Soweto Chamber of Commerce and Industries member Veli Kraai said the Government wanted to "withhold black peoples' salaries without their consent".



HEUNIS
Stamford

Bekkersdal residents march to get homes

By HERMAN LETSIE

OVER 300 angry Bekkersdal residents this week interrupted a council management meeting – and demanded to be allocated the newly built houses.

The Bekkersdal Community Council was granted a R2-million loan by the Government last year and another R14,5-million loan awaits ministerial approval to “ease the housing congestion”.

The R2-million loan enabled the building of 140 houses – of which about 30 are ready for occupation. The rest will be ready before June, said a Council spokesman.

When residents heard a rumour that the council was about to allocate houses to some successful applicants, over 300 went to the administration offices to ask what their position was as far as housing was concerned.

“For years we have been on the waiting list for houses in Bekkersdal and we feel we must be given first chance to the new houses,” said a resident.

“We don’t want favouritism from councillors when they allocate new houses, but we want fairness,” said another resident.

But a council spokesman told *City Press* that councillors have to consider certain factors when allocating houses.

“The council must be careful not to over-burden any resident with a house that will be above his income.

“If people can’t pay their rent, it may cause a deficit on the council books,” he said.

He said site rental of the new houses is R74 a month. This does not include water – each house has a meter and the occupant will be charged according to how much water is used.

“Electricity, which will be installed later, will also be separate from the present rental,” he said.

He said the low-income group has also been considered.

“The council has decided that with the other loan that is coming soon, 600 core houses will be built. This will definitely see the fading of shacks in the township – everybody – will have a chance to have a home of his choice,” he said.

The spokesman said each councillor knows the people in his ward and will help choose those residents who can afford the high rentals on the new houses.

“We want to do the right thing from the beginning by allocating houses to people who can definitely afford to keep them,” he said.

Govt likely to accept PC report

WEDNESDAY

Govt's new deal on urbanisation

21/4/86

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GOVERNMENT'S new urbanisation deal — to be tabled in Parliament on Wednesday — will be based on the President's Council report which called for the scrapping of pass laws, informed sources said yesterday.

Wednesday will be D-Day — for the release of all pass law offenders and the announcement of government's new urbanisation plan in a White Paper and in the text of the new Urbanisation Bill.

It is believed that the plan will be based on the crucial President's Council report which accepted the inevitability of increased urbanisation in SA, but strongly recommended that it be "orderly".

While it called for the freedom of movement, it said the development and growth of urban areas should be controlled — directly and indirectly.

Government has not yet indicated how much of the report it would accept as official policy — but sources said it had been adapted in key respects.

Government emphasis will be on "planned urbanisation" and the new strategy will emphasise this.

The most controversial aspect of the new strategy is expected to be the nature of the controls it imposes over urban growth, particularly for black housing,

BARRY STREEK

and where land will be provided for "orderly" settlement.

Critics have also said that the President's Council and government have not proposed any changes to basic separate development policies — like the Group Areas Act and the homelands.

So, the "positive" side of the official acceptance of urbanisation is likely to be welcomed, but government will run into flak over the "negative" — the direct and indirect controls over the flow of blacks into cities and towns.

ANN PALMER reports that immediate past president of the Black Sash Sheena Duncan, while welcoming the State President's announcement that there will be no more prosecutions under Section 10 of the Influx Control Act, is perturbed about the new laws.

"The government might decide to abolish migrant labour altogether and only allow those who have earned urban rights to remain in the cities," she said.

There is no indication of the number of people who will be released when the pass laws will be scrapped on Wednesday, Prison Services spokesman Lieutenant-Colonel D C Immelman said.

● See Page 5

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21/4/86

BARRY STREEK

THE suspension of the pass laws last week is only one leg of the government's urbanisation strategy.

The other leg, which will emerge this week with the publication of a White Paper and the Urbanisation Bill, will emphasise control and planning over the growth and location of urban areas.

But while the broad direction of the strategy is clear, there are many unanswered questions.

In Parliament last week, State President P W Botha described the President's Council report as important to urbanisation strategy.

He gave no details, but the nature of controls and the basic strategy of "planned urbanisation" will undoubtedly be the most controversial — and significant — aspect of the new deal.

As Professor Sheila van der Horst, formerly of the University of Cape Town, and Professor Wolfgang Thomas, of the University of the Western Cape, have written, reformist optimism about the President's Council report has subsided considerably.

"Reservations were strengthened by day-to-day reports about strong-armed tactics of 'stabilising' South Africa's urban black

Flaws hidden in govt's urbanisation strategy



● BOTHA ... guiding urbanisation

areas," said Van der Horst and Thomas.

In a statement last week, the National Committee Against Removals (NCAR) said: "Direct and indirect controls are nothing new. Orderly urbanisation is not new either.

"We used to have 'closer settlements' in rural areas and 'emergency camps' in urban areas. Those same shanty towns are now called 'site and service'. All this is part of orderly urbanisation," NCAR said.

The President's Council report said the urbanisation strategy should be an integral component of a comprehensive national development programme aimed at

a more even distribution of economic activity and population.

It suggested particular emphasis be placed on job creation in peripheral low-income residential towns.

And it proposed that an Urbanisation Board and an Urban Development Board be set up to implement strategies.

Van der Horst and Thomas, whose summary was published by the Western Cape region of the South African Institute of Race Relations, pointed out that the report is brief and vague on the financing of urbanisation strategy.

They said the report "was cautious enough not to disturb other apparently 'non-negotiable' tenets of government policy, independent states, non-representation of Africans in key decision-making bodies and the racial exclusiveness of local authorities".

NCAR said the President's Council had listed a number of laws and regulations which already existed to control people.

"The number of people al-

lowed into an urban area will be controlled by how much land is set aside for people.

"When areas are full, people will not be able to squat or double up in housing elsewhere, because the Illegal Squatting and Slums Acts will stop them.

"The people will not be able to live where they choose, even if they could afford it, because of the Group Areas Act.

"They argue that South Africa is a Third World country. They say this means people should not set such high standards of housing and services or such high standards of health and safety.

"They want to cut the costs for government. They want the people to pay in full for housing, streets, water. They will cut subsidies," NCAR said.

These criticisms show that while government's slow, hesitant steps towards accepting the inevitability of increasing numbers of blacks in the urban areas will finally emerge into an official strategy this week, substantial problems with its policies will remain.

BUSS DAY
21/4/86 123

Housing survey to be launched

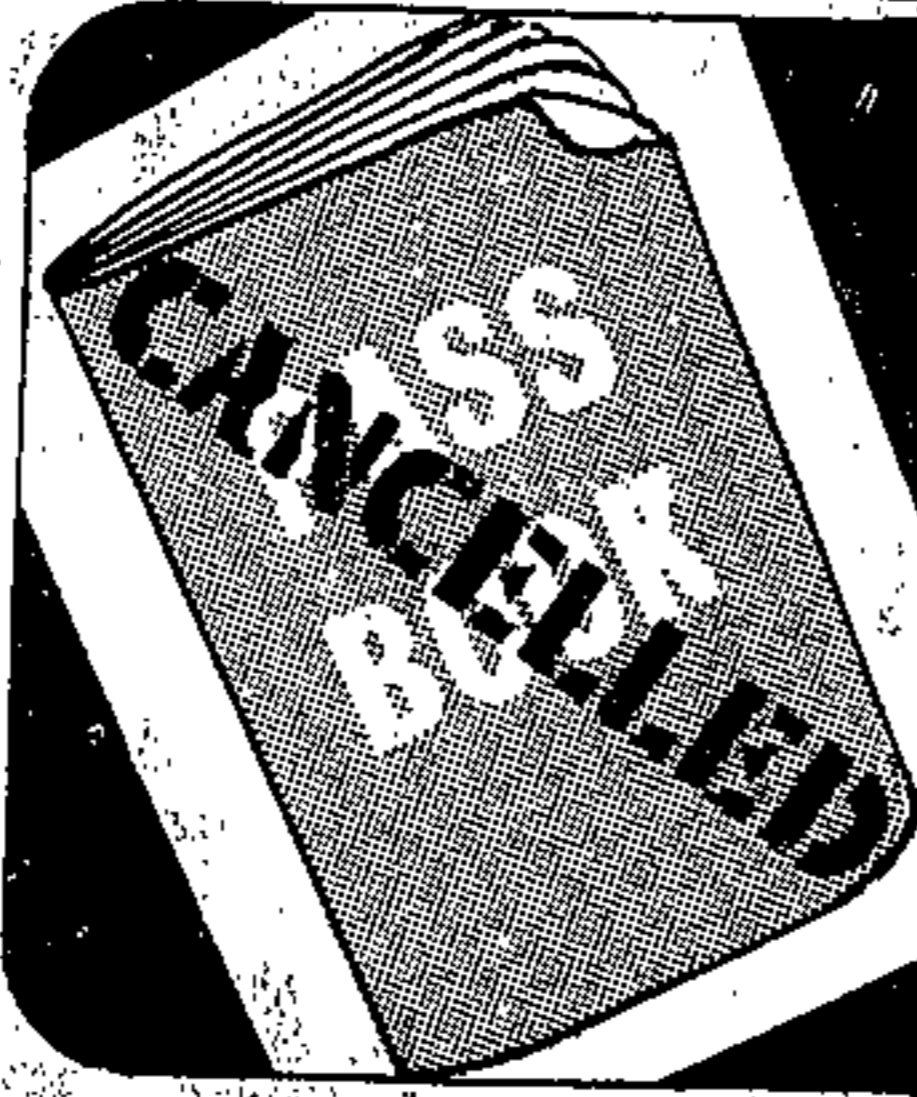
GOVERNMENT is launching a national housing survey into the needs of whites, coloureds and Indians today.

Local Government, Housing and Works Minister Ampie Venter said yesterday the survey would provide a "total picture" of those communities' needs. All housing needs, including welfare housing and the demand for building plots, would

be recorded, Venter added.

As the housing databank is established at the Department of Local Government, Housing and Works; Administration of the House of Assembly, that department will undertake computerisation of information, on an agent basis, for the sister departments of the House of Representatives and the House of Delegates. — Sapa.

URBANISATION



A Government White Paper on Urbanisation published today outlines an Urbanisation Strategy based on a President's Council report in which the Government "states emphatically that influx control can no longer serve any constitutional objective".

Thirty-two laws will be amended to remove race as a means of controlling movement and residential rights.

Housing possible for all races in new strategy

23/4/86 STAR 123

Political Staff

CAPE TOWN — Members of all communities ought to have property rights and the possession of a personal dwelling in terms of the Government's urbanisation strategy.

According to the White Paper all the relevant institutions should co-ordinate in a broad housing policy.

The Department of Finance has been instructed, in co-operation with the various housing departments, to investigate the feasibility of the establishment and co-ordination of financial institutions to create and mobilise financial resources for housing as part of a housing strategy.

SELF-HELP

Government institutions, housing departments, administrations and local authorities should create conditions in which the private sector, individuals, employers and others can make, and will also be willing to make, the largest contribution to housing.

In addition as much recognition as possible should be given to community involvement in housing matters, and community development projects such as self-build schemes should be utilised, whenever possible, for the provision of housing.

PROGRAMMES

Realistic standards, which differ from one area to another, according to the financial abilities and technical skills of the community concerned, should be applied.

Cheaper and more effective building methods should be designed and utilised.

Special programmes to reduce housing backlogs, to prevent degeneration and to promote upgrading — all within the financial ability of the State and with due regard for priorities, should be formulated.

LIBRARY OF THE UNIVERSITY OF TORONTO

Sash hits at 'coercive' bill

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Staff Reporter

Cape Times 23/4/68

THE Black Sash has called on employers to resist government attempts to make them responsible for collecting employees' rents.

In a statement yesterday, the Sash condemned section 13 of the Black Local Authorities Amendment Bill as "yet another mechanism of coercion and control over one of the few remaining areas in which people have been able to demonstrate their resistance to oppression".

Section 13 of the bill enables a local authority to collect rent and service charges from the employer of a debtor out of any salary or wages due to the debtor. If the employer fails to pay, a warrant of execution against the employer's movable property may be issued by the local magistrate.

'Wish to avoid violence'

The bill, which attempted to silence or disguise opposition instead of addressing real grievances, would surely be resisted by workers and employers alike, the Sash statement said.

"It comes before Parliament at a time when rent boycotts form part of the strategies of resistance of those who wish to avoid violence.

"In some parts of the country rent boycotts have been in force for months and it is clear that the local authorities and development boards are suffering from the resultant loss of income. Their inability to collect the charges is indicative of the loss of legitimacy of the apartheid structures in the eyes of the majority of the people."

The bill was "an attempt to place the onus of rent-collecting on employers and to transfer the resistance of the boycotters from the arena of local government to the sphere of employer-employee relations".

Availability of housing to regulate urban flow

Political Staff

CAPE TOWN — The availability of approved accommodation or housing sites, health and squatter regulations and the provisions of the Group Areas Act are to be used to regulate the flow of blacks in terms of the Government's new urbanisation strategy.

The White Paper tabled in Parliament today states that the Government accepts the President's Council's recommendation in an earlier report that occupation be used as a deliberate measure to promote orderly urbanisation and that new arrivals in urban areas must possess approved accommodation or sites.

Attempts will, through the Bureau of Information, be made to inform prospective migrants of approved accommodation and employment opportunities in urban areas.

SQUATTING

The Government has also accepted a President's Council recommendation that existing squatter legislation be revised to encourage urban settlement in places where the necessary amenities and employment opportunities exist.

Amendments to health legislation are also being considered.

With regard to the Group Areas Act, the report points out that the President's Council, in its report, recognises existing Government policy on separate residential areas in urban areas.

SVA 23/4/88
369 123

Better conditions promoted

PARLIAMENT — The Government regards socio-economic development to be of the greatest importance, says the White Paper on Urbanisation tabled in Parliament today.

It will, therefore, actively promote better living conditions for all communities, in cooperation with the private sector and local communities.

The Government accepts urbanisation as an inevitable phase in the process of development of countries and nations and therefore freedom of movement to and within the urban

areas will in future apply to all citizens of the RSA on a non-discriminatory basis.

“However, the timely identification of sufficient land where people can settle in group context is essential since the existing measures with regard to separate living areas for the various population groups in towns and cities will still be observed.

“The Government recognises the right of every individual to procure personal accommodation within his means, but feels that standards are too high and costly and should be adapted.”

New towns on growth plan

123
Political Staff

SOK 23/4/86
Town, should continue to play a key role, local government bodies should investigate how balanced towns can be developed.

CAPE TOWN — The Government's urbanisation strategy provides for a sweeping plan to encourage growth points from the existing large cities to envisaged new compact towns.

The Government accepts responsibility for promoting rural growth in co-operation with the private sector and the communities concerned.

The White Paper says that a broader regional approach is needed for areas within independent homelands which are functionally part of the metropolitan areas.

The plan should improve the quality of life in rural towns to counter migration to metropolitan areas.

While the various metropolitan core areas, particularly the central business districts of Johannesburg, Durban and Cape

An important feature of the strategy is to develop existing towns into vital centres with employment opportunities.

Govt hopes to recover State supplied services and housing

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SMM

23/4/86

Political Staff

CAPE TOWN — In financing the new urbanisation strategy, the Government hopes to recover services and housing supplied by the State.

Standards should therefore be brought into direct relationship with the needs and financial means of the inhabitants.

However, because this is unfair on areas with a large backlog and would place a burden on

less affluent communities, the Government will contribute towards the cost of additional land and trunk supply services.

FAVOUR

The White Paper says the Government is also in favour of a system in which property rates in all black townships are based on the market value of the property concerned.

Local authorities are to inves-

tigate systems for determining rates appropriate to the particular circumstances of each area.

The White Paper further stipulates that all possible sources of revenue must be exploited and used primarily for the acquisition of land for urbanisation.

The private sector should also take part in financing land and urban development for lower-income groups.

Onus on private aid for township housing

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BUS DAY 24/4/86

A MARKED change in government strategies to provide housing for blacks has been incorporated into its new urbanisation policy.

Emphasis will be on the individual and private enterprise to build homes.

Yesterday's White Paper said that, although government had accepted it had to play a role in the provision of housing, and would "consider assistance in respect in cases of extreme distress only, the principle was that consumers should pay for services and facilities.

"Regarding the private sector, it is accepted that special measures are needed to make it possible for this sector to participate increasingly in financing the acquisition of land and urban development for the lower income groups.

"All possible sources of revenue should be exploited and used "primarily for the acquisition of land for urban development", the White Paper said.

It also said government was "as far as circumstances permit, in favour of a system whereby property rates in all black townships are based on the market value of the property concerned".

A "maximum" devolution of authority and responsibility to local authorities was fundamental to a successful urbanisation strategy.

Legislation would be introduced in 1986.

One restrictive measure, with regard to the obtaining of a permit by the owner or lessee to accommodate a black on white premises, would be repealed only when levies imposed in terms of the Regional Services Councils Act came into effect.

BARRY STREEK
PATRICK CULL and Sapa

The report said that where RSCs had not yet been established, adjacent local authorities should co-operate to provide services to residents on a "more cost-effective basis" by avoiding duplication.

In addition, local authorities would be expected to take the necessary steps to promote the health of residents — a power which could be used to prevent a willy-nilly influx and mass squatting.

This emphasis on maximum private involvement is seen as the basic strategy for dealing with the black housing crisis and is clearly different from the role the State played in the 1930s in dealing with the poor white problem.

When the poor whites — many of them Afrikaans-speaking — flocked to the cities then, the State was the key factor in providing government-aiding housing and work-creation schemes.

Job reservation, protecting certain jobs for whites, prevented competition from cheap black labour.

□ Separate residential areas were a necessity for the development of SA, Minister of Constitutional Affairs Chris Heunis told an international Press conference in Cape Town yesterday.

As chairman of a Press conference called to elaborate on the White Paper on Urbanisation, he was asked whether blacks would still be prohibited from living and working where they wished.

Heunis said the whole matter of group areas was being studied by the President's Council and he did not want to pre-empt its findings.

By David Braun,
Political Correspondent

New policy means work, but not live where you choose

CAPE TOWN — The Government's new policy on urbanisation means freedom for every South African to find work wherever he can, to move around the country as he pleases — but not necessarily to reside or own property in the area of his choice.

Minister of Constitutional Development and Planning Mr. Chris Heunis said yesterday the policy rested on two main pillars.

First, urbanisation was not only inevitable but "very necessary" for the continued development of the country and its people.
Second, all South African cit-

izens had the undisputable right to equal opportunities and equal treatment.

The second pillar had brought about possibly the most dramatic improvement in the lot of the country's black citizens.

Decades of Nationalist administration had contrived to spin a web of laws and regulations that were to eventually control virtually every aspect of the lives of blacks.

The main instrument of this control was the reference book or pass, which every black adult had had to carry by law at all times when in prescribed

(white urban) areas.

Millions of blacks were arrested and "criminalised" over the years for failing to be in possession of the document, or for not having the necessary endorsements to be in certain areas.

After being convicted, fined or jailed, a great number of people were "endorsed out" back to their rural area of origin.

In the process, two black societies had been created — the "insiders" who had built up precious years of service to quality to be in certain areas, and the "outsiders" who had no

hope of being allowed to live and find work in the white cities.

The change in government policy came with the admission that blacks were a permanent feature of South Africa.

Previously, Nationalist policy was that blacks were only "temporary sojourners" in South Africa and that eventually everyone was to be a citizen of one or other of the home lands.

One Cabinet Minister went on record to say that the logical consequence of Government policy was that eventually there would not be a single

black South African citizen.

That policy had changed completely and the Government had also recognised that full citizenship and political rights, Mr. Heunis said.

Yesterday's announcements went a long way to restoring certain fundamental rights to black citizens.

No longer will they have to carry passes giving them permission to be in the cities.
No longer will employers have to worry about whether potential employees are qualified to seek work in their areas.

A resident of Gazankulu may journey to and seek work in George. A person from Cape Town may migrate to Messina.

Section 10 rights, which conferred privileged status on an "insider" class, have fallen away. Now anyone may look anywhere for a job — but not for a home.

It remains Government policy that there should be separate residential areas for the different population groups.

The Government said that as this restriction applied also to whites who may not live or own property in group areas of other population groups, it was

"not discrimination but differentiation".

Exceptions to this measure were domestic servants living on the properties of their employers and people who lived in areas of other population groups by permit.

The big question following the scrapping of influx control, is to what extent there will be a black migration from rural to urban areas.

Third-world experience has shown generally that there will be a massive influx.
Government thinking is that this will not be the case, that socio-economic pressures and

free market forces will provide natural checks and balances.

Officials have pointed out that in some areas there has been a trickle of migrants back to the rural.

But even if there is considerable influx, the Government is confident it can handle it.

Local authorities will have to monitor and control the situation by means of squatter and slums clearance legislation.

The central problem will be the availability of land for new towns and settlements.
The White Paper on urbanisation makes provision for both the expediting of township proclamation and for the upgrading of rural areas, making it attractive not to migrate to the cities in the first place.



Facing the new influx control — unemployed contract worker Mr Hendrik Nonyana asks Black Sash worker Mrs Beulah Rollnick: "Will it mean I can look for a job right here without going back to Lebowa?"

Sash cautious as ST 107-24/4/86 ~~123~~ 123 dompas scrapped

Black Sash advice office workers, that small group of people who have rolled up their sleeves and tackled the workings of influx control, are adopting a cautious approach to the pass book's demise.

One of the volunteers said: "What people don't realise is that, now that we're all going to be fingerprinted, passes are not going to be done away with. The entire population will simply carry them, but only blacks will be asked to produce them."

Making urban residence dependent upon occupation of approved accommodation has come as no surprise to the Black Sash, which has long predicted that housing could be the pivot upon which influx control would continue to turn.

BOTTLENECK

Mrs Beulah Rollnick, a full-time advice worker in the Sash's Johannesburg office, pointed out that even if housing sites were prepared at full speed, the backlog in the Reef areas was such that housing would be a bottleneck in the urbanisation process for years.

She also highlighted the possibility of thousands being deprived of their urban rights by incorrect allocation of citizenship.

Mrs Rollnick said: "Say someone is Xhosa speaking. She has no permit to live where she lives in the city. She has no birth certificate and, since she was born at home, she has no proof she was born in an urban area. Is she going to be considered a Transkeian because she has no evidence that she was born in the city?"

She also raised the problem of children born in urban areas but sent to school in independent homelands. Many of these children take out their first identity documents while at school "and the minute they put down their 10 finger prints on the application they are regarded as having been born in the homeland where they apply for the document".

The ambiguity of the new provisions was reflected in the case of Mr Kgakgai Hendrik Nonyana, a contract worker from Lebowa, retrenched some months ago. He hopes the new rules mean he will be able to do his job-hunting in Johannesburg. Before he would have had to return to Lebowa and wait endlessly to be requisitioned at a labour bureau there.

On the other hand, the new regulations represent a strong threat to Mr Nonyana for he has not been living in officially sanctioned accommodation — he shared quarters illegally with a friend.

**PFP hits
at 'racist'
housing
Bill**

PARLIAMENT — It was unbelievable that a housing commission that had served the whole of South Africa should be broken down to suit a racialist approach, Mr Graham McIntosh (PFP Pietermaritzburg North) said yesterday.

Speaking in the Second Reading debate on the Housing Amendment Bill, he said the PFP opposed the measure as another racially discriminatory Bill.

Mr Koos van der Merwe (CP Jeppe) said while the Government said "own" living areas were non-negotiable, there were hundreds of blacks living in blocks of flats in his constituency.

EFFICIENCY

The CP would support the Bill, he said.

Mr Sakkie Blanche (NP Boksburg) said the Bill was one of the finest pieces of legislation to come before Parliament.

He said it was further proof of the efficiency of the tricameral system. — Sapa.

MONDAY, 28 APRIL 1986

†Indicates translated version.

For written reply:

General Affairs:

Tax concessions
HANSARD 28/4/86 2202
619. Mr H H SCHWARTZ asked the Minister of Finance:

What is the total amount of tax lost or expected to be lost as a result of tax concessions granted to decentralised or deconcentrated industries in respect of the year ended 31 March 1985?

THE MINISTER OF FINANCE:

Because many taxpayers (especially companies) have not yet put in their 1985 returns, it is not possible to give a final figure, but on the basis of assessments already raised, the income tax concessions granted to decentralised or deconcentrated industries in respect of the year ending 31 March 1985 will amount to approximately R67 million.

Seaweed

733. Mr D J N MALCOMESS asked the Minister of Environment Affairs and Tourism:

(a) When were licences for the collection of seaweed first issued; (b) how many applications were received at the time; (c)(i) to whom were they issued, and (ii) for what quantity of seaweed, in each case, and (d)(i) who are the current holders of such licences and (ii) for what quantity of seaweed in each case?

THE MINISTER OF ENVIRONMENT AFFAIRS AND TOURISM:

(a) Prior to 1973.

(b), (c)(i) and (c)(ii) The required information is not readily available.

HoA

(c) (i) Taurus Products (Transkei) (Pty) Ltd; Taurus Chemicals (Cape Kelp) (Pty) Ltd; Kelp Products (Pty) Ltd; Western Kelp (Pty) Ltd; Eckloweed Industries (Pty) Ltd.

(d) (ii) Seaweed concessions are not limited to specified quantities.

Housing subsidies
HANSARD 28/4/86 123
734. Mr R M BURROWS asked the Minister of Finance:

What total amount was allocated to each specified State Department from April 1986 for the payment of staff housing subsidies on a (a) compulsory and (b) voluntary basis?

THE MINISTER OF FINANCE:

In accordance with the system of budgeting by objectives the Estimate is divided and compiled according to programmes. All expenditure items must therefore be appropriated to a programme in order to reflect the magnitude thereof.

Due to technical problems and restrictions, certain centralised provisions on the old item-basis, could however not initially be appropriated to programmes immediately. Examples hereof is the employer's contribution to pension and medical aid funds and the payment of subsidies on staff housing loans. It was however the intention to provide for these items under personnel expenditure in future whereby these services will be allocated to all the programmes of all departments.

From the 1985/86 financial year the technical problems surrounding the appropriation of housing subsidies were overcome and the appropriation of the subsidy was incorporated by Treasury under the heading personnel expenditure of all departmental programmes.

Because housing subsidy is a second level item, it is no longer specified as such in the Estimate of Expenditure since 1986/87 but forms a component of personnel expenditure at each programme. Each department will therefore, on request, be able to indicate what amount was included

in his budget for this subitem of its expenditure. For reasons given in reply to your questions number 843 of 24 April 1985 and 912 of 9 May 1985, it will not be possible to distinguish between subsidies on a voluntary and compulsory basis.

It is also the intention to incorporate similar centralised provisions to departmental programmes in future, for example employer's contribution to pension and medical aid funds.

28/4/86 **Q 28/1443**
HANSARD **South African citizens**
 791. Mr K M... RE... asked the Minister for Administration and Economic Advisory Services:

- (1) (a) How many (i) adults and (ii) children who are not South African citizens are at present permanently resident in South Africa and (b) in respect of what date is this information furnished;

- (2) (a) what are the countries of which such (i) adults and (ii) children are citizens and (b) how many of these (i) adults and (ii) children are citizens of each of these countries?

THE MINISTER FOR ADMINISTRATION AND ECONOMIC ADVISORY SERVICES:

- (1) (a) 12 396 952.
- (b) 5 March 1985.

| (2) (a) | (b) |
|---------------------------------|-----------|
| Bophuthatswana..... | 598 868 |
| Botswana..... | 36 183 |
| Ciskei..... | 335 814 |
| Lesotho..... | 157 037 |
| Malawi..... | 30 985 |
| Mocambique..... | 62 780 |
| Self-governing national states* | 9 834 281 |
| Swaziland..... | 49 712 |
| Transkei..... | 733 357 |
| Venda..... | 94 712 |
| Zimbabwe..... | 40 807 |
| Other in Africa..... | 34 588 |
| England and Wales..... | 95 274 |
| German Federal Republic..... | 25 109 |

to will be made available to the non member for his perusal.

- (2) (a) and (b) The matter is being dealt with in the replies to the representations.

TUESDAY, 29 APRIL 1986

*Indicates translated version.

For oral reply:

General Affairs:

Question standing over from Tuesday, 22 April 1986:

28. Mr A SAVAGE asked the Minister of Foreign Affairs:

- (1) Whether, with reference to the reply of the Minister of Finance to Question No. 1 on 25 March 1986, he or any member of the Government has received any requests or representations from the Ciskei Government for a financial contribution in respect of the loss of revenue that Ciskei will sustain as a result of the tax exemptions granted; if so, (a) when, (b) on the basis of what formula was the South African Government to make a financial contribution in respect of this loss of revenue and (c) what was his response thereto?

(2) whether any other independent Black states are free to grant companies or individuals similar tax exemptions and if not, what restrictions prevent them from doing so?

THE MINISTER OF FOREIGN AFFAIRS:

- (1) No. (a), (b) and (c) Fall away.

(2) As independent states the SATBVC-

states have tax sovereignty, but if a decision of any of the SATBVC-states affects the multilaterally agreed industrial decentralisation programme, then it ought to be cleared not only on a bilateral basis but also on a multilateral basis with all the interested parties (see paragraph 12 in the Revised Manual on the Implementation of the Regional Development Incentives).

New Questions:

1. Mr L F STOFBERG asked the Minister of Foreign Affairs:

- (1) Whether he is involved in determining the policy of the South African Broadcasting Corporation in regard to the covering of speeches and opinions of members of the Opposition parties in the House of Assembly; if so, to what extent?
- (2) whether he recently gave any instructions to the South African Broadcasting Corporation in this connection; if so, what was the nature of the instructions;
- (3) whether he will make a statement on the matter?

THE MINISTER OF FOREIGN AFFAIRS:

- (1) No, the policy of the SABC in respect of any of its functions is determined by the Board of the SABC and implemented by the Management of the SABC subject to the applicable statutory provisions.
- (2) No.

(3) Although I am not involved in the determination of the policy of the SABC, I do, nevertheless, transmit representations by Members of Parliament as well as members of the public to the SABC for consideration.

29/4/86 *Qesr 1483*
New York: travel bureau
845. Mr P G SOAL asked the Minister of Transport Affairs:

- (1) Whether the South African Transport Services maintains a travel bureau in New York; if so, (a) where in New York, (b) at what total cost and (c) how many persons are employed at this bureau;
- (2) whether any (a) bookings are and (b) other business is carried out at this travel bureau; if not, what is the purpose of the bureau; if so, (i) how many bookings were made at this bureau in the 1985-86 financial year, (ii) in respect of what services were these bookings made, (iii) what total revenue was generated from these bookings in that year and (iv) what other business is carried out at this bureau;
- (3) whether any of these bookings were cancelled in the said financial year; if so, how many?

THE MINISTER OF TRANSPORT AFFAIRS:

- (1) Yes.
 - (a) Suite 1112, 535 Fifth Avenue.
 - (b) R546 070 (1985/86 financial year)
 - (c) Four.
- (2) (a) and (b) Yes.
 - (i) 1 819
 - (ii) Train journeys
 - Scheduled motor coach tours
 - Charter coaches
 - Hotel reservations
 - Car hire
 - Inclusive tours
 - Sightseeing tours
 - Air bookings
 - (iii) R1 462 000

HoA

(iv) Pro-active promotions of South Africa as a tourist destination which, inter alia, include the:

- organisation of and participation in travel workshops;
- attendance of seminars relating to travel matters;
- organisation of and participation in promotions and exhibitions of travel clubs;
- liaison with wholesale and retail agents in the travel trade;
- development of tours, compilation of itineraries and the printing of brochures for package tours to South Africa;
- liaison with South African Airways, South African Tourism Board, the South African Embassy and reservation agents for South African hotel groups;
- arrangement of educational tours for travel agents and travel writers to South Africa in conjunction with South African Airways and the South African Tourism Board; and
- advertising of the products of the Transport Services in the media.

847. Mr D J N MALCOMMESS asked the Minister of Transport Affairs:

- (1) Whether flight SA 317 from Johannesburg to Cape Town on 23 March 1986 was delayed; if so, what was the (a)(i) scheduled and (ii) actual time of departure of this flight from Johannesburg and (b) cause of the delay;
- (2) whether delayed flights result in any additional costs to the South African Airways; if so, (a) what additional

costs and (b)(i) what was the total additional cost of the delay of flight SA 317 on the above date and (ii) how is this amount made up?

THE MINISTER OF TRANSPORT AFFAIRS:

- (1) Yes.
 - (a) (i) 11h35.
 - (ii) 12h00.
- (b) The aircraft was awaiting spares which were urgently required for repairs to an aircraft which was delayed in Cape Town.
- (2) Yes.
 - (a) The operating of ground equipment is the main component of additional costs which is calculated depending on the time of the delay. Lengthy delays may result in additional costs in respect of refreshments and accommodation.
 - (b) (i) Approximately R50,00.
 - (ii) The cost for operating an auxiliary power unit.

Qesr 1485
Alorestation
29/4/86
867. Mr R W HARDINGHAM asked the Minister of Environment Affairs and Tourism:

- (a) How many applications for permits in respect of afforestation were (i) received and (ii) granted in the latest specified period of 12 months for which figures are available and (b) what was the total area approved?
- THE MINISTER OF ENVIRONMENT AFFAIRS AND TOURISM:**
- (a) (i) 198 for the period 1 April 1985 to 31 March 1986.

HoA

(ii) 174 for the period 1 April 1985 to 31 March 1986.

Qesr 1486
Mimosa Np 81 J O
913. Mr P G SOAL asked the Minister of Education and Development Aid:

Whether, with reference to the reply of the Minister of Co-operation, Development and Education to Question No 15 on 7 May 1985, the property known as Mimosa No 81 J Q in the district of Rustenburg has been developed with regard to (a) schools, (b) water supply, (c) sanitation, (d) roads and (e) health services; if not, why not; if so, what stage of development has been reached in each case?

THE MINISTER OF EDUCATION AND DEVELOPMENT AID:

- (a) to (d) Yes. All these facilities have been completed and the corresponding services are available.
- (e) No. Provision of a mobile clinic is not as yet necessary.

Own Affairs:

Foreign Black students
29/4/86 *Qesr 1486*
85. Mr P R C RODGERS asked the Minister of Education and Culture:

- (a) How many foreign Black students were enrolled in each faculty of each university for Whites in the Republic as at the latest specified date for which figures are available and (b) what was the country of origin of each such student?
- THE MINISTER OF EDUCATION AND CULTURE:**
- (a) and (b) The information required in respect of each faculty at each university is not available but with regard to the number of foreign students and the country of origin of each such student the position for 1984 (latest figures available) was as follows:

THELMA TUCH

THE Urban Councils Association of SA (Ucasa) is to appeal overseas for a loan of R500m for the upgrading of black townships.

At its two-day annual conference in Blbenfontein at the weekend Ucasa was given a mandate to raise the money to build houses, provide essential services and improve the infrastructure.

Ucasa president Steve Kgame said the association would approach government to act as steward for the money.

Government did this in 1980 when R208m was raised in West Germany and R150m locally from a consortium of banks.

Kgame said appalling conditions faced blacks in townships, such as Devon, Hendrina, Bekkerdal and Delmas, where resi-

RUSD 0A7 2/14/80

Councils seek

R500m loan

dents had to collect water from communal taps.

He said that none of the 37 local councils was financially viable with areas such as Soweto facing a deficit of R10m, Diepsmead-ow R7m and Dobsonville R2m.

He criticised government for pumping money into homelands instead of providing money for debt-ridden councils.

"We would like to make government aware that it should not shift its responsibility onto the black residents," he said.

Councils could not raise extra money by increasing rents because people could not afford to pay, he said.

At the conference, attended by 300 delegates, Ucasa called for the release of ANC leader Nelson Mandela and all political detainees.

The Press was criticised for reports about the collapse of black local authorities.

These reports criticised councils for lacking support of the people and have covered the widespread violence directed by residents at representatives of these authorities.

Kgame said only five of the 42 local authorities had collapsed.

Of the 192 community councils only 38 had collapsed, he added.



Mr Kobie Coetsee ... total change could result.

NPP split over Bill for housing

Political Staff

PARLIAMENT — A split has emerged within the ruling National People's Party in the House of Delegates over the controversial Community Development Amendment Bill.

The Bill provides for the carving up of the assets and liabilities of the Community Development Board — a previously unitary body — into three separate housing bodies administered by the white, coloured and Indian Houses.

Like its Labour Party counterparts in the House of Representatives, the NPP leadership has supported the Bill.

REJECTED

But two of the party's MPs, Mr Somaroo Pachai (NPP Natal Midlands) and Mr Salaam Abram-Mayet (NPP Nominated) have vociferously rejected the party's stance, arguing that members entered the tricameral system to dismantle rather than entrench apartheid.

In the House of Delegates yesterday, Mr Abram-Mayet said it was impossible to justify the creation of separate boards when the House purported to be working towards a single administration for housing.

He argued that the Community Development Board had been given the power by the Community Development Act of 1966 to rob Indian people of their land.

Replying to the debate, the Minister of Public Works and Land Affairs, Dr Lapa Munnik, appealed for a curtain to be drawn over the past.

2/15/86 SUNDAY 123

Stricter housing project ratings

MORE stringent priority ratings will in future be applied in approving housing and welfare projects of local authorities, says Local Government, Housing and Works Minister Amie Venter.

This means projects would not progress on a continuous basis regardless of whether funds were available or not — as was previously the case, Venter said in a statement in Cape Town.

New procedures would follow three stages:

CHRIS CAIRNCROSS

- Local authorities would have to determine housing needs whereafter approval would be granted in principle only.
- In respect of welfare projects, the Department of Health Services and Welfare had to certify need.
- Once a year, before August 31, local authorities would have to submit all projects for which approval in principle had been granted, in order of priority.

Indicates translated version.

For written reply:

General Affairs: **WANSWERD**

215/86 **Qc 1511** Taxable Income
337. Mr B B GOOLBAK asked the Minister of Finance:

| | | | |
|-----|------------|----------|------------|
| (a) | (1984) | Whites * | 24 679,9 m |
| (b) | (i) (1985) | | 21 929,8 m |
| | (ii) | | 4,54% |

Notes:

(1) It is assumed that what is required under (a) and (b)(i) is the taxable income assessed for the 1984 and 1985 tax years, respectively. This excludes taxpayers paying tax under the Final Deduction System, in respect of whom accurate statistics are not available.

(2) The statistics for the 1985 tax year are incomplete because ± 25 per cent of individual taxpayers have not yet been assessed. The percentage growth has therefore been calculated on the average income per taxpayer.

(a) What were the total taxable earnings for Whites, Coloureds and Indians, respectively, in 1984 and (b) what was the (i) total taxable income earned in this year by each of these race groups and (ii) percentage increase or decrease for each such group over the previous year?

The MINISTER OF FINANCE:

| | | | |
|-----------|-----------|---------|-----------|
| Coloureds | 1 462,3 m | Indians | 1 171,5 m |
| | 1 580,1 m | | 842,9 m |
| | 14,77% | | 22,33% |

The MINISTER OF LAW AND ORDER:

Except to mention that adequate equipment had been issued to members of the South African Police deployed in Mamelodi on 21 November 1985 to resist any eventuality, I am not prepared to furnish further particulars.

(a) to (f) Fall away.

215/86 **Qc 1512** 99-year leasehold
528. Mr P G SOAL asked the Minister of Constitutional Development and Planning:

(1) How many houses (a) had been bought under the (i) 99-year leasehold and (ii) 30-year ownership scheme and (b) were being rented in each township falling under each specified Development Board as at 31 January 1986;

(2) how many housing units had been sold under the special State housing sale scheme in each specified Development Board area as at that date?

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

Southern Orange Free State Development Board

99-Year leasehold is a form of land tenure and does not necessarily include houses. In the reply to question 1(a)(i) no distinction is made between developed and undeveloped sites in respect of the following Development Board areas. With this reservation, the question is replied to as follows:

Northern Cape Development Board

(1) (a) (i) 333.
(ii) 3.

| | |
|---------------|-----|
| (b) Mataleng | 404 |
| Bongani | 195 |
| Motswedimosa | 239 |
| Tlhakatlou | 224 |
| Boipelo | 117 |
| Boichoko | 616 |
| Huhudi | 399 |
| Theminkosi | 127 |
| Lukhanyisweni | 101 |
| Mziwabantu | 110 |
| E'Thembeni | 246 |
| Matlhomola | 200 |

(2) 33.

Orange-Vaal Development Board

(1) (a) (i) 404.
(ii) 1 092.

| | |
|----------------|-----|
| (b) Bothaville | 817 |
| Frankfort | 156 |
| Harrismith | 811 |
| Heilbron | 4 |
| Parys | 4 |
| Petrus Steyn | 25 |
| Viljoenskroon | 4 |
| Villiers | 145 |
| Vrede | 201 |
| Vredefort | 237 |
| Warden | 32 |
| | 84 |

(2) 174.

Natalia Development Board

(1) (a) (i) 14.
(ii) 3 205.

| | |
|----------------|-------|
| (b) Allanridge | 132 |
| Bethulie | 289 |
| Boshof | 289 |
| Bullfontein | 305 |
| Brandfort | 109 |
| Clocolan | 178 |
| Dealsville | 221 |
| De Wetsdorp | 147 |
| Edenburg | 147 |
| Excelsior | 69 |
| Fauresmith | 134 |
| Ficksburg | 126 |
| Fouriesburg | 61 |
| Hennenman | — |
| Hertzogville | — |
| Hobhouse | 74 |
| Hoopstad | 155 |
| Jagersfontein | 75 |
| Jacobsdal | 189 |
| Koffiefontein | 102 |
| Marquard | 105 |
| Paul Roux | 8 |
| Petrusburg | 129 |
| Philippolis | 136 |
| Reddersburg | 156 |
| Rosendal | 4 |
| Rouxville | 47 |
| Senekal | 1 062 |
| Smithfield | 34 |
| Soutpan | 260 |
| Springfontein | 207 |
| Theunissen | 204 |
| Trompsburg | 188 |
| Tweespruit | 386 |
| Vanstadensrus | 2 |
| Ventersburg | 41 |
| Verkeerdelei | 2 |
| Wesselsbron | 111 |
| Wepener | — |
| Winburg | 251 |
| Zastron | 318 |

D

D

| | | | | | |
|-----|--------------------|-------|---|--------------------|--------------|
| (b) | Lamontville | 1 057 | (2) | 293. | |
| | Chesterville | 1 133 | | | |
| | Hambanati | 549 | <i>Northern Transvaal Development Board</i> | | |
| | Shakaville | 185 | (1) | (a) | (i) Nil. |
| | Klaarwater | 301 | | | |
| | Shayamoya | 26 | | | (ii) Nil. |
| | Bhekuzulu | 875 | (b) | Nylstroom | 463 |
| | Nkanyesi | 151 | | Naboomspruit | 51 |
| | Sibongile | 851 | | Messina | 640 |
| | Steadville | 968 | | | |
| | Thembatihle | 537 | (2) | Nil. | |
| | Bhongweni | — | | | |
| | Brunville | — | <i>Eastern Cape Development Board</i> | | |
| | Enhlalakahle | — | (1) | (a) | (i) 2 187. |
| | Itsokolele | — | | | (ii) 10 649. |
| | Sobantu | — | | | |

Western Cape Development Board

| | | | |
|-----|-------------------|-----------|--|
| (1) | (a) | (i) 314. | |
| | | (ii) Nil. | |
| (b) | Khayelitsha | 4 616 | |
| | Langa | 2 759 | |
| | Nyanga | 3 558 | |
| | Guguletu | 7 479 | |
| | Mbekweni | 785 | |
| | Kaya Mandi | 89 | |
| | Nduli | 93 | |
| | Zolani | 240 | |
| | Nkqubela | 89 | |
| | Zwelihle | 110 | |
| | Mfuleni | 174 | |
| | Lwandle | Nil | |

Eastern Transvaal Development Board

| | | | |
|-----|---------------------|-------------|--|
| (1) | (a) | (i) 293. | |
| | | (ii) 1 001. | |
| (b) | Amersfoort | 28 | |
| | Barberton | 872 | |
| | Breyten | 797 | |
| | Carolina | 176 | |
| | Davel | 11 | |
| | Piet Retief | 779 | |
| | Sabie | 339 | |
| | Walkerstrom | 187 | |
| | Watervalboven | 503 | |

| | | | | | |
|--|---------------------|-----|------|-----------------|-------|
| | Queenstown | 797 | (ii) | 1 628. | |
| | Richmond | 40 | | | |
| | Somerset-East | 640 | (b) | Tsakane | 6 388 |
| | Sterksroom | 2 | | Duduza | 3 121 |
| | Steynsburg | 244 | | Ratanda | 736 |
| | Steylerville | 2 | | Devon | 179 |
| | Stutterheim | 23 | | Botleng | 766 |
| | Tarkastad | 510 | | Zithobeni | 313 |
| | Venterstad | 72 | | Ekangala | 1 331 |
| | Victoria-West | 196 | | Reflwe | 249 |

Western Transvaal Development Board

| | | |
|-----|--------|-------------|
| (2) | 1 395. | |
| (1) | (a) | (i) 205. |
| | | (ii) 4 059. |

Highveld Development Board

| | | |
|-----|-----|------------|
| (1) | (a) | (i) 1 018. |
| | | (ii) 77. |

| | | | | | |
|-----|------------------------|-----|-----|--------------------|-------------|
| (b) | Biesiesvlei | 24 | (b) | Balfour | — |
| | Bloemhof | 384 | | Belfast | 521 |
| | Carletonville | 525 | | Bethal | 224 |
| | Christiana | 374 | | Dullstroom | 128 |
| | Coligny | 201 | | Langverwacht | 1 218 |
| | Fochville | 41 | | Greylingstad | — |
| | Koster | 78 | | Leandra | 570 |
| | Leudoringstad | 233 | | Lydenburg | 239 |
| | Lichtenburg | 569 | | Hendrina | 283 |
| | Makwassie | 139 | | Machadodorp | 42 |
| | Orkney | 378 | | Ogies | 357 |
| | Ottosdal | 20 | | Perdekop | — |
| | Stilfontein | 616 | | Standerton | 1 348 |
| | Swarttruggens | 150 | | Volksrust | 971 |
| | Witpoort | 2 | | | |
| | Wolmaranstad | 47 | (2) | 1 095. | |
| | Zeerust | 393 | | | |
| | Schweizer-Reneke | 2 | (1) | (a) | (i) 33 837. |

(2) 205.

(1) (a) (i) 33 837.
(ii) 15 024.

Central Transvaal Development Board

| | | | |
|-----|------------------|-------------|--|
| (1) | (a) | (i) 1 344. | |
| | | (ii) 9 629. | |
| (b) | Brits | 91 | |
| | Thabazimbi | 69 | |

(b) Bekkersdal

(2) 26 999
FRANSDORP DISTRICT
Family housing units
602. Mr P G SOAL asked the Minister of Constitutional Development and Planning:

(1) (a) How many family housing units were built in townships falling under each specified Development Board in 1985 by (i) the relevant Development Board

(b) Lamontville 1 057
 Chesterville 1 133
 Hambanati 549
 Shakaville 185
 Klaarwater 301
 Shayamoya 26
 Bhekuzulu 875
 Nkanyesi 151
 Sibongile 851
 Steadville 968
 Thembalihle 537
 Bhongweni —
 Brunville —
 Enhalakahle —
 Isokolele —
 Sobantu —

(2) 14.

Western Cape Development Board

(1) (a) (i) 314.

(ii) Nil.

(b) Khayelitsha 4 616
 Langa 2 759
 Nyanga 3 558
 Guguletu 7 479
 Mbekweni 785
 Kaya Mandi 89
 Nduli 93
 Zolani 240
 Nkqubela 89
 Zwelihle 110
 Mfuleni 174
 Lwandle Nil

(2) 314.

Eastern Transvaal Development Board

(1) (a) (i) 293.

(ii) 1 001.

(b) Amstersfoort 28
 Barbenton 872
 Breyten 797
 Carolina 176
 Davel 11
 Piet Retief 779
 Sabie 339
 Wakkerstroom 187
 Watervalboven 503

(2) 293.

Northern Transvaal Development Board

(1) (a) (i) Nil.

(ii) Nil.

(b) Nylstroom 463
 Naboomspruit 51
 Messina 640

(2) Nil.

Eastern Cape Development Board

(1) (a) (i) 2 187.

(ii) 10 649.

(b) Aberdeen 154
 Adelaide 406
 Alexandria 295
 Alicedale 309
 Aliwal-Noord 320
 Barkly-Oos 277
 Bedford 216
 Beaufort-West 133
 Burgersdorp 258
 Cathcart 158
 Colesberg 223
 Cookhouse 333
 Despatch 277
 Dordrecht 156
 Elliot 288
 Fort Beaufort 138
 George 15
 Graaff Reinet 194
 Hanover 279
 Hofmeyr 128
 Humansdorp 456
 Indwe 56
 Jamestown 30
 Jansenville 1
 Jeffreysbaai 24
 King William's Town 719
 Kirkwood 144
 Komga 1
 Lady Grey 132
 Middelburg (C) 670
 Molteno 595
 Mossel Bay 502
 Noupoort 577
 East London 1 555
 Pearston 55

Queenstown 797
 Richmond 40
 Somerset-East 640
 Sterksroom 2
 Steynsburg 244
 Steytlerville 2
 Stutterheim 23
 Tarkastad 510
 Venterstad 72
 Victoria-West 196

(2) 1 395.

Western Transvaal Development Board

(1) (a) (i) 205.

(ii) 4 059.

(b) Biesiesvlei 24
 Bloemhof 384
 Carletonville 525
 Christiana 374
 Coligny 201
 Fochville 41
 Koster 78
 Leendoringstad 233
 Lichtenburg 569
 Makwassie 139
 Orkney 378
 Ottosdal 20
 Stilfontein 616
 Swarttuggens 150
 Witpoort 2
 Wolmaranstad 47
 Zeerust 393
 Schweizer-Reneke 2

(2) 205.

Central Transvaal Development Board

(1) (a) (i) 1 344.

(ii) 9 629.

(b) Brits 91
 Thabazimbi 69

(2) 1 297.

East Rand Development Board

(1) (a) (i) 688.

(ii) 1 628.

(b) Tsakane 6 388
 Duduza 3 121
 Ratanda 736
 Devon 179
 Botleng 766
 Zithobeni 313
 Ekangala 1 331
 Refilwe 249

(2) 2 621.

Highveld Development Board

(1) (a) (i) 1 018.

(ii) 77.

(b) Balfour 521
 Bethal 224
 Dullstroom 128
 Langewacht 1 218
 Greylingstad —
 Leandra 570
 Lydenburg 239
 Hendrina 283
 Machadodorp 42
 Oges 357
 Perdekop —
 Standerton 1 348
 Volksrust 971

(2) 1 095.

West Rand Development Board

(1) (a) (i) 33 837.

(ii) 15 024.

(b) Bekkersdal 1 137

(2) 26 992
 Family housing units
 602. Mr P G SOAL asked the Minister of
 Constitutional Development and Planning:

(1) (a) How many family housing units were built in townships falling under each specified Development Board in 1985 by (i) the relevant Development

Board, (ii) private owners and (iii) other specified organizations and (b) what was the total amount spent by each in respect of these townships;

the number involved and dates of completion accurately.

(2) whether there is a shortage of housing units in any township falling under each Development Board; if so, how many units are required in respect of each Development Board;

Eastern-Transvaal Development Board

(1) (a) (i) 522.

(ii) 15.

(iii) None.

(b) (i) R2 742 266.

(ii) Figures not readily available.

(iii) Nil.

(2) Yes—748.

(3) (a) Yes.

(b) and (c) No—Development in Bekkersdal was frozen as a result of the dolomite formation. Development again commenced late in 1985 and a development programme is now being compiled.

(b) (i) Nil.

(ii) Figures not readily available.

(iii) Nil.

(2) Yes—4 300.

(3) (a) Yes.

East-Rand Development Board

(1) (a) (i) 240.

(ii) 236.

(iii) None.

(b) (i) R1 830 430.

(ii) R366 920.

(iii) Nil.

(2) Yes—7 961.

(3) (a) Yes.

(ii) Date of completion cannot be determined.

(c) No—The Development Board is not in a position to say why private developers and employers do not participate in the provision of housing.

(i) and (ii) Fall away.

Natalia Development Board

(1) (a)(i), (ii) and (iii) None.

(b)(i), (ii) and (iii) Nil.

(2) Yes—12 400.

(3) (a), (b) and (c) No—No houses are currently being built but work has started on the provision of serviced sites in all townships in the Board's area of jurisdiction.

(i) and (ii) Fall away.

THE MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

Orange-Vaal Development Board

(1) (a) (i) 199.

(ii) 446.

(iii) None.

(b) (i) R1 618 102.

(ii) R4 520 000.

(iii) Nil.

(2) Yes—2 122.

(3) (a) Yes.

(i) 1 414.

(ii) 1987.

(b) and (c) Yes.

West-Rand Development Board

(1) (a) (i) 100.

(ii) None.

(iii) None.

(b) (i) R1 990 000.

(ii) Nil.

(iii) Nil.

(i) and (ii) The building of houses by private owners, developers and employers is being done on an ongoing basis and it is therefore not possible for the Board to furnish figures pertaining to

Southern OFS Development Board

(2) Yes—2 780.

(i) 935.

(ii) 1987.

(1) (a) (i) None.

(ii) 1 016.

(iii) None.

(i) and (ii) Fall away.

East-Rand Development Board

(1) (a) (i) 240.

(ii) 236.

(iii) None.

(b) (i) R1 830 430.

(ii) R366 920.

(iii) Nil.

(2) Yes—7 961.

(3) (a) Yes.

(i) 272.

(ii) 1986.

(b) Yes.

(i) 700 (Site and service).

(ii) Approximately 1990.

(c) No—Processing of agreements with private developers for the erection of family units is presently being finalised.

(i) and (ii) Fall away.

P

P

Northern Transvaal Development Board

- (1) (a) (i), (ii) and (iii) None.
- (b) (i), (ii) and (iii) Nil.
- (2) Yes—279.

- (3)(a), (b) and (c) No—No houses are currently being built but the upgrading of all townships in the Board's area of jurisdiction is in a planning stage.
- (i) and (ii) Fall away.
- (c) Yes—Private developers.
- (i) 151.
- (ii) Approximately 1988.

Northern-Cape Development Board

- (1) (a) (i), (ii) and (iii) None.
- (b) (i), (ii) and (iii) Nil.
- (2) Yes—5 407.
- (3) (a) Yes.
- (i) 297.
- (ii) 1986.

East-Cape Development Board

- (1) (a) (i) 661.
- (ii) 305.
- (iii) 445.
- (b) (i) R4 600 422.
- (ii) R1 380 430.

(b) and (c) No—Due to the lack of funds as a result of the unfavourable economic climate and a shortage of serviced sites negotiations with a private company for the erection of 40 houses at Boipelo (Reivilo) is presently taking place. The supported self-build action which will speed up the provision of housing is now being extended to all townships in the area of jurisdiction of the Development Board.

- (2) Yes—8 755.
- (3) (a) Yes.
- (i) 4 142.
- (ii) 1987.

Western-Cape Development Board

- (1) (a) (i) 3 001.
- (ii) and (iii) None.
- (b) (i) R253 217.
- (ii) and (iii) Nil.
- (c) Yes—Developers and employees.

Hoa

[Handwritten mark]

Highveld Development Board

- (i) 141.
- (ii) 1986.
- (1) (a) (i) 52.
- (ii) 104.
- (iii) 11.
- (b) (i) R515 000.
- (ii) R3 428 506.
- (iii) R309 328.
- (2) Yes—4 723.
- (3) (a) Yes.
- (i) 142.
- (ii) 1986.
- (b) Yes.
- (i) 147.
- (ii) 1986.
- (c) Yes—Developers and employees.
- (i) 74.
- (ii) 1986.

Central Transvaal Development Board

- (1) (a) (i), (ii) and (iii) None.
- (b) (i), (ii) and (iii) Nil.
- (2) Yes—1 217.
- (3)(a), (b) and (c) No—The future of the Black towns at Brits and Thabazimbi is uncertain and no development can therefore take place at present.
- (i) and (ii) Fall away.

Western Transvaal Development Board

- (1) (a) (i) 222.
- (ii) 74.
- (iii) 12.
- (b) (i) R609 420.
- (ii) R1 023 553.
- (iii) R96 000.
- (2) Yes—3 553.
- (3) (a) Yes.
- (i) 395.
- (ii) 1986.
- (b) Yes.
- (i) 80.
- (ii) The Development Board is not in a position to furnish a date of completion.
- (c) Yes.
- (i) 13.
- (ii) The Development Board is not in a position to furnish a date of completion.

TRANSVAAL
Houses: electricity
2/5/86 *[Signature]*
760. Mr P G SOAL asked the Minister of Constitutional Development and Planning:

What (a) total number and (b) percentage of houses in townships falling under each specified Development Board (i) was being supplied and (ii) remained to be supplied with electricity as at the latest specified date for which information is available?

THE MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

Electricity where available, is supplied to residents on request on payment there-

Hoa

[Handwritten mark]

[Handwritten mark]

Northern Transvaal Development Board

(1) (a)(i), (ii) and (iii) None.

(b)(i), (ii) and (iii) Nil.

(2) Yes—279.

(3)(a), (b) and (c) No—No houses are currently being built but the upgrading of all townships in the Board's area of jurisdiction is in a planning stage.

(i) and (ii) Fall away.

Northern-Cape Development Board

(1) (a)(i), (ii) and (iii) None.

(b)(i), (ii) and (iii) Nil.

(2) Yes—5 407.

(3) (a) Yes.

(i) 297.

(ii) 1986.

(b) and (c) No—Due to the lack of funds as a result of the unfavourable economic climate and a shortage of serviced sites negotiations with a private company for the erection of 40 houses at Bojpele (Reivilo) is presently taking place. The supported self-build action which will speed up the provision of housing is now being extended to all townships in the area of jurisdiction of the Development Board.

(i) and (ii) Fall away.

Western-Cape Development Board

(1) (a) (i) 3 001.

(ii) and (iii) None.

(b) (i) R253 217.

(ii) and (iii) Nil.

(2) Yes—9 051.

(3) (a) Yes.

(i) 297.

(ii) 1986.

(b) No—Serviced sites are not available at present.

(i) and (ii) Fall away.

(c) Yes—Private developers.

(i) 151.

(ii) Approximately 1988.

East-Cape Development Board

(1) (a) (i) 661.

(ii) 305.

(iii) 445.

(b) (i) R4 600 422.

(ii) R1 380 430.

(iii) Amounts expended by developers and employers are not readily available, however, amounts expended range between R35 000 and R150 000 per unit.

(2) Yes—8 755.

(3) (a) Yes.

(i) 4 142.

(ii) 1987.

(b) Yes.

(i) Approximately 74.

(ii) 1987.

(c) Yes—Developers and employers.

(i) 141.

(ii) 1986.

Central-Transvaal Development Board

(1) (a)(i), (ii) and (iii) None.

(b)(i), (ii) and (iii) Nil.

(2) Yes—1 217.

(3)(a), (b) and (c) No—The future of the Black towns at Brits and Thabazimbi is uncertain and no development can therefore take place at present.

(i) and (ii) Fall away.

Western Transvaal Development Board

(1) (a) (i) 222.

(ii) 74.

(iii) 12.

(b) (i) R609 420.

(ii) R1 023 553.

(iii) R96 000.

(2) Yes—3 553.

(3) (a) Yes.

(i) 395.

(ii) 1986.

(b) Yes.

(i) 80.

(ii) The Development Board is not in a position to furnish a date of completion.

(c) Yes.

(i) 13.

(ii) The Development Board is not in a position to furnish a date of completion.

Highveld Development Board

(1) (a) (i) 52.

(ii) 104.

(iii) 11.

(b) (i) R515 000.

(ii) R3 428 506.

(iii) R309 328.

(2) Yes—4 723.

(3) (a) Yes.

(i) 142.

(ii) 1986.

(b) Yes.

(i) 147.

(ii) 1986.

(c) Yes—Developers and employers.

(i) 74.

(ii) 1986.

TRANSVAAL
Houses: electricity
215/186 Garsdale
760. Mr P G SOAL asked the Minister of Constitutional Development and Planning:

What (a) total number and (b) percentage of houses in townships falling under each specified Development Board (i) was being supplied and (ii) remained to be supplied with electricity as at the latest specified date for which information is available?

THE MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

Electricity where available, is supplied to residents on request on payment there-

for at an economic tariff rate. On this basis the following reply is furnished:

| | | | | | |
|--|--|------------------------------------|--------|--|--------|
| <i>Central-Transvaal Development Board</i> | | (a) (i) | 69 | (b) (i) | 2,5% |
| | | (ii) | 752 | (ii) | 97,5% |
| As at 31 March 1986. | | (a) (i) | 8,4% | (a) (i) | 2 790 |
| | | (ii) | 91,6% | (ii) | 14 251 |
| As at 31 March 1986. | | (b) (i) | 45,12% | (b) (i) | 16,37% |
| <i>Highveld Development Board</i> | | (a) (i) | 5 208 | (ii) | 83,63% |
| | | (ii) | 6 336 | As at 31 March 1986. | |
| As at 31 March 1986. | | (b) (i) | 54,88% | <i>Northern-Cape Development Board</i> | |
| | | (ii) | 465 | (a) (i) | 247 |
| As at 31 March 1986. | | (b) (i) | 12 128 | (ii) | 6 711 |
| | | (ii) | 96,31% | As at 31 March 1986. | |
| As at 31 March 1986. | | <i>Natalia Development Board</i> | | (a) (i) | 3 742 |
| | | (b) (i) | 7 629 | (ii) | 32,91% |
| As at 31 March 1986. | | <i>East-Cape Development Board</i> | | (a) (i) | 67,09% |
| | | (ii) | 14 521 | As at 31 March 1986. | |
| As at 31 March 1986. | | (a) (i) | 6,28% | <i>Eastern-Transvaal Development Board</i> | |
| | | (ii) | 93,72% | (a) (i) | 883 |
| As at 31 March 1986. | | (b) (i) | 11,57% | (ii) | 6 751 |
| | | (ii) | 88,43% | As at 31 March 1986. | |
| As at 31 March 1986. | | <i>West-Rand Development Board</i> | | (a) (i) | 28 |
| | | (ii) | 28 | (b) (i) | 11,57% |
| As at 31 March 1986. | | <i>West-Rand Development Board</i> | | (ii) | 88,43% |

Northern-Transvaal Development Board

| | |
|---------------|--------|
| (a) (i) | 9 |
| (ii) | 1 476 |
| (b) (i) | 0,61% |
| (ii) | 99,39% |

(2) whether any reports have been received of tear-gas causing (a) death and (b) serious injury to health; if so, (i) how many (aa) deaths and (bb) serious injuries to health had been reported as at the latest specified date for which information is available and (ii) from whom were such reports received;

Orange-Vaal Development Board

| | |
|---------------|--------|
| (a) (i) | 1 075 |
| (ii) | 14 735 |
| (b) (i) | 6,8% |
| (ii) | 93,2% |

(3) whether any such (a) deaths and (b) serious injuries to health resulted in (i) court action and (ii) claims against the State; if so, what are the relevant particulars in each case;

Western-Cape Development Board

| | |
|---------------|--------|
| (a) (i) | 6 934 |
| (ii) | 14 851 |
| (b) (i) | 31,83% |
| (ii) | 68,17% |

(4) whether there is an antidote available to the South African Defence Force for the treatment of persons suffering from over-exposure to tear-gas; if so, what antidote;

(5) whether such antidote is also available to South African Defence personnel in the event of accidental over-exposure, if not, why not?

Southern OFS Development Board

| | |
|---------------|--------|
| (a) (i) | 437 |
| (ii) | 17 369 |
| (b) (i) | 2,45% |
| (ii) | 97,55% |

The MINISTER OF DEFENCE:

(1) (a) and (b) Yes.
(2) (a) No.
(b) As far as could be established only one complaint was made where the SA Defence Force may have been involved, that tear-smoke had an injurious effect on persons. The complainant, Mr R Sonamzi, could not say whether the tear-smoke was fired by the SA Defence Force or the SA Police.

(1) Whether Armscor is the sole (a) manufacturer and (b) supplier of the tear-gas used by the South African Defence Force; if not, who are the (i) manufacturers and (ii) suppliers of the tear-gas used by the Defence Force;

(2) whether any reports have been received of tear-gas causing (a) death and (b) serious injury to health; if so, (i) how many (aa) deaths and (bb) serious injuries to health had been reported as at the latest specified date for which information is available and (ii) from whom were such reports received;

(3) whether any such (a) deaths and (b) serious injuries to health resulted in (i) court action and (ii) claims against the State; if so, what are the relevant particulars in each case;

(4) whether there is an antidote available to the South African Defence Force for the treatment of persons suffering from over-exposure to tear-gas; if so, what antidote;

(5) whether such antidote is also available to South African Defence personnel in the event of accidental over-exposure, if not, why not?

FROM SAID
215/86
Teargas
785. Mr P R C ROGGE asked the Minister of Defence:

→

The Argus Correspondent

JOHANNESBURG. — Barclays National Bank has fired the first salvo in the war between banks and the building societies — now heading unshackled into the money market — by cutting its bond rate from 18,75 percent to 17,5 percent.

The reduction, effective from May 24, will chop about R50 a month off the repayments with a R50 000 bond and can be expected to jolt the building societies into action on their mortgage rates.

Market sources say that clearly the building societies cannot rely in future on their strong market position "based on tied bondholder money".

Lowest rate

The bank's new rate is now one of the lowest in the home-lending business and compares with building society rates of 17,75 percent for bonds up to R40 000 and 18,25 percent for loans over R40 000.

On a R60 000 bond over 20 years, the Barclays homeowner was paying R960 a month. This will drop to R903, which is R34 less than the 18,25 percent rate paid by building society borrowers.

While it might be expected that the societies must now follow suit, building society men say that margins are still being squeezed with inflation hitting the 18 percent mark, thus giving their investors a negative rate of return.

Mr Brian Kemmey, senior general manager of the South African Permanent Building Society, said: "We are watching the situation closely.

"It should be remembered, however, that to cut the bond rate we would have to drop the rate which we are paying to investors and at a time when the inflation rate is at 18 percent and more, it remains to be seen if the man-in-the-street will invest at rates lower than those presently quoted by building societies."

The Argus Financial Editor reports that building society officials refused to comment today on whether the Barclays decision would lead to a cut in their own mortgage rates.

Mr Dick Kruger, general manager of the United Building Society, said the society's lending and mortgage rates were being continually reviewed. If market conditions warranted it they would be changed.

Senior officials at the Allied Building Society concurred.

Not impressed

The building society movement is not impressed by Barclays' move. It means that its mortgage rate has been reduced to only slightly below the rate the building societies have been charging.

Nonetheless, the possibility that the societies might reduce their mortgage rates to match that of Barclays, or even go below it, cannot be ruled out.

The last time Barclays entered the mortgage money market on a large scale the building societies lost a great deal of business.

As they are shortly to become banks, though retaining their mortgage lending activities, it is believed that some of the societies might be toying with the idea of challenging Barclays in this area.

Home loans war: Bank cuts interest rate 1,25%

Argus 2/5/88

123

Top construction concerns move in to tackle backlog

Housing boom is under way in black townships

By Winnie Graham,
Property Editor

The construction of "top quality" homes for middle-class blacks is gathering momentum in the townships and is expected to quicken as more stands become available.

The chief executive of the United Building Society, Mr Piet Badenhorst, said this week that thousands of houses were under construction in various townships and building was continuing despite the unrest.

The movement of top construction companies to the black areas, he said, followed the "oversupply of white accommodation" and the massive backlog of black housing. He said, however, that black, coloured and Indian entrepreneurs should increasingly share in the "spin-offs of development".

"Black and white must work hand in hand providing aesthetically pleasing homes for blacks," he said.

Builders of black houses, Mr Badenhorst added, could provide a powerful generator to the economy. They worked under difficult conditions in the trouble-torn townships and deserved credit for their efforts.

Estate agents

Mr Badenhorst said State assistance for first-time buyers needed to be widely communicated to blacks. The training of black estate agents was another priority in the establishment of a black property industry.

The UBS has already indicated prospective black homeowners are being granted R15 million a month to build or buy houses. This is about 60 per cent of the money the various societies are funnelling into black housing.

The general manager of the UBS, Mr Piet Kruger, said the UBS Development Corporation expected to develop 500 stands at Kagiso, on the West Rand, this year.

The society was also financing housing at Mohlakeng, near Randfontein, Daveyton, Kimberley, Witbank, Kroonstad and Khayelitsha where Bellandia Homes was building hundreds of houses.

"In comparison with the demand our efforts may seem like a drop in the ocean but it is a start," he said. "They are the sort of homes found in any white area."

The UBS, he said, had lost six houses in the unrest: two in Port Elizabeth and four in Soweto.

Most of the houses built by private enterprise, he said, sold from R35 000 upwards. Many were small but could be extended as finances permitted.

PHATUDI IN A R2-m SPLURGE

5/5/86
SOWETO
123
268

LEBOWA is to spend over R2-million to build four ministerial houses this year, according to the bantustan's Chief Minister, Dr C N Phatudi.

Dr Phatudi made the announcement during his budget speech to the Legislative Assembly in Seshego last week. He

By MATHATHA TSEDU

said the R2,2-million would be used to build a new house for himself and three other Ministers in Lebowakgomo. He also announced that he received a salary of R45 636 per annum plus R8 052 non-taxable personal allowance.

Dr Phatudi's announcement came amid complaints by members of the Legislative Assembly that the R548-million budgeted for this year was "too little". A committee has been appointed to work out recommendations which are to be presented to the South African Government to request more money.

Talks on urbanisation

SPAK 5/5/86 By Colleen Ryan (123)

An emergency meeting of major business organisations has been called to consider the Government's new urbanisation policy.

It will also try to decide on steps to resolve the problems surrounding the black citizenship issue and the land shortage.

The Private Sector Council on Urbanisation, which includes representatives of the Afrikaanse Handelsinstituut, Associated Chambers of Commerce and the Urban Foundation as well as individuals and trade unions, meets tomorrow to consider the State's White Paper on Urbanisation.

Many businessmen are worried unresolved issues, such as citizenship and the lack of land, could negate the lifting of the pass laws.

● See Page 12.

CMAT Tracts 6/5/86
123

Builders hopes raised after bond rate cut

Own Correspondent
JOHANNESBURG. — The property market's reaction to reduced bond rates is likely to be fairly slow. While observers hail the cuts as encouraging and possibly stimulating, they stress that more confidence is needed for a major upturn.

For existing bondholders, those who bought when rates were low and are battling to keep up with the unexpected higher payments, the downward movement is welcomed as much-needed relief.

But potential buyers will probably maintain their "wait and see" attitudes, while interest rates are lower than inflation, being fearful of upward adjustment, comments the Institute

of Estate Agents' president Norman Nel.

People are still a little insecure, he said, and these emotions play a vital part in their decisions to buy property.

Nevertheless Nel believes that property must start moving up as inflation continues to pressurize building costs and materials.

At a time when existing homes are available for 20% to 25% less than they could be built for, there are plenty of opportunities for the brave, he said.

Peter Erasmus, executive director of the SA Property Owners' Association (Sapoa), notes the market had expected rates to level out towards the middle of the year, possibly going up again in the third quar-

ter. With the current downward pressure it is quite possible that rates will continue going down, giving the market the surge of confidence it so desperately needs.

Sapoa hopes the beleaguered construction industry in particular will benefit by the cheaper money.

Finally, he observes that property's lead-and-lag relationship with the economy means it'll take time before the effect is really felt.

Canadian reserves

OTTAWA. — Canadian foreign reserve holdings rose \$186,7m in April to \$3,47 billion from \$3,28 billion at the end of March.

CMAT Tracts 6/5/86

'SA motor industry heading for disaster'

JOHANNESBURG. — The SA motor industry is heading for disaster, unless the government comes to its rescue with significant concessions on perks tax and GST.

This warning was sounded yesterday by Theo Swart, MD of McCarthy Group.

"If the government is serious about stimulating the motor industry, it should immediately ease up on the perks tax and at least halve GST on new and used vehicle sales for the next two years," said Swart.

"It should also heed the call of the manufacturers (Naamsa) for the scrapping of the 10% surcharge on all imported items affecting the motor industry," he added.

"The situation is so desperate that we simply do not have time to wait for the Margo Report.

"The motor market is in such a sad state that widespread unemployment is now threatened at the retail-end of the business.

"We all know that there is already 36% unemployment at the manufacturing-end," said Swart. — Sapa



Mr Vince Lochrie has been appointed a director of Foschini Stores (Pty) Ltd.

- (2) (a) and (b) to be determined;
(3) no.

Specialist in emoluments
HANSARD 6/5/86
*5. Mr R M BURROWS asked the Minister of Education and Culture:

- (1) Whether his Department recently placed an advertisement for (a) an assistant, (b) a deputy chief or (c) a senior deputy chief education specialist in emoluments; if so, (a)(i) in which newspapers, (ii) on what dates and (iii) in respect of what post levels was this post advertised and (b) what functions is this person expected to perform;
- (2) Whether conditions of service of teaching staff is an own affair; if so, why;
- (3) Whether there is or will be any duplication of functions in the sphere of conditions of service between his Department and the Department of National Education; if so, why;
- (4) Whether any steps are to be taken to remedy this position; if not, why not; if so, (a) what steps and (b) when?

†THE MINISTER OF EDUCATION AND CULTURE:

- (1) (a), (b) and (c) Yes:
(i) *Rapport and Sunday Times*.
(ii) 20 April 1986.
(iii) 4, 5 or 6;
- (b) give assistance with planning, keep up to date and give advice with regard to all aspects of the salary package of teaching staff and with regard to the ratios of post levels related to the staff of this Department.

HQA

terisation of all aspects of the remuneration of the staff of this Department:

- (2) no;
(3) no;
(4) falls away.

Millerton High School: school bus service
HANSARD 6/5/86
*6. Mr K M ANDREW asked the Minister of Education and Culture:

- (1) Whether there is a school bus service from Durnefontein to Millerton High School; if not, why not; if so, (a) who provides this service, (b) who are the (i) owners and (ii) directors of the firms of contractors and (c) what contract price (i) is applicable at present and (ii) was being charged 12 months ago;
- (2) whether the contract was put out to tender; if not, (a) why not and (b) who decided that tenders would not be called for; if so, (i) when and (ii) what were the names of the tenderers;
- (3) whether the lowest tender was accepted; if not, why not?

†THE MINISTER OF EDUCATION AND CULTURE:

- (1) Yes,
(a) Cape Coachways CC,
(b) (i) Mr J J Myburgh,
(ii) Mr J J Myburgh,
(c) (i) R198 712,
(ii) R67 500;
- (2) no,
(a) because Cape Coachways CC took over the existing contract, which expires on 31-12-1990, at

the existing contract price from the previous contractors as from 1 June 1985.

- (b) the Cape Education Department. (i) and (ii) Fall away;
(3) Falls away.

Rent Control Act
HANSARD 6/5/86
*7. Mr K M ANDREW asked the Minister of Local Government, Housing and Works:

Whether, with reference to his reply to Question No 8 on 19 February 1985, further consideration has been given to (a) excluding salaries and wages of tenants over the age of 70 years from the income calculation provided for in the Rent Control Act, No 80 of 1976, (b) raising the present income limit applying to protected tenants and (c) any other specified changes to the Rent Control Act; if not, why not; if so (i) what changes are envisaged and (ii) when will they take effect?

†THE MINISTER OF LOCAL GOVERNMENT, HOUSING AND WORKS:

(a) and (b) Yes. The income limits of persons which are dependant on assistance from the State for housing are one of the matters which is at present being investigated as a matter of urgency by the Interdepartmental Committee chaired by the Chairman of the National Housing Committee. As these income limits are related to the limits set for protected tenants, the recommendations of the Interdepartmental Committee are being awaited before further attention can be afforded to the amendment of the income limits in respect of rent control.

(c) Yes, it is still under consideration. I intend to deal fully with all aspects pertaining to rent control during the debate of my Department's Vote which will commence in the House of Assembly on 19 May 1986. The questions

of the hon member will receive attention during this occasion.

†THE MINISTER OF TRANSPORT AFFAIRS: Mr Chairman, in response to Question 20 and for the sake of good order I just want to put a matter right. Mr Speaker does not decide if a question is good or bad; he only decides whether or not a question is permissible.

†THE CHAIRMAN OF THE HOUSE: The hon Minister has a point. [Interjections.]

For written reply:

General Affairs:

Khayelitsha: schools
HANSARD 6/5/86
*287. Mr K M ANDREW asked the Minister of Education and Development Aid:

(1) (a) How many (i) pre-primary, (ii) primary and (iii) secondary schools were there in Khayelitsha as at 31 December 1985, (b) where are they situated in each case and (c) how many (i) classrooms and (ii) teachers are there at each of these schools;

(2) what total number of children between the ages of (a) 0-5 years, (b) 5-12 years and (c) 12-18 years were (i) resident and (ii) enrolled in schools in Khayelitsha as at the latest specified date for which figures are available;

(3) whether all the children who applied for accommodation in these schools for 1986 were accepted; if not, how many were unable to be accommodated?

†THE MINISTER OF EDUCATION AND DEVELOPMENT AID:

- (1) (a) (i) 1.
(ii) 9.
(iii) 0.

HQA

Hostels to become family units

123/1000
CARE TINS 7/5/86
Political Staff

THE government wants to phase out the controversial single-sex hostels for blacks and turn them into family housing units, the Minister of Constitutional Development and Planning, Mr Chris Heunis, said yesterday.

He said his department "does not consider conditions in the single-quarter accommodation to be satisfactory".

"As a result of the impending repeal of the influx control system it is envisaged that all single quarters in the townships will eventually be altered into family units and that employers

who insist on housing employees in single quarters will be requested to erect hostels themselves."

He said in reply to a question, which was tabled by Mr Ken Andrew (PFP Gardens), that certain single quarters belonging to employers, as well as some single quarters belonging to the development board which had been allocated to employers in Langa, Guguletu and Nyanga, had been upgraded over the past three years.

However, "no specific improvements are due to be carried out as all work has been suspended due to the prevailing unrest situation".

(b) Floor prices of certain cultivars have been lowered to discourage production and sales promotion is planned.

Chemicals for ripening of crops. Dr M S BARNARD asked the Minister of Agricultural Economics:

- (1) Whether any use is made in the Republic of (a) the chemical daminozide and (b) any other specified chemicals to regulate the ripening and improve the storage life of certain crops; if so, (a) from what (i) countries and (ii) companies are these chemicals obtained, (b) in respect of which crops are they used and (c) what quantities of each of these chemicals were used in the Republic during the latest specified period of 12 months for which information is available;

- (2) whether any steps are to be taken in respect of any of these chemicals; if so, (a) in respect of which chemicals, (b) what steps, (c) why and (d) when?

THE MINISTER OF AGRICULTURAL ECONOMICS:

- (1) (a) Yes. (b) Ethephon. (a) (i) USA. (ii) Uniroyal, Agricura. Applied Agricultural Products, Union Carbide. (b) Apples (Starking), peaches, pineapples, Barlinka grapes, mangoes, grapefruit, cherries, plums and tobacco. (c) Daminozide: 700 kg during 1985; ethephon: 36 680 litres (diluted mixture) during 1985 (Used pre-

dominantly in sugar cane and a small quantity in the fruit industry in the Western Cape).

- (2) (a) Daminozide.

(b) The standing Interdepartmental Committee for the Safeguarding of Man against Poisonous Substances supplied all available information to the Department of National Health for the purpose of toxicological evaluation. The comments have not been received yet.

(c) An application has been received to extend the use of the chemical for instance in hot-houses.

- (d) 10 June 1985.

Rents/service charges in arrears. Mr L F STOFBERG asked the Minister of Constitutional Development and Planning:

- (1) Whether the Department of Co-operation and Development in conjunction with Development Boards carried out an investigation into arrears rents and service charges in Black residential areas; if so, (a)(i) when and (ii) by whom was the investigation carried out, (b) what were the results of the investigation and (c)(i) what amounts in (aa) rent and (bb) service charges were in arrears in respect of each specified Black residential area and (ii) in respect of what date is this information furnished;

- (2) whether he has taken or will take steps in this connection; if not, why not; if so, (a) what steps and (b) when?

THE MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

- (1) (a)(i) and (ii), (b), (c)(i)(aa), (bb) and (ii) The hon member must note that the Department of Co-operation

and Development ceased to exist on 31 August 1985 and for that reason the reply is applicable as from 1 September 1985.

In order to assist development boards or local authorities to collect rents and service charges which may be due, the Department of Constitutional Development and Planning provided guidelines for a plan of action which is to be adjusted in accordance with local circumstances. This does not entail a specific investigation.

- (2) The Department is continuously evaluating the plan of action, (a) and (b) fall away.

Community councils/local authorities. Mr A SAVAGE asked the Minister of Constitutional Development and Planning:

- (1) How many (a)(i) community councils and (ii) other Black local authorities had been constituted, and (b) wards were there in each specified Development Board area, as at the latest specified date for which information is available;

- (2) whether there were any vacancies in any of these councils and/or local authorities as at the above date; if so, how many in respect of each specified Development Board area;

Western Cape

Table with 2 columns: Wards, Vacancies. Lists 10 wards: Stellenbosch (Mfuleni), Ashton (Zolani), Ceres (Nduli), Hermannus (Zweilhe), Cape Town (Nyanga, Guguletu, Langa), Paarl (Mbekweni), Robertson (Ngubela), Stellenbosch (Kaya Mandi), Walfish Bay (Kusebmond), Worcester (Zweletemba).

Local Authorities: None.

Northern Cape

Table with 2 columns: Wards, Vacancies. Lists 2 wards: Barkly West (Mataleng), Britstown (Mziwabantu).

- (3) whether any of these councils and/or local authorities did not have a quorum of councillors as at the above date; if so, how many in respect of each Development Board area;

- (4) whether any of these councils and/or local authorities were unable to function as at the above date; if so, (a) why and (b) how many in respect of each Development Board area?

THE MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

- (1) (a) (i) 192 Community councils. (ii) 23 Town councils and 19 village councils.

- (b) On 16 April 1986 the number of wards per council in each specified development board area and

- (2) the number of vacancies per such council are as set out below, while

- (3) those councils which had no quorum, are shown as such and

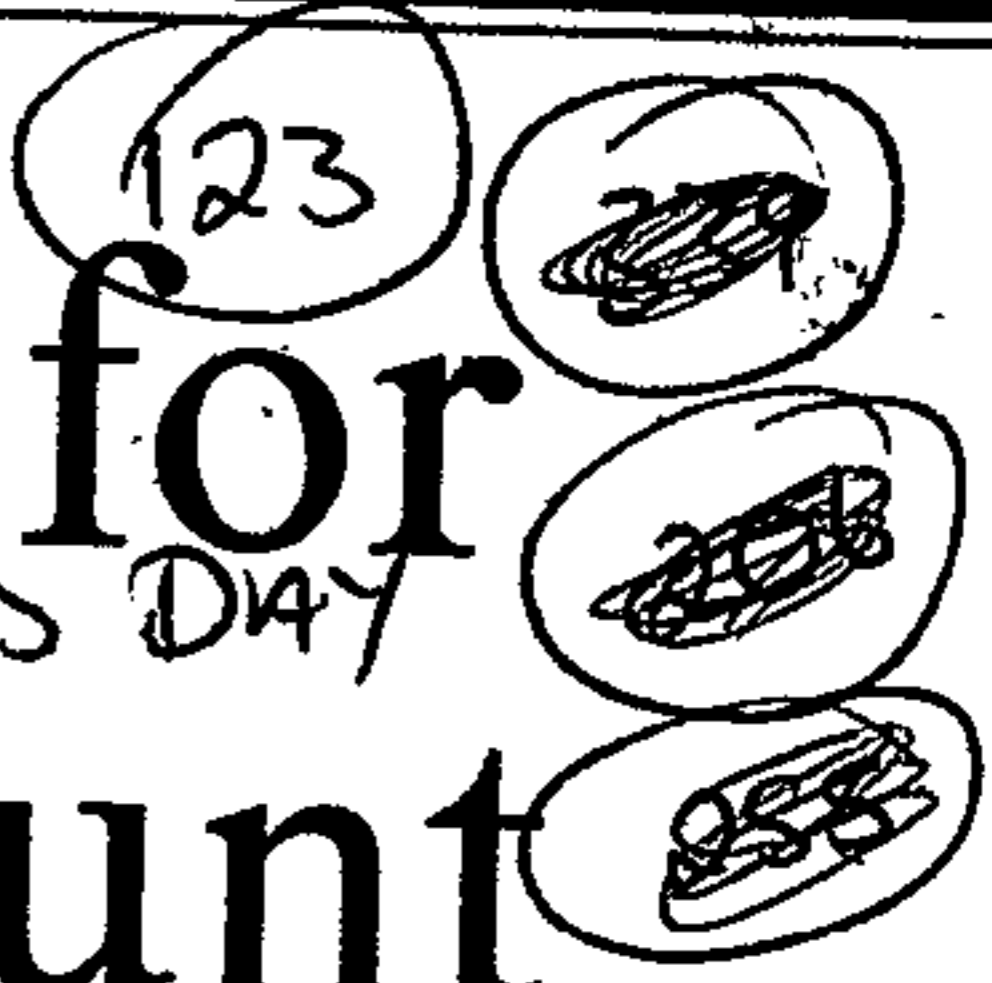
- (4) (a) the councils as indicated could not, in the absence of a quorum take decisions, although provision has been made for the continuation of functions (b) as indicated in respect of each development board and community council/local authority.

R328m set aside to cater for influx of blacks

Govt gears up for massive land hunt

8/5/86

BUS DAY



GOVERNMENT will start buying massive tracts of land this year to cater for the migration of blacks to the cities after the scrapping of influx control.

A sum of R328m has already been set aside in the current financial year to buy land and to provide township services, said officials of the Department of Constitutional Development and Planning.

In a related development, Education and Development Aid Minister Gerrit Viljoen announced in Parliament yesterday that government had decided to grant freehold rights to blacks in the tribal trust lands.

Self-help schemes will be given high priority, as the provision of housing is seen by government as the responsibility of the individual, the employer and other divisions of the private sector.

It is stressed that government will

CHRIS CAIRNCROSS

become involved in the financing of housing in exceptional instances only, such as the current schemes aimed at creating job opportunities.

Constitutional Development and Planning officials — in collaboration with other government bodies, regional and local authorities — are urgently seeking land that can be purchased for settlement, and will finalise guide and other structure plans for these areas.

This is being done in terms of mechanisms provided by the Physical Planning Act and the various provincial ordinances.

It is proving to be a difficult and complex process, but good progress is being made, say Constitutional Development and Planning officials.

Would-be migrants are to be kept informed as to where the prospects of set-

tlement, self-help building opportunities and jobs are best.

Constitutional Development and Planning Minister Chris Heunis has already indicated that building regulations and other standards will be applied more flexibly in future, enabling people to build houses they can afford.

He has also stressed, however, that people in the rural areas should not live under the false impression that "the grass will be greener and the lights brighter" in the cities.

Speaking in Cape Town during the release of the White Paper on urbanisation, Heunis also warned that people would be ill-advised to flock to the metropolises en masse, because squatting, unhygienic conditions, over-crowding and the associated conditions which created squalor and misery would not be permitted in the

● To Page 2 →

Govt's huge hunt for land

public interest.

In his announcement yesterday, Viljoen said it had now been decided to provide for regular registered freehold title in promulgated townships on trust land, in addition to the 99-year leasehold provision already in force.

The freehold title held by the SA Development Trust in land already incorporated, or to be incorporated, into the territory of a homeland was also to be transferred to the relevant homeland.

Mineral rights held by the trust in such land would also be transferred, and provision was being made to include in the legislative and executive authorities of these self-governing homelands the power to deal with land matters and mineral affairs.

Viljoen said negotiations were being conducted with the homeland govern-

ments to arrange the orderly transfer of these rights and powers.

Trust land not yet incorporated into the homelands and not earmarked as compensatory land for resettling tribes or communities would be planned and developed, in consultation with the homeland concerned, with a view to granting Black persons individual ownership.

LINDA ENSOR reports that an Urban Foundation spokesman said last night that the foundation welcomed, in principle, any allocation for land development.

However, more information on where the land was to be acquired — and its proximity to jobs and transport — would be necessary for an assessment on how significant the allocation was in terms of total housing needs.



8/5/86
DAI

Whites urged to join struggle

Business Day Reporter

THE UDF affiliated Johannesburg Democratic Action Committee (Jodac) called for whites to stand together with oppressed blacks in South Africa by joining in the struggle against apartheid.

Speakers at a meeting held at St Martins-in-the-Veld, Dunkeld, called for apartheid to be dismantled by whites joining organisations that would replace the present unjust regime.

Albert Nolan, a Catholic priest, asked whites to understand the reasons for violence in black townships.

"For people who have been fighting for just rule with their lives as their only weapon, it is hard to see a brother informing the oppressors and crippling their efforts."

123

More data-based graphics in PWV

Industrial staff

THE signwriting industry is being invaded by graphic computers which can reduce costs and production time dramatically on selective contracts.

Major signage companies in the PWV area have already installed graphic computers which can design and cut self-adhesive signs to desired specification.

The introduction of data-based signwriting systems does not endanger the future of signwriters, whose artistic flair and skill still form the integral part of the profession, says Natanya Signs MD David van der Knaap. He says the system's main advantages are its speed and accuracy, although it's uneconomical for large-scale work.

8/5/86 HAD DAI

New rents Bill comes in for flak

ORGANISED industry and commerce have petitioned government to scrap the new, controversial Local Authorities Amendment Bill.

The Bill could force employers to pay their black employees' rents to local authorities.

Assocom manpower secretary Vincent Brett says government should face political problems with political solutions. "The Bill will

BEULAH BROWN

have a very detrimental effect on industrial relations between employer and employees," he told *Business Day*.

The Federated Chamber of Industries says it believes the Bill could open employers to attack from the international trade union movement, thus aggravating the threat of international sanctions.

CHERNOC

Govt to buy urban land for black migration

Political Staff

HOUSE OF ASSEMBLY.
— Government intends to start with the large-scale purchase of land during the current financial year to provide for the migration of blacks to the cities following the lifting of influx control.

This was confirmed yesterday by officials of the Department of Constitutional Development and Planning.

And in a related development, Education and Development Aid Minister Dr Gerrit Viljoen announced in Parliament yesterday the government has decided to grant freehold rights to blacks in the tribal trust lands.

On the urbanization front, an amount of R328m has already been allocated to purchase land this year, and to provide township services to meet the basic needs for new settlements and self-help building schemes.

Constitutional Development and Planning officials—in collaboration with other government bodies, regional and local authorities—are expediting their efforts to identify land that can be purchased for settlement.

In his announcement yesterday, Dr Viljoen said it had now been decided to provide for regular registered freehold title in promulgated townships on Trust land, in addition to the 99-year leasehold provision already in force.

The freehold title held by the SA Development Trust in land already incorporated or to be incorporated into the territory of a homeland is also to be transferred to that homeland.

Mineral rights held by the Trust in such land is also to be transferred.

And provision is being made to include the power to deal with land matters and mineral affairs in the legislative and executive authority of these self-governing homelands.

Dr Viljoen said negotiations are being conducted with homeland governments to arrange orderly transfer of these rights and powers.

Trust land not yet incorporated into the homelands and not earmarked as compensatory land for resettling tribes or communities will be planned and developed in consultation with the homeland concerned, with a view to granting black persons individual ownership.

R75m earmarked for self-help building of 8 800 home

123

8/5/80

THE Department of Constitutional Development and Planning has allocated R75m to finance several self-help building schemes that are expected to lead to the construction of more than 8 800 houses in various parts of the country.

It was estimated that these projects would provide work for shorter and longer periods for some 132 000 unemployed blacks, Constitutional

Development and Planning Minister Chris Heunis said in a statement released in Cape Town.

Planning had largely been completed and it was expected that a start would soon be made on the housing schemes.

A major portion of the funding had been allocated to the depressed Eastern Cape region, where self-help schemes comprising 5 808

CHRIS CAIRNCROSS

houses had been approved, Heunis said.

In the Oranje Vaal area, 2 356 houses were planned. A further 666 had been provided for in the Western Transvaal.

Heunis said an additional R50m had been allocated for the upgrading of black towns, for instance in

repairing houses, planting grass and trees and providing storm-water drainage.

The combined total of R125m represents virtually the entire amount allocated to Heunis' department for the creation of work opportunities for blacks throughout SA during the current financial year.

Heunis said the money was to be applied in such a manner that the

maximum number of unemployed people would be employed on the one hand, and the living standards of black communities would be improved on the other.

Government has allocated an additional R160m for the creation of further job opportunities during the 1986/7 year.

Of this amount, R32m has been made available to Constitutional Development and Planning.



The demolition men move into ET's village, tearing down the homes set up less than a month ago.

By SELLO SERIPE

WEST Rind Administration Board cops this week demolished 15 of Soweto mayor Ephraim Tshabala's shacks in Mofolo Village - leaving several families without shelter.

Tshabala wept as he showed Development and Planning Director-General

HP Fourie the remains of his shacks.

Families said the cops who led the demolition told them they had received orders from housing committee chairman Julius Mdlalose.

When Mdlalose arrived under police escort, he was bowled and mobbed by shack dwellers, mostly Tshabalala's Sefasonke Party members.

But Mdlalose denied he had sent the cops to destroy

the shacks.

"Previously, I gave Tshabala permission to build 400 shacks," he said.

"But when we sent a clerk to deliver the shack numbers, he found there were 1 200 shacks.

Mdlalose said the council then "asked" the mayor not to build more shacks but he ignored them.

"The shacks were pulled down because of a council decision - not on my orders. Also, the shacks pulled

down were still under construction," said Mdlalose.

Soweto Town Council PRO Don Manaka said it was "news" to hear that a councillor can give orders to council cops.

"I do not believe Mdlal-

ose ordered the cops to demolish the shacks.

"The order can only be implemented after the town clerk has signed the order agreed upon by the entire council," said Manaka.

Shack dweller Ntombi

123 11/5/86
ET weeps as his 'estate' is demolished

When I refused to leave another cop pointed a rifle at me... I fainted.

845 DAY - 12/5/86
Accent stays on decentralisation

123
35K

Govt land hunt spreads its net

GOVERNMENT'S search for land to accommodate the migration of blacks to urban areas is being spread countrywide.

At the same time, however, there is no doubt that it is being concentrated on those areas most in need of economic stimulation and support.

Although it is now official policy to accept urbanisation as a natural phenomenon, it is also patently clear that government has not relinquished its determination to encourage greater decentralisation.

The reading of its decision to accept the "orderly movement of people from the rural areas to the metropolises" should, therefore, not be construed as a negation of previous urbanisation policy.

It means that, in implementing its new approach, government will not concentrate on purchases of land in the favoured urbanisation areas such as the PWV.

The understanding is that, being the industrial heartland of SA, the PWV region's needs and problems are being given

CHRIS CAIRNCROSS

en special attention.

Officially, the idea is to direct private sector efforts and the deprived and migrant sections of the community to areas which need resettlement and new enterprise.

This is the underlying thread stressed in the White Paper on urbanisation.

A central feature of government's objectives in this regard remains the recognition that there is a need for greater rural development.

Consequently there is little doubt that the accent on land purchases — accepted as a priority by Department of Constitutional Planning and Development Aid officials — is going to be on those areas which government believes are most in need of support.

That the department is concentrating the bulk of its work-creating funding on self-help building projects in the Eastern Cape — hard-hit by the economic slump and the slide in motor industry fortunes — would seem to be indicative of this.

ARCUS 12/5/86
**Plan to dock
wages to pay
debts likely
to be scrapped**

Political Staff 123

THE Government is likely to scrap proposals to force employers to collect from their workers money owed to local authorities:

In terms of the measure employers would have been instructed to deduct the money from wages. The Bill is before a standing committee of the three chambers of Parliament.

The Opposition has criticised the measure as dangerous and irresponsible. Commerce and industry have also been critical.

There have been warnings that the measure would increase tension and bedevil relations between employers and employees.

The decision of the standing committee is not yet known but it appeared today as if the controversial measure would be scrapped.

BW DAY 12/5/86
Govt rethink on
rent collection (23)

CHRIS CAIRNCROSS
and LESLEY LAMBERT

GOVERNMENT is believed to be backing down from its proposal empowering black local authorities to force employers to act as rent collection agents.

There has been criticism of the plan from all quarters, including organised commerce and industry.

The proposal is contained in a clause of the Black Local Authorities Amendment Bill, tabled in Parliament last month by Constitutional Development and Planning Minister Chris Heunis. It is now before a standing committee.

The draft legislation empowers local authorities to issue garnishee orders instructing employers to withhold from wages or salaries amounts due to local authorities.

It would enable magistrates to issue warrants of execution against employers' moveable property in the event of their failure to collect amounts employees owe their local authorities.

Criticism of the legislation is that it disregards the rights of the individual, passes the buck to the employer, and will inevitably lead to friction between employer and employee.

It is understood the Bill has come in for flack in the committee stage and there is every indication government will scrap the clause entirely.

New legislation offers choice of freehold or leasehold

Blacks to get full property rights

13/5/84
123
STP

By David Braun, Political Correspondent
Parliament

Full freehold property rights will be extended to black South African citizens in terms of legislation published today.

"Foreign" blacks legally resident in South Africa will also qualify.

In terms of the Black Communities Development Amendment Bill, aspiring property owners may have a choice of form of tenure.

Ninety-nine-year leasehold is therefore retained as an alternative form of tenure, particularly as there are differences in the costs of

acquiring 99-year leasehold and acquiring ownership.

For example, transfer duty is not payable in respect of leasehold transactions.

The Bill provides for the conversion of 99-year leasehold to ownership. People who choose to convert, however, will incur certain transfer and conveyancing costs.

The Bill, introduced by Constitutional Development Minister Mr Chris Heunis, fulfils a promise made by President P W Botha more than a year ago that blacks are to get the same freehold property rights as whites.

It also streamlines procedure for township establishment and, for the first time, details legislative description of township establishment procedures for black townships.

Urban areas

The Bill further widens the range of people who may own land in black urban areas, providing for developers and employers to become more involved in housing schemes.

The draft legislation does not describe the nature of property rights because, according to a memorandum to the Bill, it conveys full rights of ownership in accordance with Roman-Dutch common law.

For this reason the term "freehold" is not used, as it is a term of English law of property which is foreign to South African law, the memorandum says.

Full home ownership for blacks in towns

By TOS WENTZEL
Political Correspondent

FULL property rights will be extended to black South African citizens in urban areas in terms of a Bill published today.

The Black Communities Development Amendment Bill removes the restrictions on the acquisition of ownership of immovable property by black people in urban areas.

STREAMLINED

It also streamlines the procedure for township establishment.

In terms of the Bill aspiring property owners may choose their form of tenure.

Ninety-nine-year leasehold is retained as an alternative form of tenure as there are certain differences in the costs of acquiring 99-year leasehold and acquiring ownership.

TRANSFER DUTY

Transfer duty is not payable in respect of leasehold transactions.

Provision is made for the conversion of 99-year leasehold to ownership.

The Bill widens the range of people who may own land in black urban areas, providing for developers and employers to become more involved in housing schemes.

is 1.33

1. Sunday work - Shift w

Footnotes

- AREA A: Alberton, Bellville, Benoni, Boksburg, Brakpan, The Cape, Durban, Germiston, Goodwood, Inanda, Johannesburg, Kempton Park, Kimberley, Klerksdorp, Krugersdorp, Kullis River, Nigel, Oberholzer, Pietermaritzburg, Pinetown, Port Elizabeth, Pretoria, Randburg, Randfontein, Roodepoort, Simonstown, Springs, Westonia, Wonderboom, Wynberg; Municipal Areas: Bloemfontein, Paarl, Sasolburg, Uitenhage, Vanderbijlpark, Vereeniging, Welkom, and Witbank.
- AREA B East London. Municipal Areas: Bethlehem, Ermelo, George, Grahamstown, Kroonstad, Ladysmith, Middleburg (TV1), Nelspruit, Newcastle, Oudtshoorn, Pietersburg, Potchefstroom, Rustenburg, Somerset West, Stellenbosch, Strand, Wellington, and Worcester!
- AREA C Municipal Areas: Bethal, Dundee, Empaneni, Esowe, Graaf-Reinet, King William's Town, Lichtenburg, Louis Trichardt, Parys, Phalaborwa, Port Shepstone, Queenstown, Standerton, Tzaneen, Uppington, Vredendal, Vryheid, and Zeerust!

throughout in the buffer zone and adjoining residential areas. One section patrols the buffer zone and the other two sections patrol Munsieville and Dan Pietermaritzville.

— The patrols for the buffer zone are maintained for 24 hours per day and the rest at irregular times and routes.

- (b) (i) The total expenditure will only be determinable when the SA Defence Force has withdrawn.
(ii) ± R14 600.
- (c) (i) None.
(ii) 30.
- (d) The information supplied above is for the period from 28 January 1986 to 30 April 1986.

Foreign correspondents
13/5/86
917. Mr P G SCAL asked the Minister of Home Affairs: Gen 1679

- (1) Whether foreign correspondents wishing to work in the Republic are required to apply for work permits at South African embassies or consultates prior to travelling to the Republic; if so, (a) what requirements do such correspondents have to meet before being granted work permits, (b) how many applications of this nature were (i) received, (ii) granted and (iii) refused in 1985, (c) what were the reasons for the refusals in each case and (d) which newspapers, magazines or broadcasting companies did the (i) successful and (ii) unsuccessful applicants represent;

- (2) whether applications for work permits by foreign media personnel received by such embassies or consultates are referred to any other State Departments before being granted or refused; if not, why not; if so, (a) to

what other Departments and (b) for what purpose?

The MINISTER OF HOME AFFAIRS:

- (1) Yes. The completed applications together with the comments and recommendations of the relative Head of Mission are forwarded to the Department of Foreign Affairs for onward transmission to the Department of Home Affairs for consideration and a decision.
- (a) Applicants must submit applications on the prescribed forms in which they must, inter alia, indicate the purpose and period of their visit. Each application is considered on merit. When considering applications, special attention is paid to the extent of objectivity towards the Republic which the applicant reflects in his reporting.
- (b) (i), (ii) and (iii) The honourable member is referred to my reply of 11 April 1986 to question nr 687.
- (c) and (d) It is not customary to divulge reasons for refusals of applications and separate statistics are not kept on this basis either.
- (2) Yes.
- (a) The Department of Foreign Affairs, the Bureau for Information, the Security services and any other department which may have an interest in the subject matter on which reporting is to be done.
- (b) In order to obtain recommendations from the above-mentioned institutions to present the Minister of Home Affairs with a balanced evaluation on the desirability of allowing the applicant to enter the Republic of South Africa for the purpose requested in the application.

Cape Province: admission to hospitals

952. Mr H H SCHWARZ asked the Minister of Finance:

- (1) Whether he has been consulted regarding the requirement that patients seeking admission to hospitals in the Cape Province are to provide the hospitals concerned with their income tax numbers; if so, (a) when, (b) by whom and (c) what was his response thereto; if not,
- (2) whether he will investigate this matter; if not, why not;
- (3) whether the Department of Inland Revenue or any office of the Receiver of Revenue will be required to provide any information to the hospital services in respect of any persons making use of these hospitals; if so, (a) what specified information, (b) why and (c) in terms of what statutory provision;
- (4) whether he will make a statement on the matter?

The MINISTER OF FINANCE:

- (1) No.
- (2) No. It is a private matter between the hospital authorities and the patient.
- (3) No.
- (4) It is not deemed necessary to issue a statement on the matter.

Own Affair:

HANS SIND 13/5/86
71. Mr P G SCAL asked the Minister of Local Government, Housing and Works:

What amounts were spent by his Department in the 1985-86 financial year on the construction of houses for Whites in (a) Cape Town, (b) Durban, (c) Pietermaritzburg, (d) Pretoria, (e) Port Elizabeth

beth, (f) Kimberley, (g) East London, (h) Bloemfontein and (i) Johannesburg?

The MINISTER OF LOCAL GOVERNMENT, HOUSING AND WORKS:

- R
- (a) Cape Town Metropolitan area 14 857 162
- (b) Durban Metropolitan area 7 227 789
- (c) Pietermaritzburg 497 409
- (d) Pretoria Metropolitan area 10 892 656
- (e) Port Elizabeth Metropolitan area 3 929 646
- (f) Kimberley 830 570
- (g) East London 1 382 373
- (h) Bloemfontein 3 866 472
- (i) Witwatersrand Metropolitan area 17 430 628

TUESDAY, 13 MAY 1986

†Indicates translated version.

For oral reply:

General Affairs:

State President:

Swaziland: coronation of king
HANS SIND 13/5/86
†1. The LEADER OF THE OFFICIAL OPPOSITION asked the State President:

- (1) What are the (a) names of and (b) positions held by each of the persons who accompanied him to the coronation of the king of Swaziland in April 1986;
- (2) whether he or any member of the South

UF hails black freehold

JOHANNESBURG —
The Urban Founda-
tion yesterday wel-
comed publication of
the Black Communi-
ties Development
Amendment Bill.

Mr Fred Stiglingh,
executive director of
the foundation, said in
a statement the bill
was the result of re-
search and negotiation
to achieve property
ownership rights for
black South Africans.

"The Amendment Bill
will facilitate a more
active role by the
private sector in the
establishment and de-
velopment of town-
ships. While this will
do much to stimulate
the provision of hous-
ing by township devel-
opers, the home-build-
ing industry and
employers, it is essen-
tial to again stress that
further changes are
urgently required be-
fore blacks can fully
enjoy the practical ad-
vantages of full prop-
erty rights as is the
case with other South
Africans."

He said urgent attention
should be given to pro-
viding land and
finance and "innova-
tive housing methods"
to stimulate creation
of housing.

"Moreover, racial tags
attached to the alloca-
tion of land conflict
with the fundamental
principals of the foun-
dation, such as free-
dom of choice and free
enterprise," he added.

"A radical reconsid-
eration of the Group
Areas Act and Land
Act is therefore an ur-
gent priority."

● The Small Business
Development Corpora-
tion (SBDC) welcomed
the bill as conducive
to a more stable black
urban population.

Dr Ben Vosloo, manag-
ing director of SBDC,
said the bill would
help black people
build up capital assets
— "a problem which
has historically im-
peded entrepreneur-
ship development
amongst them". —
Sapa

Freehold
Cape Times

RIGHTS for blacks: Bill tabled

14/5/86
123

Political Staff

LEGISLATION providing for full freehold rights for blacks outside the homelands was tabled in Parliament yesterday.

The Black Communities Development Amendment Bill also makes provision for the retention of the present 99-year leasehold scheme and for the conversion of these property rights to freehold.

The legislation, however, also retains powers in terms of which the Minister of Constitutional Development and Planning may alter or dis-establish any development area if he considers the "health or safety of the public gen-

erally or any group may be endangered".

In addition, the minister can take the same steps if it is desirable with regard to town or regional planning.

The minister is empowered to have people removed from such an area if they refuse to move voluntarily.

The memorandum to the Bill stresses that the concept of ownership is now common to all South Africans.

Spelling this out at a press briefing, the Di-

rector-General of Constitutional Development and Planning, Dr Andreas van Wyk, said this meant that any black who was a South African citizen or who was legally in South Africa would be able to buy property as would township developers, employers and "anyone else approved by the minister".

The Bill also allows for a streamlined procedure in the establishment of black townships — procedures which will facilitate the supply of land.

The Bill states that those wishing to obtain property are given the choice of either freehold rights, or 99-year leasehold rights which has as one of its advantages the fact that transfer duties are not payable on such transactions.

However, people who have already opted for the 99-year leasehold scheme or do so in the future will be able to convert this to freehold in the future.

Leasehold

Examples of this conversion and the costs involved as explained by Dr Van Wyk were:

● A leasehold property worth R10 000 would have costs of R375 — conveyancing and transfer fees of R275 and R100 respectively.

● A leasehold property valued at R20 000 — R596, of which R200 is for transfer fees.

● For a new transaction the costs involved in a property sold for R10 000 would be R580 — R185 for the mortgage bond, R20 for stamp duty, R275 for conveyancing and R100 for transfer duties.

'Dangerous' rent clause scrapped

By CHRIS CAIRNCROSS

DRAFT legislation proposing that black local authorities be given powers to force employers to act as rent collectors has been summarily scrapped.

It was contained in a highly controversial clause in the Black Local Authorities Amendment Bill, tabled in Parliament last month by the Minister of Constitutional Development and Planning, Mr Chris Heunis.

The dropping of the controversial clause has been welcomed by business leaders who made representations to government for it to be scrapped.

Assocom's manpower secretary, Mr Vincent Brett, said Assocom had made submissions to Mr Heunis to drop the clause, and was "pleased to see the minister has seen it our way".

Nevertheless, he said the problem of finance for local authorities remained and would have to be addressed. "But that is very much a political problem rather than an economic one, and requires a political answer."

Afrikaner Handelinstituut (AHI) executive director Mr Fritz Stockenström said it welcomed the decision.

The backlog in unpaid rents was recently estimated by Urban Council Association of SA deputy president Mr Tom Boya to total R60-million.

Vigorously condemned as an extremely dangerous measure, the legislation proposed that black local authorities be empowered to issue garnishee orders against employers to pay outstanding rent and service charge payments owed by their employees out of any salary or wages.

This clause has now been axed by the Standing Committee on Constitutional Development and Planning, it was disclosed in Parliament yesterday.

The committee has, however, decided to retain a second controversial clause in the bill which empowers any person appointed by a local authority to be "deemed to be a police officer or police official" in its area of jurisdiction.

air
ng

Urbanisation ¹⁹²³ now ^{18/5/1982} the 'carrot' replaces 'stick'

LINDA ENSOR

BY ABOLISHING the pass laws and influx control, government has not in effect unconditionally opened the city gates to rural migrants. Nor has it abandoned its intention of controlling urbanisation to limit the growth of sprawling metropolitan complexes.

Freedom of movement is an abstract concept if jobs and land for housing are made available in terms of a policy of economic development, which, in effect, dictates to people where they can live and work.

Instead of exercising the "stick" of the pass laws to keep the number of urban dwellers to an acceptable minimum, government will be using the "carrot" of employment and "approved" housing to channel labour to acceptable growth points.

Much will depend on the way this policy of "managed urbanisation" is implemented. Even so, the real significance of the abolition of influx control should not be belittled.

Government, in its White Paper on urbanisation, rejected the President's Council's (PC) recommendation that entry to an urban area be tied to the availability of employment and housing. In doing so it could rely on the fact that migrants would tend to move to those areas where there were jobs and where land had been approved for housing.

"The emphasis of the orderly urbanisation policy will not be to allow people into the central metropolitan areas but to settle them on the peripheries," said Mike Swilling, a lecturer in the Department of Political Studies at the University of the Witwatersrand.

The PC's report on urbanisation provides substance to this view. It stated: "It is necessary for influx control to be replaced by a positive urbanisation strategy that... will encourage people to settle in certain suitable areas rather than forcing them to move to certain urban areas."

One of the aims of a "positive" urbanisation policy, government said in its White Paper, was to prevent excessive population concentration and economic activity in large urban centres and to pursue "economically and socially desirable population numbers, growth rates and distribution patterns".

Strategy

According to the PC report, this would prevent "over-urbanisation" and "unwholesome urban conditions".

The background to the abolition of influx control measures is thus a comprehensive national development strategy embracing economic development, decentralisation of industries and the establishment of townships at peripheral growth points.

The Population Development Programme, the National Regional Development Plan and the Industrial Decentralisation Programme form part of the total strategy to create a "multi-nodal metropolitan structure" along "identified development axes". In terms of the 1982 Strategy for

Regional Development (called The Good Hope Plan) the country was divided into eight development regions consisting of 48 designated development points. Most of these were far from existing metropolitan areas, with 27 being situated in the homelands.

Since then provision has been made for 15 deconcentration points on the peripheries of the metropolitan areas and across "political" boundaries of the homelands.

A system of incentives and disincentives was recommended for the achievement of this "ordered" pattern of urbanisation. Recommendations accepted by the White Paper were:

- "The present practice of creating a shortage of industrial land within the metropolitan core areas should continue";
- "Industrial land should still be made available at the recognised deconcentration points. The financial incentive measures which are applicable to these points at present should still be observed."

In addition, the Regional Services Councils' turnover and payroll tax was intended to encourage decentralisation. As the PC report said, greater use should be made "of the price mechanism by, for example, recovering full costs for metropolitan services".

The decentralisation policy — diverting economic development and employment opportunities into desired directions — would be one leg of "ordered" urbanisation.

Land acquisition for "approved" housing would also be used to channel urbanisation to selected areas; and squatters, the White Paper stressed, will be prevented from settling on "unapproved land" — i.e., land proclaimed for the occupation of another population group.

Information

Information bureaux — taking over the function of the existing labour bureaux — would also provide information to migrants on a "permanent and comprehensive basis" about areas where they could obtain jobs and housing.

Says Swilling: "The new urbanisation policy recognises the structural change which has developed over the last decade and provides a legal framework for it."

This change is the urbanisation of blacks to the border areas of the homelands, which are on the peripheries of the metropolitan areas, where they can get a job if they commute long distances.

Onverwacht, Mdantsane, Ekangala and Inanda are examples of large settlement areas within the national states which have become functionally part of the metropolitan areas.

Businessmen hail govt decision

Controversial rent clause is dropped

BUSINESS
14/5/86

123

DRAFT legislation proposing that black local authorities be given powers to force employers to act as rent collection agents on their behalf has been summarily scrapped.

It was contained in a highly controversial clause in the Black Local Authorities Amendment Bill, tabled in Parliament last month by Constitutional Development and Planning Minister Chris Heunis.

The dropping of the clause has been welcomed by business leaders who made representations to government for it to be scrapped.

Assocom manpower secretary Vincent Brett said the association had made submissions to the minister to have the clause dropped and were "pleased to see the minister has seen it our way".

Nevertheless, he said, the problem of

CHRIS CAIRNCROSS

finance for local authorities remained and would have to be addressed. "But that is very much a political problem rather than an economic one, and requires a political answer."

Afrikaner Handelinstuut (AHI) executive director Fritz Stockenström said the AHI welcomed the decision.

He said the organisation had strongly opposed the legislation in the first place as it would have created administrative problems for companies which they didn't need and couldn't handle.

It would also have harmed employer-employee relations.

The backlog in unpaid rents was recently estimated by Urban Council Association of SA deputy president Tom Boya to be R50m.

Vigorously condemned as an extreme-

ly dangerous measure, the legislation proposed that black local authorities be empowered to issue garnishee orders against employers to pay outstanding rent and service charge payments owed by their employees out of any salary or wages.

It further stipulated that employers failing to make these rent collections could have a warrant of execution issued against moveable property owned by them.

This clause has now been axed in its entirety by the Standing Committee on Constitutional Development and Planning.

The standing committee has, however, decided to retain a second controversial clause in the Bill which empowers any

● To Page 2 →

Rent clause dropped

14/5/86

BUSINESS

123

person appointed by a local authority to be "deemed to be a police officer or police official" in the area of jurisdiction.

This provision has also been severely criticised as giving dangerously wide powers to "untrained and undisciplined" persons to exercise the duties of a policeman.

Clause 11 further provides that this

local authority "policeman" may exercise his powers in the area of jurisdiction of any other local authority with the consent of the authority which appointed him, the other local authority and the District Commandant of Police of the area concerned.

← ● From Page 1

(3) whether any health services are provided in this area; if so, (a) what is the nature of the services and (b) who is responsible for paying the employees engaged in these services?

The MINISTER OF EDUCATION AND DEVELOPMENT AID:

(1) Yes, in regard to health services. No, in regard to welfare services. Those services are rendered by the Department of Constitutional Development and Planning.

(2) Yes, one.

(3) Yes.

(a) An extensive health service as from 28 April 1986.

(b) The Department of Development Aid.

| Corporations | Date |
|-----------------|----------|
| KaNgwane | 31-03-86 |
| KwaNdebele | 18-04-86 |
| KwaZulu | 25-04-86 |
| Lebowa | 31-12-85 |
| Shangaan-Tsonga | 31-03-86 |
| Qwaqwa | 25-04-86 |
| STC | 31-03-86 |

Development corporations

944. Mr A SAVAGE asked the Minister of Education and Development Aid:

As at the latest specified date for which figures are available, what was the total (a) number of (i) manufacturing concerns and (ii) persons employed and (b) amount invested by development corporations in each of the eight specified development regions where decentralisation concessions or incentives are applicable?

The MINISTER OF EDUCATION AND DEVELOPMENT AID:

Information is furnished in respect of development corporations in the self-governing national states and the South African Development Trust Corporation Limited (STC). Information on the basis of development regions is not readily available.

| (a)(i) | (ii) | (b) |
|--------|--------|---------------|
| 57 | 1 790 | R 8 920 276 |
| 68 | 2 560 | R 22 455 000 |
| 175 | 28 150 | R 239 277 000 |
| 152 | 8 613 | R 54 900 000 |
| 55 | 4 250 | R 27 280 000 |
| 130 | 10 300 | R 41 000 000 |
| 23 | 4 983 | R 35 254 900 |

Development Bank of Southern Africa

945. Mr A SAVAGE asked the Minister of Finance: 1739. As at the latest specified date for which figures are available, what was the total amount invested by the Development Bank of Southern Africa in each of the eight specified development regions where decentralisation concessions or incentives are applicable?

The MINISTER OF FINANCE:

The amounts hereunder show only the total amounts approved as loans by the Development Bank. The actual investment value cannot be furnished since the Bank's development projects are financed over a longer period and actually paid out intermittently.

The loan amounts granted to each of the eight specified development regions during the Bank's existence up until December 1985, are as follows:

| | |
|-----------|--|
| Region A: | None. |
| Region B: | R19,6 million (excluding loans of R216,8 million taken over from Foreign Affairs) TOTAL R236,4 million. |
| Region C: | R60,2 million. |
| Region D: | R243,2 million (excluding loans of R325,2 million taken over from Foreign Affairs) TOTAL R568,4 million. |
| Region E: | R238,6 million. |
| Region F: | R10,1 million. |
| Region G: | R133,8 million (excluding loans of R95,7 million |

taken over from Foreign Affairs) TOTAL R229,4 million.

Region H: R67,1 million.

Region J: R52,3 million.

Notes: Last year Region B was divided into two new regions, namely a new Region B and a new Region J. A substantial portion of the above mentioned R216,8 million involving the old Region B was spent in the area now known as Region J.

GUARANTEE AND INDEMNITY

WHEREAS

A. The South African Development trust is developing towns in National States referred to in the National States Constitution Act 1971 (Act No 21 of 1971); and

B. Provision has been made in the relative laws pertaining to the establishment and development of the said towns for the acquisition of urban immovable property by freehold transfer or by means of ownership units, whether by registration of Deeds of Grant and/or 99-year Leases; and

C. The Building Society ("the Society") has indicated its willingness to provide loans to accepted homeowners secured by mortgage bonds over freehold property Deeds of Grant and/or 99-year Leases in respect of urban immovable property in the said towns in the National States and subject to the terms and conditions applicable to the granting of such loans by the Society; and

D. The Society requires that it should be indemnified in respect of loans granted by it for the purpose of acquiring or improving urban immovable property in the said towns in the National States against any loss that it may suffer as a result or occurrence of political risks.

E. The Minister of Education and Development Aid of the Government is satisfied that it will be in the public interest as contemplated by section 35 of the Exchequer and Audit Act, 1975 (Act No 66 of 1975) to furnish the Society with the undermentioned indemnity, subject to the terms and conditions set out below.

Handwritten notes: Indemnity for building societies. Mr P G... asked the Minister of Finance: 123.

Whether, with reference to his reply to Question No 945 on 19 June 1985, the wording of the indemnity for building societies to make funds available to promote home-ownership in the national states has been (a) finalised and (b) signed by all the parties concerned; if not, why not; if so, (i) what is the wording of the agreement and (ii) what amount has been made available to each national state by each building society?

The MINISTER OF FINANCE:

(a) Yes.

(b) The Minister of Education and Development Aid will furnish such an indemnity on request; the indemnity is signed by the Minister alone.

(i) A copy of the English text of the indemnity as approved by the Law Advisers, is attached hereto.

(ii) Building Societies have asked for security for the following amounts:

| | |
|--|---------------|
| United Building Society | —R10 million. |
| Natal Building Society | —R30 million. |
| Trust Building Society (must still decide) | |
| Saambou National Building Society | —R2 million. |
| Provincial Building Society | —R10 million. |

FIN FULL
16/5/86

MORATORIUM ON DEMOLITIONS

123

The biggest worry about possible government interference in the processes of urbanisation is the introduction of stiffer measures in the Prevention of Illegal Squatting Act. According to Institute of Race Relations director, John Kane-Berman: "If they now try to introduce influx control under the guise of strict squatter control, it will not only be futile, but a betrayal of their reform programme."

In any case, stern slum clearance and demolition measures will probably not succeed. People affected will simply move on to the next site, as has happened in the Cape — and it is no longer legal to round them up for transport to some or other homeland.

The question of slums and squatting is a difficult one. The Urban Foundation takes a firm policy stance here. It says that, of course, everyone needs health laws, and so on; but, at this time of a national housing crisis, do not use them.

It would be imaginative of government to declare a moratorium on demolitions of such settlements. Far better, having taken the plunge and scrapped influx control, to use these urban concentrations to build on. The basis for this exists.

Unsurprisingly, an omission in the White Paper, the foundation believes, is the lack of a process for legalising informal settlements. This it believes to be of crucial importance if these settlements are to be accommodated outside the existing rules for setting up a township.

Yet government planners show some understanding of this problem and have significantly loosened their definition of approved accommodation, affordability,

and other rules. This is wholly commendable — if belated.

The remains of grand apartheid stand in the way — such as the Group Areas and the Land Acts, which affect efficient, non-racial urbanisation.

Once influx control measures are legally dead, and as the new urbanisation process unfolds, these questions will, no doubt — like the rest of the discredited ideology — become negotiable.



Cape squatters ... let them stay and improve

R60m housing backing sought



● DU PLESSIS

SIX building societies have asked for State indemnities, of more than R60m, for house loans for individuals in the self-governing homelands.

This was said in Parliament yesterday by Finance Minister Barend du Plessis.

Answering to a question by Peter Soal (PFP Johannesburg North), Du Plessis confirmed that government had finalised legal documentation providing an indemnity guarantee to building societies making funds available to promote home-ownership in the homelands.

He said Education and Development Aid Minister Gerrit Viljoen was now able to furnish such an indemnity on request.

The six building societies who have already applied for this security include:

the UBS (R10m), NBS (R30m), Saambou (R2m), Provincial Building Society (R10m) and the SA Perm (R10m). The Trust Building Society still has to make a decision on the amount.

The indemnity provides security to a building society for political risks when the homeland gains independence from SA.

It also provides cover for one or more of the following:

Conversion of the currency of the homeland into a unit other than the SA rand;

Seizure other than by lawful expro-

● To Page 2 →

Societies ask for Govt indemnity

priation against adequate compensation to the society of any urban immovable property mortgaged to it;

The enactment by the homeland of any legislation which prevents the transfer from it of repayments of capital and/or instalments under the mortgage to SA;

Failure of the judicial process in the homeland to process, within a reasonable time, foreclosure proceedings resulting from the failure of any mortgagor to comply with the terms of the loan or mortgage bond of the property;

Enactment of any legislation, or the performance or permission of any action by a homeland which prevents the society from enforcing the rights as mortgagee against any mortgagor;

Conditions contained in the indemnity document stress that any normal commercial risks, including default by a borrower, damage to the mortgaged property or non-payment of rates will be specifically excluded.

← ● From Page 1

PROPERTY

ARGUS 15/5/86

'Prices boom if Group Areas Act scrapped'

By TOM HOOD
Property Editor

HOUSE prices will rise in an integrated neighbourhood if residential group areas are scrapped, forecasts Mr Norman Nel, president of the Institute of Estate Agents.

Speaking about property values at a seminar held today by the School of Business Leadership of the University of South Africa, Mr Nel said many white South Africans were afraid of integrated communities — they saw only the translocation of slums to their suburbs.

The experience of estate agents in Zimbabwe was that the end of discrimination pushed up property values.

"People only move into areas they can afford and initially blacks moved into the lower priced residential areas. This caused a demand for lower priced homes, pushed up prices and the white sellers moved to more expensive areas, setting off a chain reaction."

A Harare agent reported:

"Unlike the Jewish or Indian communities, the African buys within his financial ability and near his place of work. The purchase of a house by a black man per se does not lower the standard of a suburb — the majority are indeed very house proud.

In Windhoek, where the Group Areas Act was recently scrapped, a survey by the chief city valuer found that prices had doubled since 1980.

A building society manager, said Mr Nel, reported home loans had been given to all races in South Africa for many years now and there was no difference in the repayment pattern compared with whites.

The tragedy was that large sums of cash were locked up in thousands of vacant white homes all over the country. This cash could be recycled to benefit builders, developers and the economy as a whole.

Many black, coloured and Indian families would like to upgrade their accommodation to

a suburb of their choice.

In townships he had found as many as four families living in one home, some of them paying as much as R450 a month for two rooms and the use of communal facilities.

Properties like that sold for up to R20 000 more than a similar house in a white area because of short supply. Plots were small, ranging from 450 to 500 sq m, which did not augur well for gracious living.

In Laudium, the Indian suburb of Pretoria, "one finds the ridiculous extreme" where a wealthy businessman built himself a double-storey house with a tennis court on the roof — there was nowhere else to put it and he was not allowed to buy the land next door.

"Many South Africans who left our shores may decide to come home to a normal society, causing a further demand and a firming of prices."

"Add 24 million people to your potential buyers list and you will see what I mean."

Optical

pe* and

are

White homes empty as blacks suffer

Shock details on housing

340 DAY

16/5/82

123

THERE is a drastic shortage of 574 000 houses in black areas and an estimated surplus of 37 000 in white areas.

These figures were given by Council for Scientific and Industrial Research chief economist Tobie de Vos at yesterday's seminar on the future of residential group areas in Johannesburg.

He said the figures were an indication of the situation created by the Group Areas Act because there was a dearth of information in this field.

Research showed that with 7,4-million blacks living in about 466 000 dwellings, each dwelling in a black area would house an average of 16 people, he said.

He said despite the Group Areas Act, there were 500 000 blacks living in white areas and about 40% of the population in Hillbrow, Johannesburg, was black.

Piet Human, senior researcher at the School of Business Leadership, said a survey of socio-political attitudes of Pretoria businessmen showed that respondents favoured

DIANNA GAMES

what he called selective apartheid. He said this was a senseless view based on no principle.

"One can only have apartheid or no apartheid; no in-between social arrangement is possible."

A survey of white attitudes towards Mafikeng's incorporation into Bophuthatswana showed that more than 56% favoured the move before incorporation while 33% were against. Four years after incorporation 70,5% were for and only 9% against.

Estimates show that merely to maintain present standards by the year 2000, SA would have to cope with 3-million sub-economic housing units, 16-million new urban dwellers, 6-million new jobs and 240 000 new classrooms.

Professor Christo de Coning, Rand Afrikaans University researcher in development studies, said a survey in Hillbrow showed that most local white residents wanted it declared a multiracial suburb.

FIN MAIL 16/5/80
123
AFTER INFLUX CONTROL

Slashing the red tape

The death of influx control (see page 38) entails the wholesale repeal of the intricate web of laws which have for so long controlled the movement of black people and restricted their entry into urban areas.

With the first reading of the Abolition of Influx Control Bill in parliament last week, government has given a clear indication of the measures it wants abolished — moving a step closer towards fulfilling the promises of its White Paper on urbanisation.

Of them all, the repeal of key sections of the Blacks (Urban Areas) Consolidation Act will have the greatest impact on future urbanisation, although a tightening up of squatter legislation will be used to ensure the process is "orderly." The Group Areas Act will also come to play a far greater role in the lives of black people.

Illegal residents

Those who will benefit most immediately, according to the Black Sash's Sheena Duncan, are people already illegally resident in urban areas who will be able to job-hunt without prejudice. Another plus is that contract workers from the non-independent homelands will be able to apply for Unemployment Insurance benefits in the cities, and no longer have to travel home to do so.

However, despite the anticipated changes, the contract labour system for foreign black workers remains. The movement of these workers will still be strictly controlled by the Aliens Act, which has stiff penalties — a R5 000 fine or two years' imprisonment — for anyone who employs aliens illegally. And until the question of restoring South African citizenship to citizens of the independent homelands — Transkei, Bophuthatswana, Venda and Ciskei (the so-called TBVC states) — is settled, these measures will apply to these people as well.

Here is a breakdown of statutes that will go, providing that parliament approves.

From the Blacks (Urban Areas) Consolidation Act:

Section 10. This denies any black who does not have urban rights the chance to stay in a "prescribed" (for which read white urban) area for longer than 72 hours. Those who qualify for Section 10 rights are: people born in the area who have lived there continuously; people who've worked in the area for at least 10 years, or lived there lawfully for the same period; the wife, unmarried daughter, or son under 18, of someone who fits either of the first two categories; or one who is granted permission to stay by a labour bureau;

Section 10 bis. This holds that employers

may not hire any black unless permission has been granted by the local labour bureau on pain of a R500 fine or three months' imprisonment. When this goes the whole cumbersome procedure of registering workers will fall away. However, until the new taxes to fund the regional service councils are introduced — probably at the end of June — employers will still have to pay the monthly registration fee of R5 for each worker to their local development board;

Section 11. This says no one shall introduce any black who does not have Section 10 rights into an urban area, or induce or assist such blacks to be in an urban area without the approval of the local labour bureau;

Section 12. This limits the number of foreign workers allowed to work in prescribed areas. If this goes, these workers will still be covered by the Aliens Act;

Section 13. This exempts blacks employed on contract in certain industries (primarily the mines) from the provisions laid down in Section 10, 10 bis and 11.

Section 14. This provides for the physical removal from an urban area of any black convicted under Section 10, or of any foreigners working illegally in SA;

Section 29. This allows for the arrest of persons deemed to be "idle" or "undesirable." The White Paper indicates that control of loitering will in future be left to local authorities; and

Section 31. This imposes curfews on blacks in prescribed areas.

Other measures in line for the chop are:
 Proclamation R74 of 1968 of the Black Labour Regulations (Black Areas). If passed, this will result in major changes to the contract labour system as it applies to people from the homelands, or Trust Lands, seeking work in SA. At present, these workers must have their contracts attested at their place of origin. The repeal of this proclamation would, however, only be valid in "white" SA. This means that although any homelander would be able to come into the cities without committing an offence in the eyes of the South African authorities, the proclamation will still apply in the homelands;

The Black Labour Act, which regulates the recruitment, employment, housing, feeding, and health conditions of black employees. It also empowers a labour bureau to allow contract workers to remain in an urban area in terms of Section 10(1)(d) of the Urban Areas Act. With its demise, aid centres — places where blacks arrested for contravening influx control laws receive "help" — will be abolished. In theory, a repeal of the Black Labour Act would mean that blacks from non-independent homelands will be able to come into the cities without hindrance to find work. But the Black Sash has expressed anxiety that expected squatter legislation will continue to keep the families of these people locked into poverty-stricken homelands;

Proclamation 270 of 1966, which permits pass raids without search warrants;

The Blacks (Abolition of Passes and Coordination of Documents) Act — the measure that, ironically, cemented the pass laws in 1952;

The Development Trust and Land Act, which controls movement in farming areas by, *inter alia*, limiting labour quotas. However, in future farmers who agree to accommodate blacks will have to obtain Group Areas Act exemptions;

Section 5 of the Black Administration Act. When this goes, the State President will no longer be able to order removals in the "public interest." However, government can still effect removals by either incorporating areas into homelands, or deproclaiming townships; and

The Blacks (Prohibition of Interdicts) Act — applicable in certain circumstances preventing blacks from applying for interdicts, or other court orders, to stop removals. Although important, the repeal of this measure is not as significant as it appears as there have been instances in which ways round it have been found.

EIN MM/16 16/5/86

INFLUX CONTROL BILL

Hitting squatters

The aim of the Abolition of Influx Control Bill is to repeal the laws relating to influx control of blacks, and related matters. It provides for the scrapping or amendment of 34 Acts or proclamations (see page 52).

It is clear from the Bill that controls on squatting will be tightened in an attempt to prevent "disorderly" informal settlements. Changes to anti-squatting laws form the bulk of the Bill.

To a large extent, the onus on preventing squatting is placed on the land owner or lessee. The Minister of Constitutional Development and Planning or his appointee will be given powers to determine whether land is suitable for residential occupation or not, and to order the owner or lessee to remove squatters if necessary. The owner may, however, make representations to the minister after being ordered to remove people. The cost of demolishing illegal squatter shacks will be borne by the owner or lessee. There will also be restrictions on people crossing other land to get to the area where they are squatting. The minister may order the removal of illegal squatters to areas designated as suitable for their occupation.

The most important addition to be made to the Prevention of Illegal Squatting Act empowers the minister to take action against both landowners and squatters under certain conditions. In terms of subsection (1):

Where the minister is of the opinion that the conditions under which persons are settling on any land which has not been zoned, set apart, or approved for residential purposes; if they constitute a health hazard; if they are detrimental to the welfare of the squatters;

Where "for any other reason it is not in the public interest that persons should congregate or settle" on such land.

It will be no defence in terms of the Bill for a land owner or lessee to say illegal squatting was taking place without his permission unless he is actively trying to stop them.

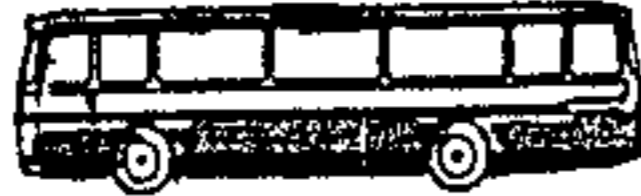
It will be illegal for anyone to "farm" squatters by organising squatting areas for them in return for payment. The penalty will be a fine of up to R2 000 or a year in jail.

Areas designated by the minister for legal settlement by people unable to find other

accommodation need not comply with laws normally applicable to new townships, or the establishment of new townships, and will not be deemed to be townships; thus "informal" housing will be facilitated. The minister may also make regulations for the orderly development and management of the areas. ■

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Societies say 'No' to lower home-loan rate

Financial Staff

Attas 16/5/86 123
BUILDING societies are not expected to follow Barclays Bank, which undercut them by lowering its home-loan rate by one percent to 16,5 percent.

Most society rates are down to 17 percent, with the EP Building Society charging some borrowers 16,75 percent.

Lowest in the market is Syfrets, whose mortgage rate dropped 10 days ago to 15,5 percent.

A spokesman for the Natal Building Society forecast that the lower rates would be shortlived as interest rates could soon come under pressure.

"Before bond rates could fall again we would have to cut investment and savings rates ... I don't see investors accepting less than the present 13,5 percent or 9,5 percent on tax-free savings with inflation being as it is."

The Barclays rate announced today is the lowest since the bank entered the home-loans market in 1982, offering 17 percent — well below the record 25 percent it charged in November 1984.

A home-buyer with a R40 000 Barclays loan will save R73 a month.

● See Page 14.

FIN ^{10/5/82}

BLACK PROPERTY RIGHTS

123

The Urban Foundation (UF) this week welcomed the publication of the Black Communities Development Amendment Bill, in terms of which full freedom of property rights will be extended to black South African citizens.

The Bill, if passed, will give blacks the opportunity to choose between two forms of tenure: 99-year leasehold or full ownership. Foreign blacks legally resident in SA will also qualify.

Commenting on this development, the UF says: "While it would be unwise to overstate the impact of any single reform at this stage, the importance of the introduction of full private ownership of property for black people in the urban areas cannot be over-emphasised."

According to the UF, the Bill will allow the private sector to play a more active role in the establishment and development of townships.

But it also calls for more reform: "While this will do much to stimulate the provision of housing by township developers, the home-building industry and employers, it is essential to *again* stress that further changes are urgently required before blacks can fully enjoy the practical advantages of full property rights as is the case with other South Africans.

"Urgent attention should be given to the provision of land and finance, as well as the introduction of innovative housing methods that will promote a viable housing market and the creation of shelter for large numbers of South Africans. Moreover, racial tags attached to the allocation of land conflict with the fundamental principle supported by the UF, such as freedom of choice and free enterprise.

"A radical reconsideration of the Group Areas Act and Land Acts is therefore an urgent priority."

HAIRDRESSING TRADE (PRETORIA)

Parties: S.A. Hairdressers' and Cosmetologists' Association (Northern Transvaal Division)

Trade Union: SA Hairdressers Employees' Industrial Union

Area: Magisterial Districts of Pretoria* and Wonderboom

Footnotes

1. X-rays - All workers must undergo x-rays within one month of commencing employment, thereafter on a two-yearly basis. Liability for expenses is not stipulated.

FIN MAIL 25/4/86
TOWNSHIP RENTS 123

Employers as police

Government is expected to come up against a brick wall if it tries to push through parliament a controversial new measure to force employers to deduct rent from black employees — and to take legal action against the employers if they refuse to do so. It is reminiscent of the highly controversial R400 fine placed on employers of domestic servant "illegals" not all that long ago, which one (white) woman openly defied in a much-publicised case last year.

The clause, contained in the Black Local Authorities Amendment Bill, tabled in parliament last week, has been condemned across the political and business spectrum.

There seems little chance that it will be approved by coloured and Indian MPs and government may be forced to use the Nationalist-dominated President's Council to push the measure through if it seriously wants it enacted.

The measure is obviously aimed at breaking the rents boycott which has spread to townships across the country. In some areas, notably Sebokeng in the Vaal Triangle, no one has paid rent for a year. Some estimates put the amount outstanding at around

R60m.

The new measure would allow a black local authority to demand that an employer deduct arrears rent and service charges — not exceeding 25% of the employee's wages — and pay the money over to the local authority.

If the employer refuses to do so, a warrant of execution against the moveable property of the employer for the recovery of the outstanding money may be issued by a magistrate. ■

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5 458 backlog in DV housing

25/4/86

123

DISPATCH

Dispatch Correspondent

CAPE TOWN — The Eastern Cape Development Board has built no houses in Duncan Village in spite of a housing backlog of more than 5 000.

The Minister of Constitutional Development and Planning, Mr Chris Heunis, told Mr Errol Moorcroft (PFP Albany) that according to the Rive Report of April 1984, the backlog was 5 458.

The whole village, with an estimated population of 80 000, had one community hall, one clinic, two soccer fields, one rugby field, two tennis courts, eleven netball courts and one swimming pool.

However, there was no cinema in the village.

Of all the houses in the village, only 128 had electricity and 1 965 had flush toilets. There were 1 377 water taps on premises and 165 communal taps.

Mr Heunis also said yesterday all the 2 812 applications for the purchase of houses made to the Eastern Cape Development Board last year had been approved.

Replying to a written

question from Mr Moorcroft, he said 2 065 applications were approved for Motherwell, 501 for Port Elizabeth, 100 at Uitenhage and 88 at Grahamstown.

A total of 18 applications were approved for Cradock, 17 at Alicedale and Burgersdorp, four at Molteno and two at Somerset East.

A total of 3 381 houses were purchased in townships controlled by the Eastern Cape Development Board by the end of last year. Of these, 2 065 are at Motherwell, 883 in Port Elizabeth, 142 at Uitenhage and 125 in Grahamstown.

In reply to a written question from the MP for Walmer, Mr Andrew Savage, the Minister said a total of 428 houses had been built for blacks in Port Elizabeth during 1985, 100 by the ECDB and 328 by developers and employers.

Mr Heunis said the board had spent a total of R407 346 on the houses.

He also disclosed that a total

of 24 000 families were currently waiting for houses.

Plea for businessmen to help house the homeless

By VIVIEN HORLER
Staff Reporter

IN an plea to private enterprise to help deal with the problems of urbanisation, black affairs official Mr Timo Bezuidenhoud told 130 of Cape Town's top businessmen: "For God's sake, get involved."

At a meeting of the Graduate School of Business Association yesterday, Mr Bezuidenhoud, regional director of Constitutional Development and Planning, told 130 businessmen: "We are part and parcel of Africa. We're not the First World country we think we are. We're not that rich. And we have millions of people to provide accommodation for."

Mr Bezuidenhoud attacked old influx control policies and said Section 10 of the Urban Areas Act had made criminals of thousands who sought work to feed their families.

South Africa had employed the "most draconian measures you can think of" to prevent urbanisation, without success.

Yet now, with steps such as the 99-year lease and the possibility of freehold rights, the future looked brighter than it did a year ago.

South Africans had been offered a new beginning with the new urbanisation strategy.

Mr Bezuidenhoud said business could help people directly in two ways:

- Acquire land in Khayelitsha, build on it and lease it; and
- Find out from Khayelitsha's community leaders how to help improve existing structures.



Mr Timo Bezuidenhoud

Khayelitsha had schools, clinics, day hospitals, sewerage, water on tap, streets, com-

munity halls and sports fields. The service charge was R12 a month and people could obtain their own land and build their own structures.

"Khayelitsha had — and still has — a bad name. Why? We have to plan for the future."

Apart from the building at Khayelitsha last year there had been no building for blacks in the Peninsula since 1968.

In Langa, Nyanga and Guguletu there were cases of 25 people living in two-roomed houses.

Mr Bezuidenhoud called on businessmen who believed in capitalism and democracy to show compassion and tolerance and demonstrate that they could build a united South Africa.

Crossroads: Heunis details new services

Political Correspondent

THE vacated parts of Crossroads and KTC will be upgraded as the first phase of upgrading the whole area, according to the Minister of Constitutional Development, Mr Chris Heunis.

In the case of Crossroads it will be in the next four to six months and in the case of KTC as soon as various parties have been consulted.

Answering questions put by Mr K M Andrew (PFP Gardens) Mr Heunis said services such as streets, stormwater drainage, sewerage, water reticulation, community services and highmast lighting would be installed.

Site preparation was almost complete and the installation of major stormwater drainage was progressing.

So far R2-million had been allocated.

Services similar to those at Crossroads would be provided at KTC. Initial consultations had taken place.

● The Supreme Court, Cape Town, has ordered the Western Cape Development Board to stop the demolition of shacks at KTC. The interdict was granted by consent following an application brought by four KTC residents.

● How you can help — Page 20.

'Land issue cause of most bitterness'

HOUSE OF ASSEMBLY.
— No measure had caused more bitterness among blacks than the removal of their right to own property in South Africa, Mr Nic Olivier (PFP nominated) said yesterday.

Speaking in second-reading debate on the Black Communities Development Amendment Bill, he said it did not address the important

issue of black land ownership in rural areas.

The 1913 Land Act had made it impossible for blacks to own ground except in the limited areas that had been declared State land.

This had led to the removal of the black franchise in 1936 because land ownership had been a qualification to vote.

Only now, more than 70

years later, was the need for land being addressed by the government, albeit in a limited manner.

In the meantime, the 1936 Act had been used to remove forcibly "thousands upon thousands" of blacks, who were "stuffed" into areas set aside for them. Thousands more were removed from urban areas like Sophiatown in Johannesburg.

When the Johannesburg City Council refused to remove people, a resettlement board was formed and 2 000 police and army members were deployed to remove the people.

Today, the white suburb erected where Sophiatown once stood was ironically called Triomf (Triumph).

The government had

not made sufficient provision for the need for black land in the years to come.

"What did we create? Indeed, a situation where the black man finds himself a stranger in his own land.

"Now we stand at the beginning of a new era. We are grateful that blacks can now own land in urban areas." — Sapa

Industry, Govt to liaise on housing

123
Staff Reporter

AR6-us 20/6/86

A PRIVATE task force has been set up to liaise with the Government on the housing crisis.

The Minister of Finance, Mr Barend du Plessis, speaking at a Cape Town Press Club lunch, named the task force members as Dr Fred du Plessis of Sanlam, Mr Meyer Kahn of South African Breweries and Mr D Cooper of Barlow Rand.

He said the private sector would not itself be expected to provide housing for low-income groups.

REPRESENT INDUSTRY

The task force would represent industry and liaise with Government agencies.

"There is no question that this is a major departure from Government policy of the past few years."

"We trust that through this we can make a contribution to stabilisation," Mr du Plessis said.

OHG Times

26/6/86

~~26/6/86~~ 123
Govt

sets up 'task force'

Chief Reporter

THE Minister of Finance, Mr Barend du Plessis, announced yesterday that a "small task force" of top businessmen had been formed to identify ways in which the private sector could help stimulate the economy through mass building and housing schemes.

This "task force", under the chairman of Sanlam, Dr Fred du Plessis, comprised Mr Meyer Kahn, managing director of SA Breweries, and Mr Derek Cooper, director of Barlow-Rand and other companies. They had held their first meeting a few days ago.

The minister, speaking at a Cape Town Press Club lunch, said building and housing were labour-intensive "and not so import-orientated".

'Star of Africa'

He sharply criticized "bureaucratic" practices and procedures in housing and rehousing schemes and said serious efforts must be made to eliminate them.

He said the stimulation of the South African economy, which he compared to "pushing a piece of string", had to be done in such a way so as not to endanger South Africa's foreign commitments.

The Republic must stabilize itself so that it could take its rightful place as "the star of Africa".

The government, Mr Du Plessis added, realized it could not generate sufficient funds on its own to provide the necessary economic stimulation, and had taken steps to involve the private sector as far as was possible.

9/11/74 26/6/80
CP: Blacks 'subject to laws of nature'

HOUSE OF ASSEMBLY.
— The white man should not accept responsibility for the population increase among blacks, Mr Louis Stofberg (HNP Sa-solburg) said yesterday.

Speaking in second-reading debate on the Black Communities Development Amendment Bill, he said blacks, like whites, were subject to the laws of nature.

If they did not work, they went hungry. If they could not control their own reproduction rate, the white man was under no obligation to give them more land.

Rich and poor

The bill was a repudiation of former prime minister Dr Hendrik Verwoerd's principle that blacks would have a right to land only in their homelands.

Mr Stofberg said Mr Wynand Malan (NP Randburg) had said one should think in terms of money being taken from the rich and given to the poor rather than from whites to blacks.

This was typical of the "sickly sentimentalism

of the leftists". They were full of compassion for others but forgot you could not love others if you did not love yourself.

● Homeland consolidation was economically a fruitless exercise, Mr A T van der Walt (NP Bellville) said in the debate.

Terrorism

Black urban areas were experiencing urban terrorism on a level previously not known in South Africa.

One reason for the instability was the lack of property rights. The bill would correct this.

● Property rights for South African blacks officially recognized as permanent residents of areas outside the national states were essential for peace and stability, said the Deputy Minister of Development and of Land Affairs, Mr Ben Wilkens, while replying to debate.

The bill was read a second time after the House divided, with the HNP and the CP objecting. — Sapa

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BLACK HOUSING

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27/6/86
Time for action

The government's R750m boost to housing in last week's stimulatory package could ginger up economic growth a little. But, as the private sector is already warning, it must be invested quickly for maximum impact.

Experience has seen an investment in housing infrastructure boosted six times by the time the houses are occupied. On this basis, the package's snowball effect could see the eventual boost to the economy running at some R4,5 billion. But there are other considerations.

"The whole sum will not be spent on new housing," warns Treasury secretary Peter Wronsley. "Some of the funds will go towards upgrading existing housing."

And it is not yet clear how much will be spent on land acquisition, on infrastructure, on low-income housing, on self-help housing schemes, and on site-and-service development.

The Afrikaanse Handelsinstituut has already called for speedy implementation of the scheme. "To retain the necessary kick for economic growth, the money must be invested without unnecessary bureaucratic delay," says a spokesman.

The Treasury, it seems, is aware of the urgency. It is now awaiting the report from the private sector committee appointed to determine housing priorities, and State de-

partments have been asked to determine their housing needs. "As soon as the committee reports to me I will arrange a meeting of all parties involved," Treasury deputy director general Gerhard Croeser tells the *FM*.

The snowball effect of housing investment is illustrated by the experience of the Urban Foundation's (UF) utility housing company, Family Housing Association (FHA), at Protea North in Soweto.

It invested R19m in civil engineering work, electricity servicing and bulk development infrastructure for 2 500 residential stands which were sold to individual buyers, building societies and developers.

But the total project value, with houses in the range of R30 000-R90 000, is already about R120m. "That's six times the original investment," says FHA's land servicing manager, John Weaver.

Weaver says government should concentrate on providing serviced land, on which self-help building schemes could be established. These schemes involve the provision of standard plans and of cheap building materials, bought in bulk.

Self-help differs from site-and-service schemes, which allow for the more informal type of housing development.

At Protea North, FHA is working in the top bracket of the black housing market. It recently bought three flat sites which will be sold to five developers after subdivision into 280 townhouse sites. "We also acquired an unused school site which gave us another 140 stands, and all were sold within a few weeks," says Weaver. Demand for quality housing is heavy.

The FHA, which has been in operation since March last year, has budgeted to spend about R20m in 1986-1987 on the provision of 10 600 serviced sites for black housing with an eventual project value of R60m-R70m. About 4 400 plots will be for site-and-service housing, says FHA self-help housing manager Ian Garden.

Garden says government should spend the major part of its new package on providing serviced land and infrastructure and finance for individual buyers. The private sector — building societies, property developers and financial institutions — can also play an important role in developing and financing black housing, he adds. ■

Societies start buffer funds to guard against mortgage losses

Many homes repossessed

to K. Argus 28/6/86 123

Weekend Argus
Correspondent

JOHANNESBURG. — So many homeowners are in debt that repossessions have swollen the property holdings of building societies to a level six times higher than this time last year.

The total value of property held by two of the biggest societies, the United and the Allied, has soared from R7-million to R41-million in a year.

Now the United has created a R44-million buffer against future mortgage losses — a 600 percent increase on the R6-million provision it made last year.

The move underlines the uncertainty surrounding the property market and family finances.

Mr Piet Badenhorst, the United's chief executive, said: "In the present economic conditions we believe it was necessary to make this provision to meet all contingencies."

Earmarked

The value of property held by the United has climbed from R5-million to R25-million and that of the Allied from R2-million to R16-million.

The Allied, which has not previously earmarked funds to meet potential losses, has now set aside R7-million for this purpose.

The other major societies — the Perm and the NBS — must also have their share of bond woes.

The Perm would give no figures ahead of its published accounts but the value of repos-

sessions must have risen in line with other societies and there is no doubt that it will take "whatever steps are necessary to provide adequate protective measures" for depositors.

There are no confirmed figures available from the Natal Building Society but it appears there has been a substantial rise in the number of properties in possession.

But Mr Terry Bradshaw, the NBS regional manager for the Transvaal, said: "We do not anticipate any large losses due to our conservative lending policy. Indeed, we made a small profit from repossession sales."

The smaller Eastern Province Building Society, while having spread its operations nationally from its Port Elizabeth base, reports a "slightly higher" level of bond arrears in a relatively quiet market.

It might have been expected that homeowners in the depressed Eastern Cape area would have been hit more severely but EPBS managing director Mr Ron Mumford believes the jump in value of properties in possession from R259 000 last year to R768 000 now is "not too bad in the light of present conditions".

Even this society, however, is putting aside R150 000 to cover possible losses.

Barclays National Bank's senior general manager, Mr Jimmy McKenzie, reported "some bond problems" but is not perturbed by the risk of losses.

He said: "We have a fairly new book in the mortgage business and any troubles we have encountered as a result of unemployment and falling values are minimal when set against our overall operation."

The high cost of advertising and the lack of guarantee of a sale is also hitting the auction business.

State boost for black housing runs into snags

123

W/L ARGUS 28/6/86

By DEREK TOMMEY
Financial Editor

THE Government's plan to rapidly stimulate the economy and ease the serious black unemployment situation by pouring R750-million into low-cost housing is running into snags.

The Government is learning that it is one thing to propose a plan, but another to get the plan on the road. In fact there are now fears that the housing scheme might not even start moving until next year.

In view of the urgency of providing more work for blacks, someone unaccustomed to bureaucracy might have thought that a single phone call

from Pretoria to each local authority could get the plan going.

Once Pretoria knew how much land each authority had for housing and roughly how much the authority needed to build on that land, one would have thought that an immediate go-ahead could be given, enabling the local authority to start hiring workers and fulfil the object of the exercise by putting money into circulation.

Not that simple

But life in Government circles is not that simple.

A large number of Government departments have to be consulted, it appears. Apart

from the Department of Finance which is providing the money, they include the Department of Public Works and Land Affairs, the Department of Constitutional Development and Planning and also the three "Own Affairs" administrations.

On top of these is the private sector task force which has offered to liaise with the Government in solving the house crisis.

Members of the task force are Dr Fred du Plessis of Sanlam, Mr Meyer Kahn of SA Breweries and Mr D Cooper of Barlow Rand.

Caught out

Dr du Plessis, who is chairman of the task force, could not be reached for comment. However, Mr Kahn told The Argus that the group had held a number of meetings, but he could not say any more at this stage.

On the Government side it seems that those departments that have been claiming they could build many more houses if they had the money have been caught out.

A number of economists have been distinctly pessimistic about the success of the building package in creating jobs for blacks on a large scale in the immediate future.

Unless the Government or the private sector task force pulls something out of the hat soon, these economists are likely to be proved right.

Mines may use 'icing sugar'

JOHANNESBURG. — A Canadian "icing-sugar" technique may be used to cool the South African gold mines, reports Engineering News.

Sugar-like crystal ice, used widely overseas for bulk cooling of fish, is being offered by Mining and Industrial Air-conditioning (Pty), Johannesburg, under an agreement with the Sunwell company of Ottawa.

The new technique is likely to be of particular value to the older mines, in which the piping system is stretched to its limits. Ice is being used increasingly in the mines as temperatures rise with increasing depths. — Sapa.

Sunbeam still Rowenta agent

JOHANNESBURG. — Sunbeam Appliances, a member of the Lion Match group, has confirmed that the company will remain the sole South African agent and distributor of Rowenta domestic appliances.

Mr Chris Baltsoucos, managing director of Sunbeam Appliances, said: "The sale of Rowenta-Verke of West Germany by Al-legheny International to Cargo Pacific is under negotiation, but the outcome will not affect our sales and service agreements.

"We have made considerable investments in establishing Rowenta as a leading brand in the local market, and will continue to do so." — Sapa.

Mild stimulation is expected

Tax, black housing package on the cards

19/5/86
BUW DAY

123

A PACKAGE containing cuts in indirect taxes, as well as accelerated government spending on black housing development, is on the cards and is expected to be announced shortly by government.

"The way is now open for a combination of some form of tax relief and increased government spending on black housing," says a senior monetary official.

Faced with a sluggish economy which has refused to respond to lower interest rates, the authorities have opted for a mild massage to give sagging confidence a lift.

It appears the authorities are intent on obtaining their target growth rate of 3% for the year and are focusing their attention on fiscal ways of achieving it.

They have been inundated recently with various shopping lists. The Economic Advisory Council spent last week sifting through them.

GERALD PROSALENDIS

"But the final form of the package has not yet been finalised," says one source.

However, a short-list has been drawn up and, although not all recommendations will be implemented, possible measures include:

- Reduction in the 10% surcharge imposed last year on imported goods;
- Adjustments to indirect taxation in ways which would aid the ailing motor industry;
- A go-slow on the phasing-in of fringe-benefits tax on motor vehicles;
- Reduction in the surcharge on tax payable by mines. If this were to occur, the mines have assured the authorities they would proceed immediately with large-scale investment;
- Revision of the rates of marginal taxation, mainly to benefit young professionals;

Further revision of joint taxation on married couples;

Early repayment of the 1979-80 loan levy; and

A cut in the price of petrol. The authorities are believed to have stockpiled oil at a reasonable price in the first quarter. This would enable them to hold down local prices if the import price went up.

However, a cut in GST, which has been the subject of intense market speculation, is unlikely — officials say it would be too costly.

A 1% cut in GST across the board would cost government roughly R1bn in revenue for the year, and would narrow its options in implementing other measures.

The authorities have stressed at great

● To Page 2



Tax and housing deal awaited

length, however, that not all the proposals can be implemented. Therefore, the final package is expected to be mildly stimulatory and would have to be within the broad constraint of keeping the deficit before borrowing within reasonable limits to avoid interest rates kicking up.

The measures will have to be introduced before June 30 — to allow the

necessary legislation for tax cuts to be approved by Parliament — although the chances are that it will come much sooner.

● See Comment, Page 6 and News focus, Page 7

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22/5 DAY

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Further steps soon to end rent control

BARRY STREEK

FURTHER measures towards the phasing out of rent control would be taken soon, Minister of Local Government, Housing and Works in the House of Assembly Amie Venter said yesterday.

He said in a statement that "at present there is an adequate supply of rental accommodation available."

"It thus appears to be a suitable time for the Minister to proceed with the phasing out of rent control in terms of existing legislation, but to afford such protection to those who are still in need of it."

However, before the phasing-out process could proceed, the income limits within which persons had to fall to qualify for protection had to be determined.

An inter-departmental committee under the chairmanship of the chairman of the National Housing Commission was at present investigating the income limits which should apply to qualify for housing assistance from the State, Venter said.

"It will be a condition of the further phasing out process that the rental of dwellings exempted will not be increased during the first two years by more than a certain percentage annually, and that the exemption will take effect after three calendar months, as from the date of the decision of exemption."

He said the Select Committee on Rent Control had recommended in 1984 that rent control protection be afforded to tenants who did not exceed the income limit determined by the Minister, and the rent control should continue for tenants older than 70 years.

In terms of the Rent Control Act, the minister may decontrol rent-controlled premises by means of a notice in the *Government Gazette*, subject to the conditions he determined, Venter said.

TODAY'S BUSINESS

Buy or Sell

SA'S
do not then following the scri

Property and integration

SPPR 22/5/86

123

A man who succeeds in commerce but cannot relocate his family to a suburb where other successful people live must experience a feeling of deprivation as he is reminded, yet again, that he is black or brown or Indian.

In these circumstances the grass must look very green in the Houghtons, Waterkloofs and Bishops Courts of our country.

These are the words of Mr Norman Nel, Pretoria-based president of the Institute of Estate Agents of South Africa, who has predicted "Houghton liberals and Waterkloof conservatives" would have to pay the price for their exclusivity.

Many white South Africans, he said, were afraid of integrated communities because they could see only the translocation of slums to their suburbs.

"On the other hand, not many people, regardless of race, colour or creed, can afford to live in a house that costs R500 000 or more," he added.

Openly told

Mr Nel said he had asked property experts round the world for their views on integrated communities. These experts, some of whom had never been subjected to statutory segregation and others who lived in communities where the law strictly forbade any form of discrimination, told him openly how their "mixed societies" affected property values.

Mr Nel said Mr Ralph Prichard, past president of the National Association of Realtors in America and world president of FIABCI, an organisation which promotes the rights of all people to own and transfer property, had told him housing discrimination had been customary in Chicago until 1954.

He quoted Mr Prichard: "We discriminated against economically deprived people, Jews, blacks and Asians. Then the first Civil Rights Act was passed and the pressure to cease discrimination built up.

"As our population grew, blacks started moving into white neighbourhoods in various sections of the city. Many were very ethnic

The Group Areas Act, the one pillar of apartheid still to be dismantled, has been studied by various commissions and researchers who recommend that it be "adjusted" or abolished.

The School of Business Leadership at the University of South Africa, aware that a change in the law could have far-reaching implications affecting future housing requirements and property investments, last week arranged a seminar in Johannesburg on "the future of residential group areas" and invited top speakers to air their views.

Mr Norman Nel, president of the Institute of Estate Agents of South Africa, described integrated communities round the world and concluded that property values in South Africa would not suffer in mixed neighbourhoods. WINNIE GRAHAM, *The Star's* Property Editor, reports.

in their composition. There were enclaves of Irish, Italians, Poles, Germans, Greeks and Spaniards, Catholics, Jews and Protestants. We even advertised properties "near Catholic parish" for example.

"When blacks moved in whites moved out. The more sensitive moved first, others stayed longer. Values deteriorated, easing the economic problems of some lower-income black families. Discrimination in loans was eliminated, making credit available from private savings and loan sources as well as through government.

"Whites generally moved to the outer fringes of the city. As the years passed the blacks developed a sizeable middle class of economically responsible and productive individuals, some wealthy.

"They started forming in better neighbourhoods and maintained the higher quality. However, many areas deteriorated... One of our major problems has been the education of people on how to care for property — even when it is owned by them.

"Some black families in search of better schooling moved to white areas with great success. In some Chicago areas feelings still run high and there are communities where blacks are not allowed.

"They are aware of the situation

and keep out because of the fear of being burnt out or harassed. This is minimal, so the spectrum runs today from very satisfactory to those areas that have become a hotbed of crime and where integration is still not possible."

Mr Prichard believes the use of television had helped in many ways to "develop appreciation and acceptance" of black ability.

His firm, he said, employed black estate agents to work in white areas, but these had enjoyed only moderate success. Public reaction remained the biggest headache.

Lifestyles

"Whole neighbourhoods get steamed up because a broker is obeying the law," he told Mr Nel. "Communities in Chicago and Cleveland, Ohio, are trying to establish a quota system to determine the percentage population integrated. The idea is to keep the lid on this number to prevent the mass exodus of whites. This has some effectiveness but runs strictly counter to the law."

Another American, Mr Bruce Harwood of Ventura, told Mr Nel he did not believe colour, religion, creed, race or gender decided property values. It was "compatibility of lifestyles."

"If neighbours don't keep lawns mowed, buildings painted,



Mr Norman Nel

dismantled automobiles off streets and driveways and amplified music to themselves, property will suffer," he said.

Ms Marilyn Lightner, an estate agent, said integration in Pittsburg had taken place quietly and with cautious resignation. With integration lower-income neighbourhoods developed into problem areas. Although white and blue-collar workers laboured shoulder to shoulder, the blacks posed a threat to white supremacy by invading their areas and property values declined.

Ms Lightner added: "When people are not restricted, the great majority elect their own kind who have similar interests, religious persuasions, ethnic customs, food preferences and cultural standards."

Mr Nel then quoted Mr Tony Artero, a real estate expert from Guam, a small island in the Pacific. He said integrated residential properties had a tendency to retain and even increase in value. However, during the initial stages of integration there was usually a "shock period".

"This period is difficult to measure in terms of time," Mr Artero is quoted as saying. "First prices stagnate, then fall. This is followed by a gradual increase particularly in the high-density living areas."

Mr Loudie Constantine, writing from London, told Mr Nel people of similar ethnic groups inevitably collected by choice. Social and economic circumstances dictate land values.

Mr Richard Sharp, a managing director of a Harare company, told Mr Nel that the purchase of a house by a black man per se did not lower the standard of a suburb. The majority of blacks were "very house-proud".

"People move only into areas they can afford," he added. "Initially blacks moved into lower-priced residential areas. This caused a demand for lower-priced homes and pushed up prices. White sellers moved to more expensive areas setting off a chain reaction."

Mr Marcus Wilkens, a conveying attorney from New Zealand, told Mr Nel that when Polynesians (Maoris and Pacific islanders) moved into predominantly European areas this led to a lowering of property values.

Dominated economy

The European, he said, dominated the economy in New Zealand while the Polynesians were largely the working class generally found in low-cost housing areas because of their low incomes.

In Windhoek, where the Group Areas Act was recently scrapped, a survey by the Chief Valuer, Mr Pikkie Gresse, found prices had doubled since 1980.

Mr Nel also quoted Mr Gerry Gericke, a building society manager, who said the sooner the Group Areas Act was removed the better.

"After an initial adjustment period, our country should settle down to one of our most rewarding periods in our housing history," he said.

Mr Nel concluded: "Deep in the hearts of most families there is a burning desire to own a home. Once they have achieved that objective, they will defend it with all the power and resources they can muster.

"I believe prices of homes will rise in an integrated neighbourhood."

GOVT TO continue phasing out rent control

Political Staff

The Government will proceed soon with the further phasing out of rent control, says Minister of Local Government, Housing and Works Mr Amie Venter.

A condition of the phasing out would be that rents of dwellings exempted from rent control would not be increased during the first two years by more than a certain percentage a year.

Speaking in the Assembly's "Own Affairs" debate on his department's budget vote, Mr Venter warned he would not hesitate to re-apply rent control to exempted premises if exploitation took place.

He would do this if there were steps to remove protected tenants to achieve decontrol of dwellings.

INCOME

Mr Venter said that before the phasing-out process could proceed, the income limits had to be determined for tenants to qualify for continued protection.

An inter-departmental committee was investigating, among other things, the income limits people needed to qualify for State housing assistance.

This limit was linked to protected tenants' income limit.

Mr Venter said the committee's final recommendations were expected to be made towards the end of June when the determination of income limits and the further phasing-out would proceed.

Commenting afterwards, Mr Alf Widman (PFP Hillbrow) said the income limits for protected tenants should be raised substantially before phasing out of rent control took place.

Otherwise, more people would lose their protection because present limits were more than three years old and had been ravaged by the rate of inflation.

was inevitable that rumours would abound. at due legal

Homelands: homes move



• VILJOEN

BUD DAI
23/5/76
Property Reporter
GOVERNMENT'S interest subsidy on housing loans for first-time home-buyers has been made applicable to prospective home-owners in the self-governing national states and on SA Development Trust land.

Education and Development Aid Minister Gerrit Viljoen says the move follows the expressed willingness of building societies to consider granting loans in these areas.

An interest subsidy of 33,3% is payable on loans granted by recognised financial institutions to first-time buyers, provided the house's construction value is not more than R40 000.

The scheme is regarded as a bridging measure. The subsidy will be paid for the first five years of the loan period, with the bond period calculated over a period of 20 years.

Measures were introduced earlier this year to resolve problems which building societies experienced in considering applications for housing loans in these areas.

Approval has been given for the issuing of guarantees to building societies granting loans for the purchase or improvement of fixed property in the national states.

Private sector role sought

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FIN MAIL 23/5/86

BLACK FREEHOLD

Barriers remain

Although blacks say that by giving them the new right to buy land, government has gone some way towards accepting them as citizens of SA, they also believe their efforts to acquire property will still be hampered by the Group Areas Act (GAA).

The African Bank's MD, Moses Maubane, tells the *FM* that freehold rights will definitely give black people security of tenure. However, he adds, there are still other problems such as the GAA and the Land Act, which will continue to bar people from buying property in most areas.

"Although we, the African Bank, are operating in the CBD of Johannesburg, for instance, we still cannot buy the premises we rent because of the GAA. In that sense, granting freehold rights has not changed much politically. These legal restrictions have to be removed to give full meaning to the granting of these rights."

The granting of freehold rights to blacks, leaders in commerce and industry point out, means that every black person can — in terms of the law — buy land for which he gets title, and not just the house he occupies as is the case under 99-year leasehold. It also creates a better climate for building societies and banks to extend loans to blacks, as the land can serve as loan security.

They explain, too, that under the 99-year leasehold scheme, building societies were reluctant to get involved, particularly in cases where the loans required were too small and, therefore, unprofitable, because the land was only leased to the individual.

Until 1978, when 99-year leasehold was introduced, blacks in urban areas were officially regarded as "temporary sojourners," expected to return to the homelands when they could no longer work.

Because blacks were denied full citizenship of the country they could not buy land, especially in "white" SA, which comprises 78% of the land surface of the country in terms of the 1936 Land Act. Another snag is that blacks cannot acquire freehold land in certain tribal or homeland areas either, as ownership is vested in the tribe. ■

Millions now qualify for ^{STAR} housing aid _{23/5/86}

Political Staff 123

CAPE TOWN — The Government subsidy of one-third of the mortgage interest paid by first-time homeowners is to apply to all race groups equally.

Minister of Development Aid Dr. Gerrit Viljoen announced yesterday that the scheme was to be extended to benefit the millions of blacks in the national states and on trust land.

Dr. Viljoen said the decision had been made because of the willingness of building societies to consider applications for loans on trust land and in national state towns. The scheme already applies to blacks outside the national states.

The one-third subsidy on interest is payable on a maximum loan of R40 000, and the total cost of improvements could not exceed R40 000. Land is not taken into account.

The subsidy will be paid for the first five years of the loan redemption period only.

People receiving subsidies from other sources do not qualify.

21 February 1986 (Tembisa) A Ntombela was elected
 30 April 1986 (Pabalello) Mr Links was elected
 October 1985 (Lekoa) No nominations
 April 1986 (Lekoa) 2 members elected unopposed
 9 December 1985 (Mamelodi) 2 members elected unopposed
 2 April 1986 (Atteridgeville) 2 members elected unopposed

(3) Yes. (a) (b)

Ibhayi As soon as conditions have normalised
 Pabalello As soon as conditions have normalised
 Nonzwakasi As soon as conditions have normalised
 Alexandra As soon as conditions have normalised
 Kagiso As soon as conditions have normalised
 Mohlakeng As soon as conditions have normalised
 Diepmeadow As soon as conditions have normalised
 Tembisa To call for nominations
 Watville To call for nominations
 Mamelodi As soon as conditions have normalised
 Atteridgeville By-election will take place on 21 May 1986
 Belabela As soon as conditions have normalised
 Phahameng As soon as voters' roll is completed (roll destroyed by fire)
 Seisooville By-election will take place in July 1986
 KwaGuga By-election will take place on 25 June 1986
 Mhluzi As soon as conditions have normalised
 Ikageng As soon as conditions have normalised
 Jouberton To call for nominations

HANS MEYER 123
 993. Mr P G SOAL asked the Minister of Constitutional Development and Planning:

How many houses (a) had been bought under the (i) 99-year leasehold and (ii) 30-year ownership scheme and (b) were being rented in each township falling under each specified Development Board as at the latest specified date for which figures are available?

THE MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:
 99-Year leasehold is a form of land tenure and does not necessarily include houses. In the reply to question 1(a)(i) no distinction is made between developed and undeveloped sites in respect of the following Development Board areas. With

this reservation, figures as at 31 January 1986 are as follows:

Northern Cape Development Board

| | (1) (a) | (i) 333. | (b) (ii) 3. |
|---------------|---------|----------|-------------|
| Mataleng | 404 | | |
| Bongani | 195 | | |
| Motswedimosa | 239 | | |
| Tlhakatlou | 224 | | |
| Boipelo | 117 | | |
| Boichoko | 616 | | |
| Huhudi | 399 | | |
| Thembinkosi | 127 | | |
| Lukhanyisweni | 101 | | |
| Mziwabantu | 110 | | |
| E'Thembeni | 246 | | |
| Mathomola | 200 | | |

Orange Vaal Development Board

| | (1) (a) | (i) 404. | (b) (ii) 1 092. |
|----------------|---------|----------|-----------------|
| Bothaville | 817 | | |
| Frankfort | 156 | | |
| Harrismith | 811 | | |
| Heilbron | 4 | | |
| Parrys | 25 | | |
| Petrus Steyn | 4 | | |
| Villjoenskroon | 145 | | |
| Villiers | 201 | | |
| Vrede | 237 | | |
| Vrededorf | 32 | | |
| Warden | 84 | | |

Southern Orange Free State Development Board

| | (1) (a) | (i) 1 913. | (b) (ii) 2 969. |
|---------------|---------|------------|-----------------|
| Allanridge | 132 | | |
| Bethulie | 289 | | |
| Boshof | 305 | | |
| Bultfontein | 109 | | |
| Brandfort | 178 | | |
| Cloccolan | 221 | | |
| Dealville | 147 | | |
| De Wetsdorp | 69 | | |
| Edenburg | 134 | | |
| Excelsior | 126 | | |
| Fauresmith | 61 | | |
| Ficksburg | — | | |
| Fouriesburg | — | | |
| Hennenman | — | | |
| Hertzogville | 74 | | |
| Hobhouse | 155 | | |
| Hoopstad | 75 | | |
| Jagersfontein | 189 | | |
| Jacobsdal | 79 | | |
| Koffiefontein | 102 | | |
| Marquard | 105 | | |
| Paul Roux | 8 | | |
| Petrusburg | 129 | | |
| Philippolis | 136 | | |
| Reddersburg | 156 | | |
| Rosendal | 4 | | |
| Rouxville | 47 | | |
| Senekal | 1 062 | | |
| Smithfield | 34 | | |
| Soutpan | 260 | | |

Natalia Development Board

| | (1) (a) | (i) 14 | (b) (ii) 3 205 |
|---------------|---------|--------|----------------|
| Springfontein | 207 | | |
| Theunissen | 204 | | |
| Trompsburg | 188 | | |
| Tweespruit | 386 | | |
| Vanstadensrus | 2 | | |
| Ventersburg | 41 | | |
| Verkeerdevele | 2 | | |
| Wesselsbron | 111 | | |
| Wepener | — | | |
| Winburg | 251 | | |
| Zastron | 318 | | |

Western Cape Development Board

| | (a) | (i) 314 | (b) (ii) Nil |
|-------------|-------|---------|--------------|
| Khayelitsha | 4 616 | | |
| Langa | 2 759 | | |
| Nyanga | 3 558 | | |
| Gugulethu | 7 479 | | |
| Mbekweni | 785 | | |
| Kaya Mandi | 89 | | |
| Nduli | 93 | | |
| Zolani | 240 | | |
| Nkqubela | 89 | | |
| Zwelele | 110 | | |
| Mfuleni | 174 | | |
| Lwandle | — | | |

1943

FRIDAY, 23 MAY 1986

1944

Eastern Transvaal Development Board

| | | |
|---------------|------|-------|
| (1) (a) | (i) | 293 |
| | (ii) | 1 001 |
| (b) | | |
| Amersfoort | | 28 |
| Barberton | | 872 |
| Breyten | | 797 |
| Carolina | | 176 |
| Davel | | 11 |
| Piet Retief | | 779 |
| Sabie | | 339 |
| Wakkerstroom | | 187 |
| Watervalboven | | 503 |

Northern Transvaal Development Board

| | | |
|--------------|------|-----|
| (1) (a) | (i) | Nil |
| | (ii) | Nil |
| (b) | | |
| Nylstroom | | 463 |
| Naboomspruit | | 51 |
| Messina | | 640 |

East Cape Development Board

| | | |
|---------------|------|--------|
| (1) (a) | (i) | 2 187 |
| | (ii) | 10 649 |
| (b) | | |
| Aberdeen | | 154 |
| Adelaide | | 406 |
| Alexandria | | 295 |
| Alicedale | | 309 |
| Aliwal North | | 320 |
| Barkly East | | 277 |
| Bedford | | 216 |
| Beaufort West | | 133 |
| Burgersdorp | | 258 |
| Carhart | | 158 |
| Colesberg | | 223 |
| Cookhouse | | 333 |
| Despatch | | 277 |
| Dordrecht | | 156 |
| Elliot | | 288 |
| Fort Beaufort | | 138 |
| George | | 15 |
| Graaff Reinet | | 194 |
| Hanover | | 279 |
| Hofmeyr | | 128 |

Western Transvaal Development Board

| | | |
|------------------|------|-------|
| (1) (a) | (i) | 205 |
| | (ii) | 4 059 |
| (b) | | |
| Biesiesvlei | | 24 |
| Bloemhof | | 384 |
| Carletonville | | 525 |
| Christiana | | 374 |
| Coligny | | 201 |
| Fochville | | 41 |
| Koster | | 78 |
| Leendoringstad | | 233 |
| Lichtenburg | | 569 |
| Makwassie | | 139 |
| Orkney | | 378 |
| Ottosdal | | 20 |
| Silfontein | | 616 |
| Swarttuggens | | 150 |
| Witpoort | | 2 |
| Wolmaransstad | | 47 |
| Zeerust | | 393 |
| Schweizer-Reneke | | 2 |

HOA

1945

FRIDAY, 23 MAY 1986

1946

Central Transvaal Development Board

| | | |
|------------|------|-------|
| (1) (a) | (i) | 1 344 |
| | (ii) | 9 629 |
| (b) | | |
| Brits | | 91 |
| Thabazimbi | | 69 |

East Rand Development Board

| | | |
|----------|------|-------|
| (1) (a) | (i) | 688 |
| | (ii) | 1 628 |
| (b) | | |
| Tsakane | | 6 388 |
| Duduzza | | 3 121 |
| Ratanda | | 736 |
| Devon | | 179 |
| Botteng | | 766 |
| Zihobeni | | 313 |
| Elangala | | 1 331 |
| Reilwe | | 249 |

Highveld Development Board

| | | |
|--------------|------|-------|
| (1) (a) | (i) | 1 018 |
| | (ii) | 77 |
| (b) | | |
| Balfour | | 521 |
| Bethal | | 224 |
| Dullstroom | | 128 |
| Langverwacht | | 1 218 |
| Greylingstad | | — |
| Leandra | | 270 |
| Lydenburg | | 239 |
| Hendrina | | 283 |
| Machadodorp | | 42 |
| Ogies | | 375 |
| Perdekop | | — |
| Standerton | | 1 348 |
| Volkstrust | | 971 |

West Rand Development Board

| | | |
|------------|------|--------|
| (1) (a) | (i) | 33 837 |
| | (ii) | 15 024 |
| (b) | | |
| Bekkersdal | | 1 137 |

HOA

996. Mr P G SOA, *Minister of Constitutional Development and Planning*.

Allandale 10-IR

(1) Whether, with reference to his reply to Question No 3, standing over, on 15 April 1986, any Coloured persons or families are to be resettled in the Allandale 10-IR area in Midrand; if not, who will be eligible to settle in this area; if so, (a) why, (b)(i) from what towns or areas and (ii) when will these persons be moved and (c) how many persons will be resettled there;

(2) whether any housing has been provided for these persons; if not, (a) why not, (b) what specified shelter has been provided and (c)(i) by whom and (ii) when will such housing be provided; if so, (aa) how many housing units and (bb) what is the nature of this housing;

(3) whether any services have been provided for these persons; if not, (a)(i) by whom and (ii) when will services be provided and (b) what specified services will be provided; if so, (aa) what specified services and (bb) when were they provided;

(4) whether he or his Department has received any representations regarding the resettlement of these persons; if so, (a) what are the names of the persons or organisations from whom representations were received, (b) when were they received and (c) what was the (i) nature of the representations in each case and (ii) response there-to;

(5) whether any alternative resettlement sites were (a) proposed and (b) considered prior to a decision being taken regarding the Midrand site; if

(5) If service charges are referred to, yes—R15 344,08 as at 30 April 1986.

(6) No.

(a) and (b) Fall away.

(7) No, but temporary interruptions were experienced as a result of unrest.

(a), (b) and (c) Fall away.

(8) Falls away.

(9) No. A new town is being developed at Sandkraal where all services are provided.

(a) and (b) Fall away.

Freehold property rights
123
954. Mr P G SOAL asked the Minister of Constitutional Development and Planning:

(1) Whether, with reference to the reply of the Minister of Co-operation, Development and Education to Question No 998 on 19 June 1985, any progress has been made in the granting of freehold property rights to Black persons living in the (a) urban and (b) rural areas of the Republic; if not, why not; if so, (i) when and (ii) with what result in each case;

(2) whether Black persons residing in certain areas are to be excluded from gaining these rights; if so, (a) why and (b) in which areas;

(3) whether he or any member of the South African Government has received any further representations regarding freehold rights for Blacks from any Black leaders since 19 June 1985; if so, (a) what are the names of these Black leaders; (b) which Black communities do they represent; (c)(i) when and (ii) by whom were these representations received and (d) what was the (i) nature of the representations and (ii) response thereto;

(4) whether any Black persons have been

granted freehold rights since 19 June 1985; if not, why not; if so, (a) how many as at the latest specified date for which figures are available and (b) where in each case;

(5) whether he will make a statement on the matter?

THE MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

(1) (a) and (b) If urban Black towns are being referred to, yes. A bill which *inter alia* deals with property ownership has been prepared and submitted for debate during the present session of Parliament. The Cabinet has also approved the retention of individual title to property held in Evation and Fingo Village by Blacks and that such rights may be alienated to other Blacks.

(2) (a) and (b) No. It is the intention that any Black person who is a South African citizen or a lawful immigrant may obtain ownership over property in Black townships where the 99-year leasehold scheme is applicable.

(3) (a), (b), (c) and (d) I am not aware of written representations which specifically dealt with individual ownership over property. Verbal representations were and are continually being received from leaders during discussions with them. The discussions were often informal and no record has been kept of the names of such leaders. The representations normally evolve around uniformity or not of ownership rights. It is then explained that it will not differ from the ownership rights applicable to other race groups.

(4) To my knowledge, no. The obtaining of individual ownership over property is not recorded by the Department of Constitutional Development and Planning.

(5) No. (a) and (b) Fall away.

Central Transvaal Development Board

957. Mr P G SOAL asked the Minister of Constitutional Development and Planning:

(1) What total number of houses (a) were there in each township falling under the Central Transvaal Development Board as at 31 December 1985 and (b) are to be built in each such township in 1986;

(2) what total number of (a) crèches and (b)(i) primary and (ii) secondary schools were there in each such township as at that date?

THE MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

(1)(a) (1)(b) (2)(a)
Brits 945 None 2
Thabazimbi 69 None 1

(2) (b) (i) and (ii) The provision of school facilities is a function dealt with by the Department of Education and Training.

Eastern Transvaal Development Board

958. Mr P G SOAL asked the Minister of Constitutional Development and Planning:

(1) What total number of houses (a) were there in each township falling under the Eastern Transvaal Development Board as at 31 December 1985 and (b) are to be built in each such township in 1986;

(2) What total number of (a) crèches and (b)(i) primary and (ii) secondary schools were there in each such township as at that date?

THE MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

(1)(a) (2)(a)
Amersfoort 227 1
Amsterdam 254 Nil
Barberton 1 226 2
Breyten 866 Nil

(1)(a) (2)(a)

Carolina 611 Nil
Chrissiesmeer 44 Nil
Davel 198 Nil
Lothair 348 Nil
Morgenon 153 1
Piet Retief 1 221 1
Sabie 491 1
Wakerstroum 214 1
Waterval Boven 659 Nil

(1) (b) It is government policy to provide serviced sites in order to enable Blacks to erect their own houses either with own capital or with loans which are made available for the purchase of building material. Houses are erected only in exceptional cases for those applicants in the lowest income group, for instance pensioners, who are not able to help themselves. The number of houses to be erected for this group will depend on the availability of funds.

(2) (b) (i) and (ii) The provision of school facilities is a function dealt with by the Department of Education and Training.

Western Transvaal Development Board

959. Mr P G SOAL asked the Minister of Constitutional Development and Planning:

(1) What total number of houses (a) were there in each township falling under the Western Transvaal Development Board as at 31 December 1985 and (b) are to be built in each such township in 1986.

(2) what total number of (a) crèches and (b) (i) primary and (ii) secondary schools were there in each township as at that date?

THE MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

(1)(a) (2)(a)
Biesiesvlei 24 Nil
Bloemhof 612 Nil

1883

THURSDAY, 22 MAY 1986

1884

| | (i) White maize R/ton | (ii) Yellow maize R/ton |
|-----------------------------|--------------------------|----------------------------|
| (b) Producer's price | 240,35 | 225,27 |
| Board's selling price | 280,89 | 266,27 |
| (c) Producer's price | 21,75 | 10,62 |
| Board's selling price | 34,29 | 23,62 |

(2) Yes, as far as the producer price is concerned. No, as far as the Board's selling price is concerned.

(b) R5 per ton per month on both white and yellow maize as from 1 June 1986.

(a) The available subsidy of R129 million is insufficient to provide fully for the handling and storage costs of the Board on maize for local consumption.

(3) Monthly as from 1 June 1986.

(4) (a) Increases of R5 per ton per month.

| | White R/ton | Yellow R/ton |
|------------------------|----------------|-----------------|
| 1 June 1986 | 285,89 | 271,27 |
| 1 July 1986 | 290,89 | 276,27 |
| 1 August 1986 | 295,89 | 281,27 |
| 1 September 1986 | 300,89 | 286,27 |
| 1 October 1986 | 305,89 | 291,27 |
| 1 November 1986 | 310,89 | 296,27 |
| 1 December 1986 | 315,89 | 301,27 |
| 1 January 1987 | 320,89 | 306,27 |
| 1 February 1987 | 325,89 | 311,27 |
| 1 March 1987 | 330,89 | 316,27 |
| 1 April 1987 | 335,89 | 321,27 |

| | White maize R/ton | Yellow maize R/ton |
|---------|----------------------|-----------------------|
| (5) (a) | 335,89 | 321,27 |
| (b) | 36,2% | 32,4% |

The average monthly selling price for 1986-87 is 25,1% higher in the case of white maize and 21,1% higher in the case of yellow maize. The effective increase could even be lower if more maize is bought early in the season.

(6) No, a news release has already been issued on 22 April 1986.

HOA

Own Affairs:
Welfare organisations
86. Mr R M BURROWS asked the Minister of Health Services and Welfare:
Whether there has been any delay in the payment of increased administration subsidies to private welfare organisations employing social workers; if so, (a) what

1885

FRIDAY, 23 MAY 1986

1886

was the cause of the delay, (b) what was the delay in paying the 1985-86 increased subsidies and (c)(i) what is the current delay in paying these subsidies and (ii) in respect of what date is this information furnished?

(a) On 26 February 1986 in the case of social workers in the service of the Department and on 22 April 1986 in the case of social workers in the service of private welfare organisations.

The MINISTER OF HEALTH SERVICES AND WELFARE:

(b) A ten per cent increase in salaries and reinstatement of service bonuses.

(a) The delay was caused by the failure of welfare organisations to submit their estimates of expenditure timeously which is necessary for the calculation of increased subsidies, the submission of erroneous or insufficient information by organisations and continuous requests by organisations to amend their estimates.

(b) Not yet. The increase for each individual case is still being calculated.

(i) 1 April 1986.

(ii) 378 Social workers in the service of the Department received increases and 899 in the service of welfare organisations will receive increases with retrospective effect.

(b) Between 9 and 12 months depending on the dates on which complete information was furnished.

(c) (i) Currently there is no delay in payment of subsidies for 1986-87.

(ii) A current date.

Social workers

FRIDAY, 23 MAY 1986

87. Mr R M BURROWS asked the Minister of Health Services and Welfare:

(1) Whether increases in the remuneration of social workers were announced recently; if so, (a) when and (b) what is the nature of these increases;

(2) whether these increases (a) have been paid to all social workers employed in his Department and (b) have been paid over to private welfare organisations for the payment of social workers in their employ; if not, why not in each case; if so, (i) with effect from what date were these increases paid and (ii) what total number of social workers received increases in each case?

General Affairs:
HANS VON HOPPE
598. Mr P G SOAT asked the Minister of Constitutional Development and Planning:
Whether his Department spent any money in the 1985-86 financial year on the construction of housing for Blacks in (a) Cape Town, (b) Durban, (c) Pietermaritzburg, (d) Pretoria, (e) Port Elizabeth, (f) Kimberley, (g) East London, (h) Bloemfontein and (i) Johannesburg; if not, why not; if so, what amount in each case?

The MINISTER OF HEALTH SERVICES AND WELFARE:

(1) Yes.

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

(a) Yes—R221 086.

HOA

- (b) No—No sites for new houses are available in Lamontville and Chester-ville. Blacks who are employed in Durban are mainly from townships in kwaZulu namely Umlazi, Kwa-Mashu, Ntuzuma and Inanda.
- (c) No—The urban Black township, Sobantu is surrounded by other land usages and cannot be extended further. Development is however taking place at Imbali which is a South African Development Trust town.
- (d) No—The problems associated with the rounding off of both Ateridgeville and Mamelodi are being considered and housing is at present mainly provided in Soshanguve which is a South African Development Trust town.
- (e) No—But there are three areas being developed in Port Elizabeth namely Kwamagxaki (1 900 sites), Kwadwesi (2 800 sites), and Motherwell (17 000 sites). The infrastructure in Kwamagxaki is completed and houses are being erected by private developers and interested parties. Kwadwesi consists of three phases. Phase one (infrastructure and housing) is being developed by private developers. Erection of houses has commenced. Phases two and three (infrastructure) which is being developed by private developers are in various stages of completion. Motherwell consists of nine neighbourhood units in respect of which the provision of infrastructure is in various stages of completion. Houses will be provided by way of material loans and by private developers.
- (f) No—An amount of R1 302 783 has however been spent on the provision of services to approximately 1 600 sites which will be utilised for self-build purposes in Galeshewe.
- (g) No—In terms of earlier policy it was at one time decided to deproclaim the Black residential area and to resettle the Blacks in Mdantsane (Cis-

kei). The decision was revised and planning of the upgrading and extension (2 400 sites) of the Duncan Village township is under way. Development will be done in three phases. The first phase of redevelopment has already been commenced with.

Housing will be provided by private developers and by way of material loans.

(h) No—The Town Council of Mangaung is at present considering the upgrading of Mangaung. Housing is at present mainly provided in Botshabelo which is a South African Development Trust town.

(i) Yes—R13 692 785 in Greater Soweto.

HANSARD
Ekangala
683. Mr P G SOAL asked the Minister of Constitutional Development and Planning:

(1) With reference to the reply of the Minister of Co-operation, Development and Education to Question No 1040 on 19 June 1985, (a) who are the owners of the land on which Ekangala Township is situated and (b) when did they acquire ownership of this land;

(2) whether the ownership of this land is to be transferred to any other person or body; if so, (a) to whom, (b) when and (c) why; if not,

(3) whether he or any member of his Department has (a) received discussions from or (b) held any discussions with any persons or bodies in regard to this land; if so, (i) from whom were such representations received or with whom were such discussions held, (ii) when, (iii) what was the (aa) nature of the discussions or representations and (bb) response thereto;

(4) whether he will make a statement on the matter?

THE MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

- (1) (a) The Department of Public Works and Land Matters.
- (b) In phases during 1980 and 1981.
- (2) Yes.
- (a), (b) and (c) Consultation in regard to the constitutional future of Ekangala is presently taking place with all instances concerned.

(3) (a), (b)(i), (ii), (iii)(aa) and (bb) Fall away.

(4) An announcement will be made in due course after further consideration and consultation.

HANSARD
Housing
764. Mr P G SOAL asked the Minister of Constitutional Development and Planning:

(1) (a) How many housing schemes were being developed in the Transvaal in Black townships other than Soweto by (i) each specified Development Board and (ii) the private sector as at the latest specified date for which in-

formation is available and (b)(i) when (aa) was each of these schemes initiated and (bb) is it envisaged that each of them will be completed and (ii) how many housing units are involved in each case;

(2) whether any housing schemes for lower-income groups are under construction in black townships in the Transvaal; if so, (a)(i) how many and (ii) how many units are involved in each case and (b) in respect of what date is this information furnished?

THE MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

- (1)(a)(i) East Rand Development Board 2
 - West Rand Development Board .. 5
 - Eastern Transvaal Development Board .. 2
 - Orange Vaal Development Board .. 4
 - Western Transvaal Development Board .. 21
 - Highveld Development Board .. 1
 - Town Council of Katlehong .. 2
 - Town Council of kwaThema .. 1
 - Town Council of Vosloorus .. 1
 - Village Council of Jouberton .. 1
- (ii) 44.

As at 31 March 1986.

| Development Boards | (b)(i)(aa) | (bb) | (ii) |
|-------------------------|------------|-----------|-------------------------------|
| East Rand | 3 (1983) | Not known | 700 (Site-and-service) |
| West Rand | 7 (1985) | 7 (1986) | 272 |
| | 12 (1985) | 8 (1986) | 140 |
| | 3 (1985) | 12 (1986) | 300 |
| | 3 (1986) | 2 (1987) | 176 |
| | 3 (1985) | 12 (1986) | 300 |
| | 4 (1986) | 3 (1988) | 1 152 (Flats) |
| Eastern Transvaal | 1 (1986) | (1986) | 192 |
| | 1 (1986) | (1986) | 24 |
| | 1 (1983) | 6 (1986) | 2 350 |
| | 1 (1983) | 6 (1986) | 2 045 |
| | 1 (1983) | 6 (1986) | 700 |
| | 1 (1983) | (1990) | 5 000 (Provision of services) |
| Western Transvaal | 1 (1985) | Not known | 18 |
| | 1 (1985) | Not known | 8 |
| | 3 (1985) | Not known | 43 |
| | 1 (1985) | Not known | 8 |
| | 1 (1985) | Not known | 45 |

Nobody unhappy to see rent control go

By Jackie Unwin

SM 26/5/88 123
The phasing out of rent control, announced in Parliament recently, has been greeted with relief not only by property owners, but also by people concerned with the housing needs of the poor and aged.

Mrs Molly Kopel, Johannesburg PFP city councillor, said: "Rent control gave short-term relief to the needy, but in the long term, it proved disastrous because no more flats were built in the city and there has been a shortage of medium and lower priced accommodation."

Mr Peter Erasmus, executive director of the Property Owners' Association (SAPOA), said: "Rent control is an additional tax on property owners and has stunted development."

"We believe the best protection the lessee can have is a large selection of flats where landlords are vying for tenants and there is robust competition."

Mr Alf Widman, MP for the PFP in Hillbrow, is pushing for the income limits for protected tenants to be raised substantially before phasing out of rent control takes place.

Ex-councillor tells treason trial of hostility to higher rents

Staff Reporter

123 29/5/84

A former Vaal community councillor began giving evidence in camera yesterday at the Delmas treason trial.

The man, who may not be identified, said he was a community councillor until he resigned in 1984.

He is a State witness in the hearing of 22 men, including prominent members of the United Democratic Front, Azapo and the Vaal Civic Association. All have pleaded not

guilty to treason. The witness said that in the township where he served as a councillor, it was decided in 1984 to increase the tariffs by R10.

Meetings were held to inform the community that the new tariffs were to be implemented on July 1 1984.

Around that time, however, pamphlets were distributed in the township, calling on people not to pay their rent until it had been reduced.

During the same

period, a meeting was held in the community hall, because various organisations had asked to meet with the community council.

Representatives of these organisations, which included civic and student bodies, told the community council that unless the rent was reduced, the people would refuse to pay it, the former councillor said.

The council had tried to explain why the increases were necessary,

but they were told that the people in the township were workers and they could not afford the rentals.

During yesterday's hearing, a video of the funeral of Bongani Khumalo, secretary of the Soweto branch of Cosas, was screened in court. The funeral was held in the Regina Mundi church in Soweto on September 29 1984.

The video was confiscated from a German television crew. Police

Sergeant F B Mong told the court the Germans were filming the funeral for the purpose of "propaganda" abroad.

During cross-examination, defence counsel Mr George Bizos SC, asked if it could not perhaps be that the Germans wanted to show Germany a bit of the truth about South Africa.

"Is that not propaganda?" Sergeant Mong replied.

The hearing continues.

(sorry about this)

If the Rent control policy is successful it will result in a housing shortage, black market operations & people in dilapidated houses refusing to move.

AR645 29/5/86 (123)

SA Perm is promoting 'home-ownership for all'

Property Editor

AVERAGE home loans issued by the SA Permanent Building Society fell to R40 000 in the year to March 31 from R42 000 a year ago.

This contrasts with the rest of the industry, where the average increased to R47 000 from R45 000 and indicates the Perm is lending more to buyers of lower-priced homes.

"The figures prove we have promoted home ownership for all by making loans available to the full spectrum of home owners irrespective of race," said Mr Frikkie Oosthuizen, Cape regional manager, today.

Loans of more than R106 million were granted to blacks and R110 million to other non-white groups.

Demand for home loans continued at a satisfactorily high level, says the Perm, and funds are still available.

But margins are likely to be squeezed due to "artificial pressures imposed on the economy by the au-

thorities in an effort to restimulate and force rates down.

"With inflation continuing at a high level, the possibility of cutting management expense is remote and further arbitrary cuts in investment rates can only be viewed with disfavour by investors who are having to accept negative rates in real terms."

Profit for the year fell to R31,5 million from R37 million, which was considered a "satisfactory performance."

Asset growth was contained with growth in reserves exceeding that in assets (22 percent compared with 14 percent).

Growth in reserves last year was 35 percent as opposed to 10 percent in assets. The ratio of reserves to liabilities to the public is now 3,3 percent, up from 3,1 percent, which shows a steady move towards the 4 percent required in terms of the projected new legislation, says the Perm.

Behind barbed wire

As resistance grows to the construction of seven houses for coloured Cabinet ministers in Walmer Estate, Cape Town, government disclosed this week that the cost of the residences is estimated at R365 714 each.

The houses are being built on a hillside below De Waal Drive in a coloured group area about 3 km from the city centre.

Local residents have, however, strongly protested against having what they describe as "sell-outs" in their midst.

Earlier this year, an earthmover excavating at the site was sabotaged after sand was put in its fuel tank. Work is now going ahead behind a double roll of razor-sharp barbed wire.

Walmer Estate falls within the Tafelberg constituency, where the lowest percentage poll in the country was recorded in the 1984 coloured election.

Residents are not only politically opposed to the coloured ministers living in their suburb, but also fear the houses could become terror targets and so threaten the safety of the neighbourhood.

The Minister of Communications and Public Works, Lapa Munnik, told the Progressive Federal Party's Roger Burrows this week the estimated cost of the seven houses, including services and security, was R2 560 000.

At the moment, the coloured ministers are living in a block of heavily guarded State-owned flats in Rondebosch. ■

discussions appear headed towards statutory changes to either the Group Areas Act or the Land Act — or both.

The debate surfaced in parliament recently when the Nationalist MP for Innesdal, Albert Nothnagel, urged government to consider radical land "redistribution." Speaking in the Constitutional Development and Planning budget vote debate, Nothnagel said government's reform initiative made the re-consideration of the question of land necessary.

"I want to make a plea today for a dramatic redistribution of land in SA," he said. Nothnagel said his plea had to be seen in the light of government decisions to de-segregate some trade areas and industrial areas; allow blacks to own land in townships; scrap influx control and allow orderly squatting; stop removals; move towards a system of allowing people to live closer to their jobs rather than be burdened with transport subsidies; promote the informal business sector; upgrade neglected areas; and establish fully fledged black local authorities linked to the new regional services councils.

"Each of these decisions calls for a dramatic new dispensation with regard to land occupation and utilisation by the different groups in SA," he said.

Government's commitment to group interests meant each group had to have enough land to satisfy its needs. Each town and city had a black or coloured residential area which was the "poor appendage" of a "wealthy and prosperous white community . . . From every angle this is completely unacceptable," Nothnagel said.

It was "vitaly important" for political harmony, economic development, and social stability that government not only look at land redistribution, but actually put into motion the administrative machinery to implement a new deal as quickly as possible.

A number of other NP speakers made similar pleas, but were less direct than Nothnagel. In replying to the debate, Deputy Minister of Land Affairs Ben Wilkens said he would not comment on Nothnagel's plea without first hearing specific proposals. It is understood the debate is now expected to become a key issue in the NP caucus.

The Land Act, in particular, is not only one of the cornerstones of apartheid, but is also a highly emotional issue within both the NP and black nationalist organisations, who believe they have been robbed of the land. Significantly, Nothnagel repeatedly referred to "redistribution" of land — the same demand made by black nationalists.

The original Land Act of 1913 allocated only 8% of the country to blacks. It was increased to 13% in 1936. The Asiatic Land Tenure Act of 1946 and the 1950 Group Areas Act further restricted black land rights.

Coincidentally, a report was published in Cape Town some weeks ago of a committee appointed by the Indian Minister of Local Government, Housing and Agriculture, Baldeo Dookie, to look into the availability of

agricultural land for Indians. The committee found that in the past 35 years at least 20 000 ha of farm land had been lost by South African Indians because of apartheid laws. It recommended the repeal of the Group Areas Act or, alternatively, that farm land be exempted from the terms of the Act.

Some analysts believe the desegregation of farm land may rejuvenate sections of the country's depressed agricultural sector, provide jobs in the rural areas and help to alleviate poverty by allowing thousands of blacks to return to subsistence farming.

The Group Areas Act and the Land Act are, with little doubt, the two measures most under pressure for radical change. The Group Areas Act and related laws are being studied by the President's Council and its report is expected before the end of the year.



Nothnagel

FIN MAIL (123) 306
THE LAND ACT 30/5/76
Going beyond 1936

A debate has started in the National Party (NP) caucus which could lead to radical changes to racially determined land distribution in SA. Although still embryonic, the

1100 000 (March) steps, com...
K11-ARpus 3/15/86 123
Societies add thousands to home loan payments'

By TOM HOOD,
Property Editor

HOME BUYERS are paying thousands of rands extra on the cost of their home loans because of the way building society computers charge interest, claims a leading estate agent.

Societies' computers were programmed to search for the balance outstanding at the end of the previous month and interest was calculated on that amount and not on the balance of the loan after payment of the monthly instalment.

And the practice is costing taxpayers millions of rands extra each year because the State subsidised most building society loans, says Mr Jack Carstens, convener of the northern areas sub-branch of the Cape Town and western region of the Institute of Estate Agents.

This meant that the monthly repayment was subtracted only at the end of the month in which the home-buyer made the payment.

Building societies are overcharging bondholders on the interest charged on loans, he said at the branch's annual meeting in Bellville.

"This not only adds thousands of rands to the cost of your bond over 20 years but, because the State subsidises most building society loans, this accounting practice is costing the State millions of rands extra each year in subsidies.

This was because bond repayments were not credited to their loan accounts in the month the payments are made, he said.

"The public loses twice. They pay extra interest on their bonds and they pay more taxes to fund the Government subsidy scheme.

"I wish to appeal to the authorities and the building societies alike to investigate and rectify this matter."

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p.
S

(3) whether he will make a statement on the matter?

THE MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

(1) (a) The members of the so-called Executive Committee were elected by the Chief Committee on 7 July 1985.

(b) 14.

(c) Unknown.

(2) No.

(a) and (b) Fall away.

(3) No.

4/6/86
Ekangala
HANSBARD
935. Mr P G SOAL asked the Minister of Constitutional Development and Planning:

(1) With reference to his reply to Question No 28 on 25 March 1986, (a) what are the (i) names and (ii) occupations of the members of the Ekangala Co-ordinating Committee and (b) to which tribal or ethnic group does each such member belong;

(2) whether the members of this committee were appointed; if so, (a) why, (b) by whom and (c) in terms of what statutory provision; if not, when were the last elections held for the members of this committee;

(3) whether any members of this committee are employed by the KwaNdebele Government; if so, in what capacity in each case;

(4) whether any members of this committee are (a) employed by or (b) members of the East Rand Development Board; if so, in what capacity in each case;

(5) whether the residents of Ekangala were consulted in regard to the setting up of this committee; if not, why

not; if so, (a) when, (b)(i) in what manner and (ii) by whom were they consulted and (c) what was their response?

THE MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

(1) (a)(i), (ii) and (b) The names of the Ekangala Co-ordinating Committee and their occupations are as follows and they belong to the ethnical group as indicated:

Department of Constitutional Development and Planning

Mr P Rademan (White): Chairman
Mr M J Shyman (White)
Mr I P du Plessis (White)
Miss V Simao (White)

East Rand Development Board

Mr F E Marx (White)
Mr J H Opperman (White)
Mr P J V du Toit (White)
Mr J G Adendorff (White)
Mr G H P Muller (White)
Mr J A N Breyenbach (White)
Mr C Cooper-Chadwick (White)
Mr C M Zaaerman (White)
Mr D J van Rensburg (White)
Mr P J du Plessis (White)
Mr L H Smit (White)
Mr D F Theron (White)
Mr H J Naude (White)

City Council of Bronkhorstspuit

Dr H B Senekal (White)
Mr I S Rudman (White)
Mr J L Swanepoel (White)
Mr J K van der Walt (White)
Mr A C van der Linden (White)
Mr G C Godtrich (White)

Ekangala Executive Committee

Mr D Malatsi (Ndebele)
Regional Director of Constitutional Development and Planning: Johannesburg
Mr J Korff (White)

KwaNdebele Development Corporation
Mr F P W Kotzenberg (White)
Mr N J Zaaerman (White)

Department of Development Aid

Mr J L Serfontein (White)
Mr P F Kotzen (White)

Development Bank of Southern Africa

Mr E F Retief (White)
Mr W T Edwards (White)

KwaNdebele Government

Mr J P du Preez (White)
Minister F K Mhalangu (Ndebele)

Other instances are occasionally co-opted.

(2) Yes.

(a) In order to co-ordinate the total development of the deconcentration point, Bronkhorstspuit/Ekangala, in respect of projects in Bronkhorstspuit, Ekangala, KwaNdebele and all other pertinent regional projects.

(b) The Committee was established by the Department of Constitutional Development and Planning, but members are nominated by the relevant instances themselves.

(c) It is a non-statutory body and no elections are held. It is merely a forum for the co-ordination of development projects.

(3) Yes—The Minister of Cultural Affairs.

(4) (a) and (b) Yes—The Chief Director, Area Manager and several other officials employed by the Development Board.

(5) No—The Committee was already established in 1980 at the inception of the projects, when there were no inhabitants and thereafter from time to

time representation was increased according to the need. Residents are represented by the Executive Committee. (a), (b)(i) and (ii), and (c) Fall away.

Hostels
123
956. Mr P G SOAL asked the Minister of Constitutional Development and Planning:

(1) With reference to the reply of the Minister of Co-operation, Development and Education to Question No 867 on 19 June 1985, (a) how many (i) hostels for (aa) males and (bb) females were there in each township falling under each Development Board, and (ii) persons were accommodated in each hostel, as at the latest specified date for which figures are available and (b) how many persons were each of these hostels designed to accommodate;

(2) whether any single-sex hostels have been converted to family housing units since 1 May 1985; if not, why not; if so, (a) how many, and (b) at what cost in respect of each township falling under the control of each Development Board, as at the latest specified date for which figures are available;

(3) whether any further single-sex hostels are to be built; if so, (a) why, (b) for how many persons, (c) when, (d) at what cost, and (e) where, in each case;

(4) whether any further single-sex hostels are to be converted to family housing units; if not, why not; if so, (a) when, (b) where, (c) how many, and (d) at what cost, in each case;

(5) whether his Department is planning to provide improved types of bedsitter and single-room accommodation in the future; if so, (a) when, (b) where, and (c) at what cost; in each case?

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

| | (1)(a) (i)(aa) | (bb) | (ii) | (b) |
|--------------------------------------|-------------------|------|-------|-------|
| <i>Orange Vaal Development Board</i> | | | | |
| Bothaville | 1 | None | 112 | 112 |
| Bothaville (Private) | 1 | None | 9 | 36 |
| Bothaville (Private) | 1 | None | 20 | 43 |
| Frankfort (Private) | 1 | None | 40 | 50 |
| Harrismith | 1 | None | 180 | 312 |
| Harrismith (Private) | 1 | None | 25 | 80 |
| Harrismith (Private) | 1 | None | Nil | 25 |
| Heilbron | 1 | None | 12 | 112 |
| Koppies (Private) | 1 | None | 6 | 30 |
| Parys | 1 | None | 64 | 64 |
| Parys | 1 | None | Nil | 164 |
| Petrus Steyn (Private) | 1 | None | 22 | 22 |
| Reitz (Private) | 1 | None | 73 | 84 |
| Viljoenskroon | 1 | None | 526 | 592 |
| Viljoenskroon | 1 | None | Nil | 168 |
| Viljoenskroon | 1 | None | 18 | 20 |
| Viljoenskroon | 1 | None | 7 | 21 |
| Vrededorf (Private) | 1 | None | | |
| As at 30 April 1986. | | | | |
| <i>Highveld Development Board</i> | | | | |
| Balfour | 1 | None | 175 | 280 |
| Belfast | 1 | None | 207 | 484 |
| Bethal | 1 | None | 566 | 566 |
| Langverwacht | 27 | None | 6 488 | 6 488 |
| Lydenburg | 2 | None | 1 022 | 1 186 |
| Hendrina | 1 | None | 224 | 224 |
| Standerton | 2 | None | 1 068 | 1 084 |
| Ogies | 1 | None | 268 | 286 |
| Volksrust | 1 | None | 168 | 300 |
| Machadodorp | 1 | None | 59 | 62 |
| As at 24 April 1986. | | | | |

| | (1)(a) (i)(aa) | (bb) | (ii) | (b) |
|----------------------------------|-------------------|------|-------|-------|
| <i>Natalia Development Board</i> | | | | |
| Glebe | 1 | None | 9 280 | 9 280 |
| S J Smith | 1 | None | 4 264 | 4 264 |
| Dalton Road | 1 | None | 1 319 | 1 319 |
| Jacobs | 1 | None | 884 | 884 |
| Thokoza | None | 1 | 668 | 668 |
| Hambanathi | 1 | None | 593 | 593 |
| Shakaville | 1 | None | 140 | 140 |
| Shakaville | 1 | 1 | 29 | 29 |
| Klaarwater | 1 | None | 608 | 608 |
| Shayamoya | 1 | None | 136 | 136 |
| Nkanyenzi | 1 | None | 293 | 293 |
| Sibongile | 1 | None | 1 711 | 1 711 |
| Sibongile | 1 | 1 | 56 | 56 |
| Sithembile | 1 | None | 575 | 575 |
| HQA | | | | |

| | (1)(a) (i)(aa) | (bb) | (ii) | (b) |
|---|-------------------|------|-------|-------|
| <i>Northern Transvaal Development Board</i> | | | | |
| Ellisras | 1 | None | 500 | 588 |
| Vaalwater | 1 | None | 130 | 130 |
| Nylstroom | 1 | None | 588 | 919 |
| Naboomspruit | 1 | None | 487 | 487 |
| Messina | 1 | None | 418 | 418 |
| Louis Trichardt | 1 | None | 398 | 398 |
| Duiwelskloof | 1 | None | 200 | 296 |
| Tzaneen | 1 | None | 832 | 980 |
| Gravelotte | 1 | None | 25 | 76 |
| As at 5 May 1986. | | | | |
| <i>Central Transvaal Development Board</i> | | | | |
| Thabazimbi | 1 | None | 180 | 394 |
| As at 31 March 1986. | | | | |
| <i>Eastern Transvaal Development Board</i> | | | | |
| Barberton (32 Private) | 35 | None | 1 153 | 1 386 |
| Carolina (2 Private) | 3 | None | 407 | 434 |
| Graskop | 1 | 1 | 220 | 320 |
| Graskop (Private) | | 1 | 46 | 60 |
| Piet Retief (12 Private) | | None | 1 158 | 1 158 |
| Sabie | 1 | None | 474 | 474 |
| Waterval Boven | 1 | None | 46 | 102 |
| Komatipoort | 1 | None | 40 | 80 |
| Lothair (2 Private) | 2 | None | 84 | 84 |
| Breyten (4 Private) | 4 | None | 22 | 22 |
| As at 24 April 1986. | | | | |
| <i>West Rand Development Board</i> | | | | |
| Bekkersdal | 1 | None | 896 | 896 |
| As at 31 March 1986. | | | | |
| HQA | | | | |

East Rand Development Board

| | (1)(a) (i)(aa) | (bb) | (ii) | (b) |
|----------------|-------------------|------|-------|-------|
| Duduza..... | 2 | None | 1 021 | 1 635 |
| Ratanda..... | 3 | None | 692 | 1 296 |
| Devon..... | 1 | None | 75 | 80 |
| Boteng..... | 1 | None | 488 | 544 |
| Zithobeni..... | 2 | None | 823 | 882 |
| Refilwe..... | 1 | None | 500 | 526 |

As at 31 March 1986.

East Cape Development Board

| | | | | |
|------------------|---|------|-----|-----|
| Humansdorp..... | 1 | None | 46 | 50 |
| East London..... | 1 | None | 752 | 752 |

As at 30 April 1986.

Western Transvaal Development Board

| | | | | |
|--------------------|---|------|-----|-------|
| Carletonville..... | 1 | None | 768 | 768 |
| Fochville..... | 1 | None | 356 | 356 |
| Lichtenburg..... | 1 | None | 552 | 552 |
| Orkney..... | 1 | None | 380 | 624 |
| Ottosdal..... | 1 | None | 35 | 64 |
| Stilfontein..... | 1 | None | 677 | 1 200 |
| Ventersdorp..... | 1 | None | 70 | 145 |
| Christiana..... | 1 | None | 64 | 144 |
| Delareyville..... | 1 | 1 | 160 | 160 |
| Delareyville..... | 1 | 1 | 36 | 48 |

As at 30 April 1986.

Northern Cape Development Board

| | | | | |
|-----------------|---|------|-----|-----|
| Boipelo..... | 1 | None | 114 | 160 |
| Huhudi..... | 2 | None | 790 | 816 |
| Boichoko..... | 1 | None | 22 | 74 |
| Thakalatou..... | 1 | None | 76 | 96 |

As at 31 March 1986.

Western Cape Development Board

| | | | | |
|-------------------|---|------|-------|-------|
| Ashton..... | 1 | None | 40 | 40 |
| Robertson..... | 1 | None | 221 | 221 |
| Ceres..... | 1 | None | 500 | 500 |
| Hermannus..... | 1 | None | 426 | 426 |
| Paarl..... | 1 | None | 3 652 | 3 652 |
| Stellenbosch..... | 1 | None | 2 371 | 2 371 |
| Strand..... | 1 | None | 2 176 | 2 176 |
| Stellenbosch..... | 1 | None | 2 176 | 2 176 |
| Stellenbosch..... | 1 | None | 2 560 | 2 560 |
| Stellenbosch..... | 1 | None | 700 | 700 |
| Worcester..... | 1 | None | 700 | 700 |
| Langa..... | 1 | None | 7 756 | 7 756 |
| Nyanja..... | 1 | None | 3 904 | 3 904 |
| Guguletu..... | 1 | None | 9 221 | 9 221 |
| Khayelisha..... | 1 | None | 250 | 250 |

As at 31 March 1986.

HoA

Southern OFS Development Board

- (1) (a) (i)(aa) and (bb) None.
(ii) and (1)(b) Fall away.
- (2) No. In most cases the existing hostels are occupied almost to capacity on a single basis.
- (a) and (b) Fall away.
- (3) Yes.
- (a) To provide accommodation for persons on a single basis where a demand exists.
- (b) 120 1988-89 R180 000 Zeernst
16 1988-89 R 80 000 Samieshof
- A demand for accommodation of persons on a single basis exists at Pietersburg and Hoedspruit. Negotiations are, however, in an early stage and particulars are therefore not available as yet.
- (4) No, except where circumstances should require it in future.
- (a), (b), (c) and (d) Fall away.
- (5) Yes.
- (a) 1986-87 Louis Trichardt R100 000
1986-87 Naboomspruit R205 048
1986-87 Nylstroom R65 144
- TRANSVAAL 4/6/86**
Dannaguk Township
Dannaguk Township
1063. Mr A SAVAGE asked the Minister of Constitutional Development and Planning:
- (1) How many plots of land are there in Dannaguk Township near Port Elizabeth?
- (2) whether any of these plots have been sold to (a) individuals, (b) institutions and (c) developers; if so, at what price in respect of each of these categories;
- (3) whether any plots had not been sold as at the latest specified date for which information is available; if so, how many;
- (4) whether such plots are available for purchase by individuals; if not, (a) why not and (b) for what purpose will they be used; if so, at what price?

THE MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

- (1) 1 904 sites.
- (2) (a), (b) and (c) Yes.
- The selling price of sites for all categories are as follows:
- Leasehold cost**
- = R1,00 per square metre for residential sites.
 - = R2,00 per square metre for service industrial sites.
 - = R10,00 per square metre for business sites.
 - = R1,00 per square metre for church sites.
- Survey cost** = R65,00 per site.
Annual Levy = R1,00 per site.
Administration fee = R6,00 per site.
- (3) No, all 1 904 sites available have been sold in terms of the 99 years leasehold scheme.
- (4) (a) and (b). Individuals and instances are free to sell sites registered in their names in terms of the 99-year leasehold scheme to competent individuals at prices to be negotiated by the parties concerned for purposes for which the sites are zoned.
1066. Mr R M BURROWS asked the Minister of Constitutional Development and Planning:
- (1) Whether Black social workers paid or subsidised by his Department are on
- Can also**
TRANSVAAL 4/6/86
Social workers

HoA

were not happy with the demands for a withdrawal because that would have left workers without post-retirement benefits. The important thing about the provident fund is that it has been negotiated, and shows what can be achieved by collective bargaining in solving problems of this nature." ■

FIN MAIL 6/6/86
HOUSING 123

Subsidy stretching

Government's extension of the 33,3% interest subsidy on housing loans to those in the self-governing homelands, and on SA Development Trust land, is designed to encourage young black couples countrywide to build or buy their own homes.

However, the subsidy, which was announced by Education and Development Aid Minister Gerrit Viljoen recently, is being granted only to first-time homeowners.

The scheme, to be administered by the Department of Development Aid which will budget for it annually, is regarded as a bridging measure. The subsidy is to be paid for the first five years of the loan period and the rate of interest is determined according to the applicant's income. The loan period is 20 years.

The decision to extend the subsidy was

made after building societies had expressed willingness to consider housing loan applications from individuals in the homelands and on trust land.

Previously, government did not subsidise housing loans in the homelands, which made building societies reluctant to lend to people living in those areas. With the regulations amended, government can issue guarantees to building societies which will enable them to grant loans for purchase or improvement of fixed property in the homelands.

"Conditions of the new subsidy scheme do not differ from those of similar schemes applicable to first-time buyers of other population groups, including blacks outside the national states and trust land," Viljoen said when announcing the subsidy. The subsidy will be payable on a maximum R40 000 loan granted by a recognised financial institution.

Prospective homeowners who have not previously owned a house or a flat, and who wish to buy or build one for personal occupation, will now qualify for the 33,3% interest subsidy — helping to pay instalments.

A self-build housing scheme was established in 1983 by the Development Trust for lower income groups in the homelands. In terms of the scheme, a maximum of R3 500 is provided to a borrower whose income does not exceed R350 a month. This still applies.

□ People interested in the new scheme can obtain the prescribed application form from any recognised financial institution. Financial institutions which grant loans will claim the subsidy on interest on a monthly basis from the Director-General of the Department of Development Aid in Pretoria. ■

FIN MAIL 6/6/86
KWANDEBELE 124

Consolidating feuds

Should an "independent" KwaNdebele choose to erect international boundary posts, they will, at least, have the value of alerting travellers when they enter the homeland.

At present, travelling between Cullinan and Marble Hall, you will know you have arrived in the homeland when you come across the Ndebele nation gathered together in a collection of mud huts and tin shanties spread out across the barren landscape as far as the eye can see. These squatter camps are the core of the homeland, whose creation is now under attack from a number of fronts.

Residents and the Ndzundza royal family have combined forces to resist independence and to call for the resignation of Chief Minister Simon Skosana's government (*Current affairs*, May 23). And both the residents of the Moutse area and the farmers of Rust der Winter, whose land was affected by the 1984 consolidation plans, are fighting against incorporation.

The homeland has been tense since violence erupted in the middle of May after the funeral of an Imbokhoto (a tribal security body) victim. Exactly what is happening in the homeland is confusing. A number of

ANSWERS IN PARLIAMENT

Of the 216 resignations by members of township community councils since March last year, "intimidation" was the official reason given in 130 cases. (Minister of Constitutional Development and Planning Chris Heunis to Peter Soal)

From January 1985 to March 6 this year, there were 217 incidents of sabotage, armed attacks or explosions in SA. They included 90 armed attacks, hand grenade attacks or explosions aimed at policemen, railway policemen, members of the SADF, or their homes, and at police stations. (Minister of Law and Order Louis le Grange to Helen Suzman, PFP Houghton)

Enlistings in the SAP last year were: white — 2 651; black — 671; coloured — 353, and Indian — 57. Termination of service for resignation, retirement, expulsion, unfit for training, death or medical unfitness: whites — 11 408; blacks — 954; coloureds — 196 and Indians — 55. (Louis le Grange to Tiaan van der Merwe, PFP Green Point)

The number of detentions by the SAP of people involved in trade union movements last year: blacks — 1 101; coloureds — 15; Indians — six, and whites — three. Their detentions were not related to their trade union activities. (Louis le Grange to Ken Andrew, PFP Gardens)

More single-sex hostels to be built

By BARRY STREEK
Political Staff

THE government is to build further single-sex hostels — in spite of a statement last month by the Minister of Constitutional Development and Planning, Mr Chris Heunis, that it wants to phase out the controversial system.

Mr Heunis said this week that the government would build further single-sex hostels "to provide accommoda-

tion for persons on a single basis where a demand exists".

He said in reply to a question from Mr Peter Soal (PFP Johannesburg North) that two new single-sex hostels would be erected during the 1988/9 financial year because "a demand for accommodation of persons on a single basis exists at Pietersburg and Hoedspruit".

Asked whether any further single-sex hostels were to be converted

to family housing units, Mr Heunis replied: "No, except where circumstances should require it in future."

He also said his department was planning to provide improved types of bedsitter and single-room accommodation at Louis Trichardt, Naboomspruit and Nylstroom.

However, last month Mr Heunis said in reply to a question from Mr Ken Andrew (PFP Gardens) that the govern-

ment wanted to phase out single-sex hostels and turn them into family units.

He said then that his department "does not consider conditions in the single-quarter accommodation to be satisfactory".

"As a result of the impending repeal of the influx control system, it is envisaged that all single quarters in the townships will eventually be altered into family units and that employers who

insist on housing employees in single quarters will be requested to erect hostels themselves," Mr Heunis said then.

Mr Heunis's reply yesterday showed that about a third of South Africa's 186 single-sex hostels for black migrant workers are filled to the brim.

Mr Heunis said yesterday that 58 of the hostels were filled to capacity, including all 13 of the hostels in the Western Cape.

Soon you can legally own property

FULL freehold property rights are to be extended to black SA citizens, including homeland residents.

The Black Communities Development Amendment Bill gives aspiring property-owners a choice of term of tenure.

Ninety-nine year lease-

hold is kept as an alternative form of tenure and there are differences in the cost of acquiring 99-year leasehold and acquiring ownership.

The Bill streamlines procedures for township establishment and for the first time details a legislative description of township establishment proce-

dures for black townships.

The Bill widens the range of people who may own land in black urban areas, providing for developers and employers to become more involved in housing schemes.

The draft legislation does not describe the na-

ture of property rights because, according to a memorandum to the Bill, it conveys full rights of ownership in accordance with Roman Dutch common law. For this reason, the term "freehold" is not used, as it is a term of English law of property which is foreign to SA law, the memorandum says.

SPM Bar 123
12/6/86

NEAC to back rent protest for services

The National Environment Awareness Council (NEAC) will support the Soweto anti-rent campaign until reliable essential services are provided.

NEAC president Mr Japhta Lekgetho has stated that if cleansing and maintenance services are not improved by the end of August then they should be privatised. "It is the right of every resident to get services regularly when he pays rent. Our townships are becoming uninhabitable."

He said uncollected rubbish and sewer blockages were making residents' lives unbearable and township planning was "disgracefully bad".

"We will organise local businessmen to buy trucks and equipment to clean our townships," he said. A move which would "certainly encourage free enterprise".

Probe into housing

Tygerberg Bureau

Arbans 13/6/80 (123)

A NATIONAL survey will attempt to determine South Africa's low-income housing needs.

The Housing Data Bank in Pretoria has asked all local authorities to supply full details from social welfare organisations and other sources which deal regularly with local housing needs.

Results will be computerised and will require monthly updates.

Local authorities will have to detail names and identity numbers of people allocated houses or flats; who had been granted subsidies, 90 percent loans or mortgages; who was allocated building sites or sent to old-age homes.

Those wishing to participate should write to Private Bag X340, Pretoria 0001, or (012) 28-3721.

FIN MAIL 13/6/86

INFLUX REFORM

What about land?

Government's plans to scrap influx control, set out in its White Paper on urbanisation, have been welcomed both at home and abroad. But with the dust now settling, there are other policy aspects in the document which are causing concern in property and industrial circles.

Not least is government's stated intention that "the present practice of creating a shortage of industrial land within the metropolitan core areas should continue."—This, read together with its stated policy to prevent "excessive . . . economic activity in large urban centres" has developers worried. Understandably so.

It shows a lack of understanding of how private enterprise works, avers SA Property Owners Association (Sapoa) executive direc-

tor Peter Erasmus.

Quite simply, if implemented rigidly, it will prove a major setback to any attempts government might make to stimulate the economy, he believes.

The intentions expressed in the White Paper, essentially a restatement of previous decentralisation policy, shows that government has still not learned any lessons about trying to manipulate development around the urban areas.

Despite restrictions, industrialists have found ways to develop and expand in their primary market areas. One problem in the decentralised locations is a shortage of skilled, as opposed to unskilled, labour.

Government's past policy of creating an artificial shortage of land around metropolitan areas has thus merely pushed up land prices and added to the inflation problem.

"If there's to be any hope of revitalising the economy we must move away from this type of bureaucratic thought process," says Erasmus.

With more blacks expected to come to the cities, there is also concern about how government intends to handle the housing problem.

"Quite honestly," says Erasmus, "I'm disappointed that the White Paper pays so little attention to the private sector when it comes to providing housing."

He suggests that government should harness the private sector to provide housing for those who can afford more than the basics. Government's role, he says, should be to provide only fundamental shelter.

Further, he holds that government should confine itself to identifying broad, rather than specific, areas for black housing development in the cities.

"Market forces should be allowed to prevail," he says, "to allow blacks a choice of areas in which to live." ■

BLACK HOUSING

Institutions on stand-by

A battle plan to alleviate the serious black housing backlog — now estimated at 400 000-800 000 units — is on the drawing board.

Insurance companies and pension funds are in the front line, and talks have begun to determine whether part of their massive resources can be mobilised for a national home-building drive.

The move would:

- Increase economic activity and create jobs;
- Help meet black housing aspirations; and
- Bring some relief to the struggling building, civil engineering, cement and brick industries (see "Contracting base").

Although administrative and legal constraints still stand in the way, private financial sources say "large amounts of money" could be made available as soon as the necessary financing instruments are created.

The moves follow government's allocation of R328m last month to buy serviced land for private sector development of black housing.

"The funds are available provided reasonable economic returns are provided," Life Offices Association (LOA) chairman and Sanlam MD Pierre Steyn tells the *FM*.

The insurance movement alone controls assets of R30 billion and there is a similar cash pile in the pension funds. "By using just 1% of these assets, R600m could be made available for black housing," says Steyn.

LOA members control an annual cash inflow of almost R10 billion, and the possibility of diverting these, and other, institutional resources into housing construction are being investigated.

A "top priority" LOA sub-committee is studying the funding of black housing, while the Development Bank of Southern Africa, the Small Business Development Corporation and the Urban Foundation are standing in line for similar socio-economic financing.

But Steyn cautions that major projects are not imminent. He says although government realises the urgency of the housing crisis, transfer of property, registration of townships for development, funding and administration of a massive scheme will take time.

He also warns that the return must be right. "It would be unfair to policyholders to lend at cut rates. Returns similar to those on government securities would make the money available, but pension funds would also have to contribute," says Steyn.

Roger Veysey, divisional director in charge of mass housing at Murray & Roberts, agrees: "Although there has been a vast change in official attitudes," he says, "government will have to cut red tape and



Black housing ... towards a brighter future

streamline its administration structures before results can follow."

Developments so far follow scrapping of influx control, creation of freehold title for blacks and publication of a White Paper on "orderly urbanisation," in which the private sector is asked to help develop both formal and informal housing projects.

With black housing now on government's frontburner, Steyn says: "This is an opportunity for an imaginative plan for public and private sectors to co-operate in the national interest. The insurance industry is ready to help."

The initiative is also being pursued under the auspices of the Private Sector Council on Urbanisation, on which all employer bodies are represented. The fact that the FCI, Asso-com, AHI, Nafcoc, Seifsa and the Chamber

of Mines are all working together on the problem indicates the private sector's concern.

"This project, with all its economic benefits, is the only one of its size which can be launched with hardly any imports to strain the balance of payments," says the Urban Foundation's manager of development finance, Frans Pretorius. "It would upgrade skills, provide business opportunities for black property developers and help expand a vast housing market for hundreds of thousands of urban black landowners."

"We welcome government's call for the private sector to help — but the Group Areas Act, the Land Act and the Population Registration Act must also be removed before we can freely invest our millions in black housing," says the chairman of the FCI's urban-

A TECH

Former Cape Town City Engineer Brand has been found technically in breach of a city council ordinance in an inquiry conducted for the council by Judge Van Winsen.

The inquiry followed reports about involvement of Brand's estate agent Yvonne with the Abode Estates company, which gained the sole agency to sell houses on land purchased from the council by Strandfontein Development Company.

Brand took early retirement as the issue gained momentum, but he denied that it was the cause of his departure.

In terms of the ordinance, a council employee faces summary dismissal if he is found to be gaining direct or indirect benefit from any contract with the coun-

isation committee, Jonny Frankel.

"We are eager to assist with both formal and informal black housing projects," he adds, "but we must be free to develop wherever land is available — and without government prescription."

since Judge Van Winsen found that his behaviour was above board and the interests of the council had not been prejudiced.

An open question now is whether the technical breach will blot Brand's future career prospects. Council insiders maintain his selection for a post on one of the area's soon-to-be-established regional service councils would otherwise make sense.

14/6/86. STAIR

Search for cheaper homes 123

By Winnie Graham

Architectural students at six South African universities have been asked to design low-cost houses.

The idea is to provide people in the lower income group with attractive homes costing no more than R12 000.

The scheme is part of a determined bid to replace the functional houses in most black townships with more pleasing low-cost housing.

Hundreds of students in Johannesburg, Pretoria, Cape Town, Port Elizabeth, Bloemfontein and Durban have been approached by the Permanent Building Society to provide designs — and inexpensive building concepts — which could be used in the construction of new houses.

Prizes worth thousands of rands are being offered by the society. South Africa's housing back-

log is estimated at 420 000 units.

In Soweto, the giant black city adjacent to Johannesburg, the official waiting list for houses is 19 500 but this figure does not include the many homeless families who, until recently, were regarded as "illegals."

"The Perm" last year spent R106 million on black housing. It has called for the assistance of architectural students because it recognises the need for more attractive homes in the fast-developing black areas.

Mr Chris Williams, general manager (marketing) said this week:

"We have been doing research and, working with the Urban Foundation, have identified the problems. What we want are plans for inexpensive houses which we can make available to the man in the street."

R1-m a day for new homes

STAR 18/6/86

123

By David Braun, Political Correspondent

Cape Town

The Government is to spend more than R1 000 000 a day till the end of the year to build homes for the poor and disadvantaged of all races.

The project will create tens of thousands of new jobs.

Among those who will be eligible for the new homes will be the aged and the destitute.

Official sources said this would be one of the immediate effects of the R1 500 million package announced yesterday to boost the economy and restore political stability.

The authorities hope that by the end of the year they will have been able to spend at least R250 million of the R750 million allocated for low-cost housing.

Sources said the money for the package was coming largely from the Central Energy Fund (CEF) and the state-owned Industrial Development Corporation.

The CEF is financed partly by levies on petrol, and to a large extent by repayments of development loans from Sasol.

The Government has decided to use this revenue because housing and job creation have become a more urgent priority than the development of further alternative energy resources.

A headache for the Government in the giant new housing programme is how to spend the money as quickly as possible.

Labour intensive

The task force of experts announced by Minister of Finance Mr Barend du Plessis yesterday will have to examine this aspect, and also evaluate how to get the maximum for the R750 million.

It is understood the Government wants the emphasis to be on the most labour-intensive methods of construction, and those which would encourage people to build their own homes.

One method under consideration is the provision of "service walls" — in which all the normal facilities (sanitation, electricity and plumbing) are provided — leaving the would-be homeowner to build the rest.

In the new package, the Government allocated R50 million for a training programme. The authorities hope to train as many people as possible in building skills.

The sources also said that other parts of the package designed to boost business morale and investor confidence in the economy are the repayment of the 1980 Loan Levy, abolition of the surcharge on certain imports used in the process of production, and the easing of excise duty on cars.

The authorities do not expect that the repayment of the Loan Levy will have much effect on consumer spending by lower-income groups.

FN MAIL 20/6/86
BLACK HOUSING 123

Slow movement

Government's plan to sell 345 000 houses to urban blacks has failed to achieve the target foreseen at its launch on July 1, 1983. So far only 43 759 houses have been sold at a low average price of R1 500/unit.

But the upward trend in monthly sales since the beginning of the year reveals more positive signs.

In January 667 houses were sold, and sales increased to 717 in February, 756 in March, 1 055 in April and 1 070 in May. "Experience shows that house sales have a positive impact on the unrest situation," says assistant director of Community Development and Planning (CDP) Alec Weiss.

By signing a purchasing contract for the houses they already occupy and continuing with monthly instalments, millions of blacks can improve their lot and advance financially through the benefits of capital appreciation, he says. About 70% of the 300 000-odd houses still available are in the PWV area.

But ignorance about home ownership remains a major stumbling block.

"We will soon launch a major awareness campaign to bring the availability and benefits of home ownership to the attention of potential buyers and employers. Employers can play a major role in helping their workers to obtain leasehold or freehold title," he adds.

Circulars — explaining the house selling campaign — will be posted to 12 000 selected employer organisations while video recordings will be made available to employer bodies to illustrate the benefits of home own-

ership.

The marketing campaign will be launched by mid-July and, with red tape reduced to a minimum and transfer possible after only 10% of the purchase price has been paid, Weiss is confident that thousands of urban blacks will make use of the opportunity to become home owners.

"The private sector should accept its vital role in helping black employees to understand the meaning of land ownership and the capital appreciation benefits after property improvements," says Weiss, who is the CDP's promoter of the sales campaign.

With most houses selling for between R800 and R6 000, capital appreciation profits can be huge.

"Some R1 500 houses have already been sold for R15 000, while a Kagiso resident recently sold a R650 house for R30 000," says Weiss.

He says home ownership is still a new concept to many blacks, but the CDP has made it easy for prospective buyers. The R300 deposit on a R1 500 house can be paid

over 24 months while the total purchase price is repayable in five years. Documentation has also been reduced to a minimum, he adds.

Employers could also help employees obtain additional finance by providing sureties or security for the bond financing and providing improvement loans. ■

'House sales poor'

20/6/86
Soweto
123

THE Government's massive housing sale in black townships — with discounts of up to 40 percent — has not had much response from residents since the sale started almost three years ago.

Mr Alec Weiss, assistant director of the De-

By MONK NKOMO

partment of Constitutional Development and Planning, yesterday said only 43 749 out of a total 345 640 houses throughout the country had been bought under the 99-year leasehold scheme up to the end of

May this year.

The sale of State-owned houses started on July 1, 1983 and was scheduled to end on June 30 last year.

The poor response prompted the government to extend the sale to the end of June this year.

R750m kiss of life for industries

S. TIMES 22/6/86

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123

WORK could start on the Government's R750-million mass housing scheme within six weeks.

That is the word from senior Government spokesmen in Cape Town.

A team of top businessmen has been appointed to co-ordinate the project and to advise Government departments.

Deputy Director-General of Finance Gerhard Croeser says: "The businessmen are top people. They were chosen because of their drive, initiative and influence. We are dead serious about getting this thing off the ground as quickly as possible."

Bottomless pit

Builders will be able to move into established areas, such as Kyalitsha and Mitchells Plain in the Cape, quickly because basic services are already there. But other areas will have to be surveyed, and roads and services will have to be provided.

There could be some delay in critical areas, such as the East and West Rand, which are not only short of basic services but land.

The housing drive is expected to go

By David Southey

on for several years. It will be the kiss of life for the depressed cement, brick, civil engineering and building industries. It will improve the quality of life of thousands and create thousands of jobs without pushing up imports significantly.

But it is not without its critics, who would have preferred more money in consumers' pockets to generate investment in productive capacity. Critics say spending on housing is "pouring money into a bottomless pit with no return because rent collection is a huge problem".

The project co-ordinating team will consult many building and construction firms, the Urban Foundation, Government departments including finance, constitutional planning and development, public works and "own affairs" officials.

Wastage warning

Experts warn that care will have to be taken to avoid millions of rands of wastage and misguided allocation.

The Urban Foundation estimates the housing backlog in black urban

areas at 560 000 units. It calls for 70 000 units to be built a year. The figure is based on the shortage, an estimate of migration to urban areas and a 2% a year replacement factor.

The foundation suggests:

- houses costing (in 1985 rands) R20 000, plus R8 000 for the land
- R12 000 houses and land costing R6 000
- R6 000 units with land priced at R4 000, this category being excluded from electricity and running water for toilets.

The total cost of providing 70 000 units a year is estimated at R1,2-billion based on the index supplied by the Building Industries Federation.

The private sector is building about 20 000 units a year, but they are mainly for black Government employees — nurses, teachers, policemen — with subsidised loans.

The Government is said to be interested in a 50:50 partnership with the private sector on housing.

Representations have been made to life-assurance companies to lend money for housing. The chairman of the committee investigating the matter, Metropolitan Life's Willem Pretorius, recently told Business Times that his

To Page 2 To Page 3

UBS cuts home bond rate

Own Correspondent

JOHANNESBURG. — Consumer spending could be boosted by R300-million if all building societies reduce their home bond rates in line with the United Building Society's across-the-board cut to 16 percent.

The UBS will apply the new rate to new bonds from today and to existing bonds from October 1.

Executives at Allied Building Society and Saambou yesterday said they would lower their loan rates. Most other major building societies are expected to follow.

The latest changes by UBS were seen as continuing the trend towards a lowering of short-term interest rates following the government's monetary policy.

On an average R43 000 bond, the one percentage point reduction represents a monthly saving of R35 to R40 for the consumer. This is expected to boost consumer spending, but consumers may decide to save the money or use it to reservice loans.

NEWS

PERKS TAX — NEW BENEFIT

OK THIS
2/16/86
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More bond rates drop

Property Editor

THE cost of home loans continued to tumble yesterday and building society rates are now 3.5 percent lower than six months ago, following a drop of one percent announced yesterday across a broad front.

The announcement by the "big five" building societies was led by the United Building Society at the weekend. Yesterday the Perm, Allied, NBS and EP building societies announced they were now offering loans at 16 percent.

Bond-holders will have to wait until October 1 to see the effects of the reduction, but new loans will be set at the new rate.

Mr Kingsley Loney, regional director of the NBS, said he expected the new rate to stimulate the market to some extent, even though at 16 percent — a two-year low — bonds were still expensive. There were more than sufficient funds available, and applications were being actively sought.

Six months ago, a homeowner with a bond of R10 000 over 20 years was paying, at 19.5 percent, R166 monthly. At the current rates, a R10 000 bond over the same period will cost R140 a month.

"The new rates are likely to generate some confidence and mask other considerations," Mr Loney said.

Spokesmen for the property industry continued to be sceptical about a major upsurge in buying interest among unsubsidized homebuyers, although there was a steady stream of first-time buyers taking advantage of the government's subsidy schemes.

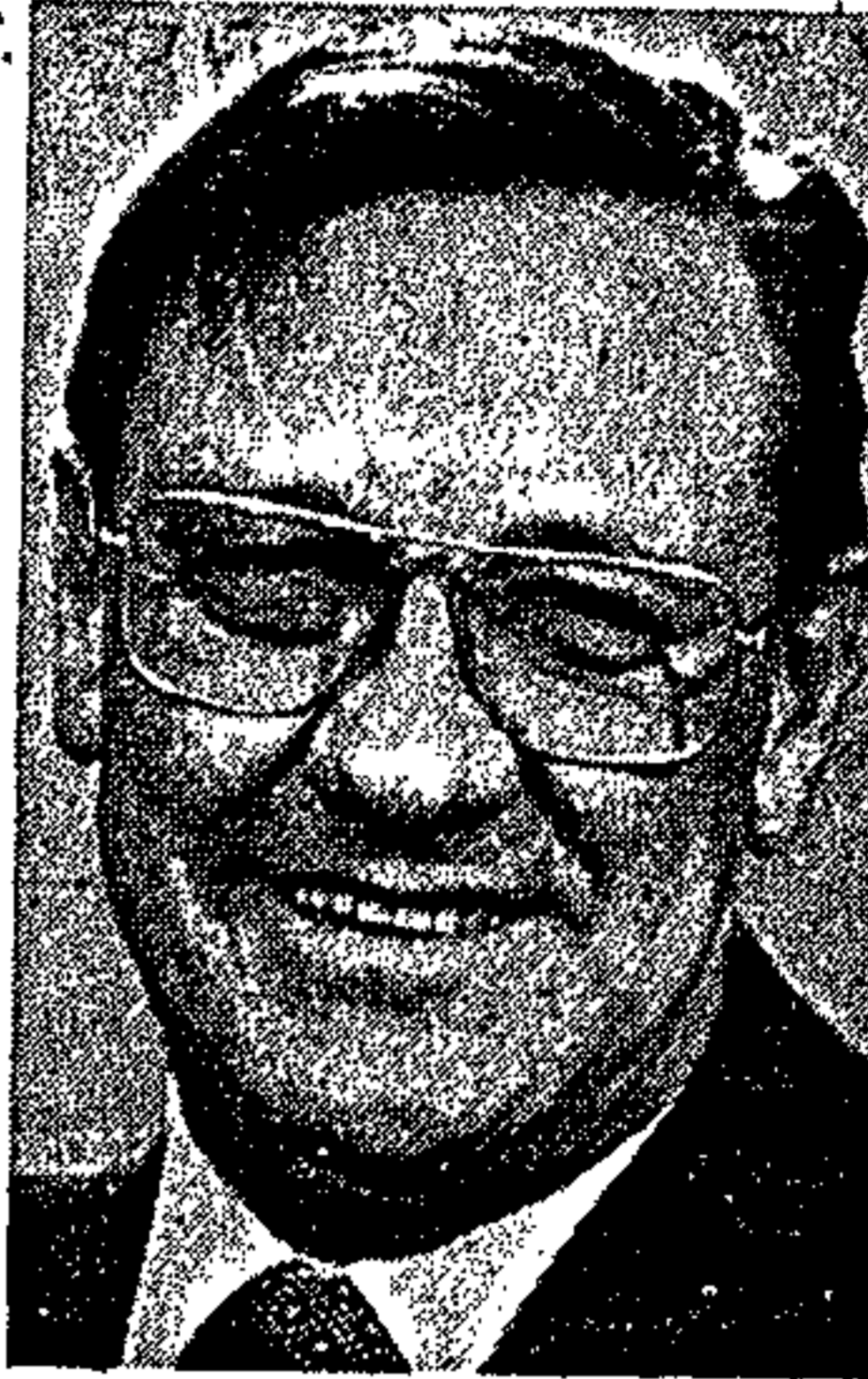
no access to public transport.
who can't afford ambulance services and
provide free transport in the Cape Flats
ep skins and commodes.
an out wheelchair, walking aids, air
sing and Child Care.
sands of people in Health Care, First Aid
Our education programme has trained
ers, we are also very active in many
ou may have seen us assisting injured
to new opportunities to be of help and
y moving with the times. By being
e knights of old, believe the Order
nt to help anyone, anywhere.
sions of its Christian foundations and
and "For the Service of Mankind". These
is still guided by the original mottoes "For
ill carrying out its original work
Crusade in 1099. It is the only Order of
Order of St John was founded at the time of

Modern

123

Unjust to deny housing and jobs, says Jan Steyn

The Argus Correspondent
PRETORIA. — It is unjust to deny people access to housing, education and jobs, says Mr Jan Steyn, executive chairman of the Urban Foundation.



Mr Jan Steyn

At the official launching of Mamelodi Gardens, a R40-million housing project, at a hotel here last night, Mr Steyn said development was needed to educate, house and employ those who were to live in South Africa beyond apartheid.

Development was needed to create jobs for South Africa's people and to sustain hope and human dignity.

PRODUCTIVITY

"To this end we need productivity to advance those who are disadvantaged, jobless and often desperate."

Society was going through deep and troubled waters and the resolution of the country's political conflict was vital to its future, Mr Steyn said. This was no time to abandon ship.

"We must show that those who care have the determination to continue to demonstrate their concern at every practical level that affects the lives of their fellow South Africans."

The Mamelodi Gardens project was undertaken by a consortium of developers and employers and is being managed by the Family Housing Association, a subsidiary of the Urban Foundation.

The area will provide 1 300 detached houses and it is hoped that all sites will be serviced and sold by December. About 30 home-builders are expected to develop the area.

FINMAIL (26/11) 4/7/86
VALUATIONS 339 (123)

Sizing up shacks ~~339~~

How does a valuer go about placing a realistic value on a wattle-and-daub hut?

With regional services councils about to be implemented and the tempo of residential sales in black areas increasing as blacks respond to the prospect of freehold owner-

Financial Mail July 4 1986

ship, the question is more than academic.

This probably accounts for why the subject of "property valuations in the black areas" featured prominently on the agenda of the SA Institute of Valuers' national seminar held in Durban recently.

Natal University's Professor Bruce Boaden made the point that in the greater Durban area, which is soon to form part of the proposed Durban Regional Services Council, 42% of the population lived in shack-type dwellings. Therefore, on a straight head count basis, shack housing, rather than formal housing, is typical of the area.

Although the valuer's normal yardstick of comparative prices is not available in a shack settlement where there are no active sales, and although it is almost impossible to quantify the security of tenure on land occupied principally under squatter rights, Boaden has found through research that it is possible to value shacks.

A profile of the methods of construction revealed that most were built with wattle-and-daub walls under corrugated iron roofs. The standard shack size was 36 m² which, using standard material and labour inputs, cost R1 436 to build or R39,90/m².

Other valuers, including Martin White of Richard Ellis, who have been called on to do valuations in black shack areas where the general principle of compensation is now applied on expropriation, confirm that their independent estimates of value are close to those of Boaden's.

Where specific property values were required, a major difficulty was identifying the property concerned. Finding the property itself was a hazardous task in a situation where there were no street names or property numbers, and frequently it was found that other shacks encroached across the boundaries.

A delegate from the SA Permanent Building Society noted that the property market in townships like Soweto was quite active and a

record of sales was being established. Still, there were wide variations in the prices being paid. Under government's incentive scheme the standard 51/9 township house is sold for around R2 000. However, re-sales were taking place at anything between R10 000 and R15 000.

The SA Perm, she said, had "changed its whole approach" and was now prepared to advance loans even on wattle-and-daub shacks to a minimum value of R2 000 — provided they met the society's minimum structural requirements.

Others, concluded Boaden, including valuers, may have to follow suit. ■

Financial Mail July 4 1986

Hopes are high for big boom in black housing

By Frank Jeans

Black homeownership is gaining momentum.

The Government's latest injection of R750 million into housing is likely to cut back the estimated backlog of 450 000 units by about 10 percent.

Not only will the multi-million rand allocation create thousands of jobs in the building industry, but the National Building Research Institute predicts that from 50 000 to 125 000 new homes could be brought on to the market.

Apart from the increasing rate in the provision of black housing in both the public and private sectors, LTA Comlat and Basil Read Sun Homes recently unveiled plans for nearly 2 000 homes for coloured people — the Great Sale through the Department of Local Government is hitting the 1 000 homes a month mark.

The country's building societies, too, are making big strides in the low-cost homes business, with the United, for instance, directing about 50 percent of its lending capability to black homeowners.

Mr Piet Kruger, general manager of the United's home-lending activities, says:

"This figure, however, is only the tip of the iceberg.

"The Government's R750 million allocation for low-cost housing is awaited with keen anticipation and there is no doubt that this move will get the ball rolling — not just for existing home buyers but for new and self-help housing projects as well."

The introduction of freehold property rights to blacks must

also boost sales.

Allied to this is the vital necessity of on-going employer support in housing requirements.

"About 90 percent of all the United's loans to date have been employer-assisted," says Mr Kruger.

The society's loans to black home buyers during 1985 amounted to R100 million and this figure is expected to be far exceeded this year.

Dr Llewellyn Lewis, president of the Institute of Housing for Southern Africa, urges the Government to release details of the planning and allocation of the R750 million as soon as possible so that the building materials supply industry can gear up to cope with the extra demand.

"It should be remembered," he says, "that even in the heyday of the Government's housing effort when townships were mass built, using high-speed techniques, the best delivery of economic units in a single year was 40 000.

"The current target must be at least 70 000 units a year."

Blacks should build for blacks — developer

By Winnie Graham, Property Editor

SOML 5/7/86 (123) A black property developer who wants black entrepreneurs to share "more equitably" in the R750 million made available for low-cost housing, has challenged the Government to let blacks build homes for blacks — rather than white-owned companies.

Mr Conrad Sandile, managing director of Econo Homes, a township development company, claimed white construction companies were chasing the black housing market only for the profits they could make.

"They are already flexing their muscles to take over the low-cost housing market," he said.

He questioned the motives of the authorities in letting white entrepreneurs build homes for blacks.

"Has the Government genuinely made the R750 million available to build homes and create jobs for blacks or has it made the money available to jack up the white building industry? Why is it so difficult for blacks to get contracts to build? Why are white companies monopolising the black housing business?"

Mr Sandile, who plans to form an association of black builders to erect low-cost housing if he and other black developers were awarded contracts, said there were no guarantees that white construction companies would survive in the townships. Some were afraid to send whites into black areas because of the unrest, he said and, as a result, they did not supervise building themselves but left black workers on the job anyway.

Urgent need for private housing money, says Brand

Business Editor
BISHO — There was an urgent need to mobilise private sector resources to finance housing in the independent and self-governing states, the chief executive of the Development Bank of Southern Africa (DBSA), Dr Simon Brand, said yesterday.

Dr Brand, who officially opened the new head office of the Ciskei Building Society here, said that, even when land tenure and other conditions were met, lending institutions in South Africa were reluctant to lend inside these states, mainly because of political risks they perceived to be involved.

Part of the solution could lie in the establishment of local lending institutions and it was encouraging to note the progress made by the CBS in mobilising funds.

Dr Brand said the process of urbanisation was now more generally regarded as a potentially



DR BRAND

positive force in development. The need to meet the housing requirements of growing urban communities had been recognised. These requirements ranged from informal self-help schemes for the lowest income levels to housing financed from market sources for higher levels.

A shift in emphasis in the allocation of housing resources towards the large number of people with relatively low but rising incomes would have far-reaching implications for the pattern

of housing demand. It would require drastic adjustments in the pattern of supply and the financing of housing.

An estimated R1,5 billion to R3 billion a year was required to address the housing backlog for lower to middle income communities in Southern Africa. "If it were to be attempted to meet those needs primarily from public sources of funds it would result in unbearable pressures on the fiscal resources of all the governments in the region," Dr Brand said.

"On the other hand, if a higher proportion of the R2,8 billion a year of private funds that already flows into residential buildings can be re-channelled to the lower and middle segments of the market, it would go a long way towards meeting the needs."

Dr Brand said the DBSA preferred an approach of using its funds to provide loans for urban infrastructure while mobilising private sector funds for housing loans. It encouraged its participating states to create favourable conditions for private sector involvement at the higher income end of the market and also encouraged self-help schemes at the lower end.

The establishment of a CBS development subsidiary to guide Ciskeian builders in building methods and costing was an interesting development. "It is to be hoped that through this vehicle the society will also make a contribution towards the development of affordable housing standards," Dr Brand said.

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Call for Marshall Aid plan in SA

Call for Marshall Aid plan in SA
9/7/86
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A JOINT private sector and community-based Marshall Aid plan in SA "before the war starts rather than after it", was called for last night by Jan Steyn, the director of the Urban Foundation.

The allocation of R750m by the government to overcome the housing backlog could be the first step in the aid programme.

He also said in an address at the presidential dinner of Nafcoc that for SA to become an economic state of "real stature", it had to develop its internal framework and link up with the economies of the rest of the region.

Recording some of the actions that could be taken to avoid "the apocalypse", Steyn said: "... for SA to become an economy of real stature it must be able to employ its internal capital resources in an appropriate developmental framework and link up



Jan Steyn

with the economies of the rest of the Southern African region.

"Moreover," he continued, "well directed foreign capital dynamically invested towards eliminating discrimination and addressing the suffering of our people must be welcomed."

If SA were left to itself, it could still have a reasonably acceptable economy, with a limited export market and import substitution providing industrial expansion, he said.

Rapid and necessary urbanization of the black community could also begin to create a market of some substance.

In his speech, entitled "South Africa 1986: A Watershed Year", Steyn said there were well de-

signed initiatives, supported by the community, that were capable of rapid implementation on a scale which could dramatically affect people's lives.

Political transformation alone was not enough to impact upon the needs of our developing society.

"We now need development programmes on a scale in which the communities themselves are involved in every aspect of such programmes from decision-making through to implementation," Steyn said.

Alliances forged between organisations such as Nafcoc and the Urban Foundation, the employer bodies and the SBDC (Small Business Development Corporation) were evidence of the goodwill that still could be harnessed.

Steyn said: "These alliances prove that black and white South Africans can agree on common goals and can work together effectively to achieve these goals."

The formidable alliance of black and white business interests serviced by the foundation created a climate where influx control "simply had to go".

The success of that initiative should give courage to those who occupied the middle ground to continue to forge alliances for the achievement of specific goals.

NAFCOC president Dr Sam Motsueyane told the conference in considerable detail of discussions between the chamber and the ANC in Lusaka earlier this year.

He said the Nafcoc delegation had been "enormously intrigued" by the discussions which took place "in a friendly atmosphere".

The two organizations agreed on many key points.

Turning to the economy in general, Motsueyane said: "The so-called free enterprise system in SA is not free at all."

"The system has resulted in the concentration of wealth in the hands of a few corporations in the country, which is neither desirable nor morally defensible."

The Nafcoc conference in the City this week has provided a window into black business thinking and presented intriguing business views across the political spectrum. Barry Streek reports.

Kruger rands

| JSE Closing | | | |
|-------------|--------|---------|-------|
| | Buyers | Sellers | Sales |
| 1 oz | 990 | 995 | 993 |
| 1/2 oz | 470 | — | 480 |
| 1/4 oz | — | 25000 | 25000 |
| 1/10 oz | — | 10500 | 10500 |

| Cape Gold Coin Exchange | | | |
|-------------------------|--------|---------|--|
| | Buyers | Sellers | |
| 1 oz | 990 | 995 | |
| 1/2 oz | 490 | 495 | |
| 1/4 oz | 230 | 235 | |
| 1/10 oz | 95 | 100 | |

— Reuter

CAPE TOWN 9/7/86 123

Nafcoc rejects housing: UF to spend R81m

govt council

By BARRY STREEK

THE government suffered a major blow yesterday when the National African Federated Chamber of Commerce (Nafcoc) rejected the proposed National Statutory Council.

"We are not going to be party to this council," said Nafcoc president Dr Sam Motsuenyane.

Speaking at Nafcoc's congress in Cape Town, Dr Motsuenyane said:

"We do not think it is of any use to be members of advisory bodies while we are not represented at the highest levels of government.

"We cannot advise the government when we are not participants in the government."

His emphatic rejection of the proposed council is a severe setback for President P W Botha, who has placed a high priority on drawing moderate black people into the new body.

So far, no black leader has indicated that he is prepared to serve on the new body, although the Chief Minister of Kwa-Zulu, Chief Mangosuthu Buthelezi, has not rejected the proposed council outright.

But with Nafcoc, representing 15 000 black businessmen, rejecting the statutory council the chances of significant black participation in it now seem low.

Earlier yesterday, Dr Motsuenyane warned in his presidential address that the chaotic situation prevailing in South Africa could not be changed by adding more pressure on blacks "to suppress their legitimate grievances".

He said since the first declaration of the state of emergency in July 1985 there had been "a progressive hardening of black attitudes against government".

Dr Motsuenyane said a "sudden" change of attitude among organizations and black leaders over the last 12 months had resulted in the "advocating for total disinvestment and application of sanctions against South Africa".

Nafcoc would have to review its position on international investments as it was encountering increasing pressure to support disinvestment, Dr Motsuenyane said.

● More reports, page 8



Mr Mike Rosholt



Mr Mike Ridley

Labour Reporter

THE Urban Foundation will spend R81 million on housing for the poor during the current financial year through its new Residential Development and Construction Division.

Two of South Africa's top businessmen, the chairman of Barlow Rand, Mr Mike Rosholt, and recently-retired chief executive of LTA, Mr Mike Ridley, will head the new division, formed to co-ordinate the activities of the Foundation's housing utilities companies throughout the country.

The budget, which will be used to develop 28 low-cost housing projects in five metropolitan areas, is more than double the Foundation's budget for residential development and construction last year and spending next year is expected to be even higher.

The Urban Foundation's overall annual budget of R108 million for housing and broader policy programmes, is 140 percent higher than the R45 million spent last year.

The foundation's executive chairman, Mr Jan Steyn, said the appointment of Mr Rosholt and Mr Ridley could be regarded as "a significant expression of confidence (by the private sector) in the importance of the Foundation and its future role as a major developmental agency in South Africa".

He said the foundation would intensify its long-term focus on affordable, lower-cost housing and the provision of residential sites.

"Our objective is two-fold — to continue to lead the way down-market, and to highlight the attractiveness of the lower-cost housing field for private sector firms.

"Urban Foundation housing policy is that we must pursue every means of assisting those who are unhoused or inadequately housed. This means there must of necessity be an overwhelming commitment to addressing the needs of the very poor.

"Many hundreds of thousands of South Africans still live in conditions of abject poverty incompatible with human dignity. They seek, and should be given the opportunity to have access to, appropriate shelter."

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BLACK HOUSING

Money's around

At least one pension fund administrator is fully geared for financing black housing — independent of government's R750m housing package and other related moves (*Business* June 27).

In February last year Lifegro formed an employee home financing company, Housing Finance Services (HFS), to focus on the administration and financing of staff housing schemes for pension fund corporate members. It is funded out of contributions by participating fund members.

"Recent amendments to the Pensions Act initiated by us, which came into effect on May 28, enable pension funds to advance up to 90% on the valuation of a property," says Lifegro senior GM, operations, Chris Cunningham-Moorat. "This can be increased to 100% if a suitable guarantee or security is provided by the client company," he adds.

The scheme focuses on the black community since that is where the greatest socio-economic needs lie. It involves the creation of a managed fund, in which a corporate pension fund can invest some of its assets to be used for financing employee housing.

"Lifegro's Housing Fund is the first managed fund created in the pension movement specifically for housing. We are ready to assist corporate members as soon as they want to invest in black staff housing," says Cunningham-Moorat.

The major reason why the housing scheme has not yet taken off in a big way is the uncertainty in the black housing market created by the unrest. Employers are dissuaded from investing in black staff housing by the

perception of political chaos in some black townships.

"But once the unrest situation is resolved, the concept will take off. It is a pro-active investment in stability," Cunningham-Moorat adds.

Specific housing schemes are devised to meet the needs of corporate members. HFS's administrative services include collection of monthly repayments, registration of bonds, and other services normally handled by a building society.

Housing loans may not be at less than 15%, but minimum rates are normally in the region of 16% as administration costs must be recovered, says Cunningham-Moorat.

"Nothing prevents employers from subsidising employees' interest rates to, say, 9%, or even 7%, a year. This promotes staff loyalty and productivity as home-ownership adds to the general level of employee satisfaction and eventual company output," he adds.

Another reason for focusing on the lower end of the housing market is that more loans can be granted for a similar amount. HFS manager André Pretorius says the fund could be used for buying and upgrading some of the 300 000-odd houses for sale in black urban areas (*Property* June 20).

"Without a satisfied workforce, SA cannot prosper economically. An investment in black housing makes sense if one looks at the

socio-economic requirements for a prosperous, stable country," Pretorius adds.

As funds are not unlimited, a major problem is the selection of qualifying applicants. Cunningham-Moorat suggests that seniority of service be used as the yardstick. ■

FIN MARK
11/3/86

IN MY
OPINION

Housing and incentives

123

Daan Roelvert is executive director of the Institute for Housing of Southern Africa.

The recent allocation of R750m for low-cost housing could help government create an equal partnership with private enterprise to beat the housing shortage, now estimated at 450 000-plus units.

Since the decision in January 1983 to privatise the housing process, government and the private sector housing developers have had only an arm's length partnership — government provides serviced land and the private sector funds the construction of houses for sale on the open market. A portion of the new allocation should be channelled through private enterprise to create a more meaningful and efficient partnership.

Admittedly, most of this money will have to be spent through the central bureaucracy. This allocates funds to local authorities, who will provide serviced sites for the "untouchables" of the private enterprise system — those who cannot ever afford to buy a house built by developers and who have to rely on their own sweat equity to acquire shelter.

But there is a more innovative way to route funds to those who can afford to buy a home. It is through tax incentives to employers.

Here is how it works:

Section 11/t of the Income Tax Act encourages employers to provide housing for employees by allowing a 50% rebate on capital invested in new housing, with a maximum of R6 000 rebate a unit.

The Act should now be amended to remove the anomaly that, should the employer



Robert Tshabalala

Black housing ... equal partnership

sell the house to the occupant within 10 years, he forfeits the tax benefits pro rata. In other words, he is encouraged to rent the unit. His valuable housing capital is tied up for 10 years.

Why not apply the restraint to the employee, who could refund the Receiver's share pro rata should he decide to sell the house inside the pre-emptive period?

An unambiguous tax rebate would cer-

tainly provide an incentive for companies to invest shareholders' money in housing schemes. Side benefits would include improved employee relations.

I also have a feeling that many companies would be prepared to pass on some or all of the tax benefit to the new home owner.

Taking the tax theory a step further — a similar 50% incentive to housing developers would have the immediate effect of reducing their capital requirements, reducing the cost of new homes and encouraging more developers into the market.

Government appears to be serious in its intent to tackle the housing backlog — an additional R1,4 billion has been allocated since the initial R1 billion announcement by President P W Botha in the Rubicon speech in August 1985.

Inevitably, this kind of money has to be collected from the private sector through taxes. But perhaps employers will take the initiative if given the right incentive and spend the money before government has to collect and redistribute taxes for housing.

After all, is housing more or less important than attracting sponsorship of international sports teams through the tax incentive route?

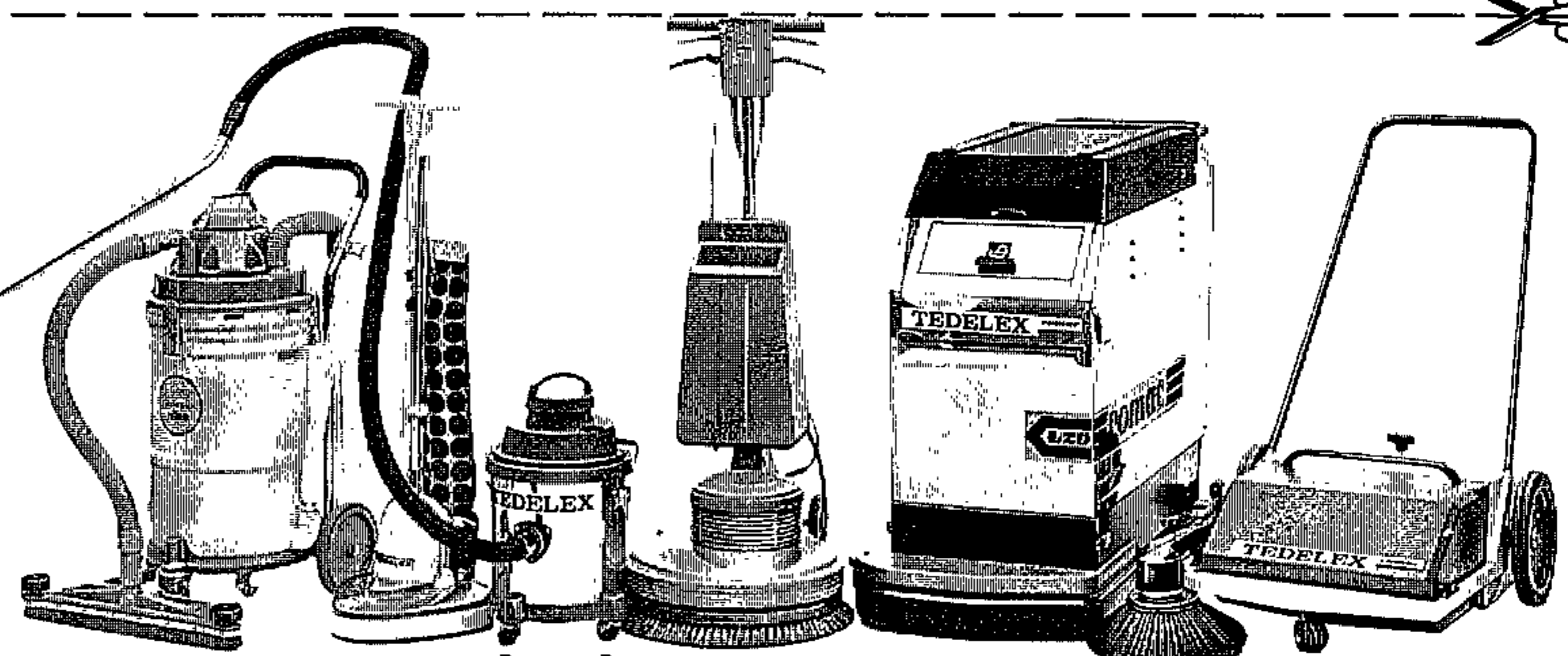
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'BLACK HOUSING A MATTER OF URGENCY'

A LEADING building society has called on the Government to make available more land for black housing as a matter of urgency.

Natal Building Society also urged the Government to "cut through the welter of red tape hampering black borrowers," and also called on the private sector to become actively involved in providing housing schemes for black staff.

"There can be no doubt that housing is an area of dissatisfaction among blacks — and justifiably so," said Mr Terry Bradshaw, the society's Southern Transvaal regional manager.

"The provision of housing brings in its wake social stability.

The longer the Government delays opening up more areas for black housing the greater the opportunities that will be lost," said Mr Bradshaw.

He said his society also believes that private enterprise should become fully involved in the provision of housing for its black employees. To this end, he said, the society was fully geared to discuss any housing scheme, big or small, with any corporation or company.

16/7/86 DD (123)

CMC to take control of housing allocation

Dispatch Reporter
EAST LONDON — The Coloured Management Committee (CMC) is to take full control of the allocation of houses in areas under its jurisdiction.

This was confirmed yesterday by the CMC vice-chairman, Mr Corrie Alexander, and the acting property manager of the municipality, Mr M. Smith.

The move comes after dissatisfaction was expressed with allocations

by municipal officials during the last 18 months. The allocations were previously done by the CMC and later taken over by the municipal officials.

Mr Alexander said there were five criteria for allocation: date of application, present housing conditions, homelessness, ill health and salary.

"Allocation is done on a points system and we have proposed that municipal officials draw up

a list of applicants who qualify according to these criteria.

"The CMC chairman or vice-chairman can alter the list. The list will be put on the notice board" at the Parkside housing offices. The CMC will take full responsibility for any changes to the list," Mr Alexander said.

He appealed to people to return income survey forms so that rent problems could be identified.

Group Areas Act relaxed for some

Mercury Correspondent

CAPE TOWN—The Government has quietly introduced a number of reforms in the implementation of the Group Areas Act.

In future, students and pupils will be exempt from the provisions of the law, and this means they can now stay in university hostels and school hostels without a Group Areas permit.

Employees have also been exempted from the provisions of the law. Because of this exemption, black managers and executives can be freely employed in 'white' urban areas.

People using buildings for professional purposes — such as doctors and lawyers — have been exempted from the Group Areas Act and will in future be able to open practices without permits.

And the regulations requiring separate entrances and separate toilets for domestic servant quarters have been scrapped.

The new exemptions have been promulgated in the Government Gazette.

But a Progressive Federal Party spokesman on constitutional affairs, Mr Nic Olivier, said yesterday that welcome as the amendments were, they did not go nearly far enough.

'It is essential that the entire Group Areas Act is scrapped,' Mr Olivier said.

He also said the new regulations had not altered the effect of the Group Areas Act on racially mixed couples, who in terms of the

law remained classified according to the race of the black partner.

Although widely disregarded in many areas, black managers, executives, charge hands and professional, technical and administrative employees could not until now be employed in white areas without a permit under the law.

Mr Olivier said all the provisions for separate entrances to domestic servant quarters and separate toilet facilities, as well as the requirement for separate balconies and passages to these quarters, had been scrapped.

'The new regulations are getting rid of some of the stupid things that have been done in terms of the Group Areas Act.'

Inroads

However, the law still made serious inroads into the free-market policy because the most important asset most people owned, their homes and property, could not be sold freely.

Sapa reports that Sandton's PFP MP, Mr David Dalling, said last night that Sandton was prepared to be a forerunner in the abolition of the Group Areas Act.

Mr Dalling said the town was willing to open its doors to all people who wished to live there.

He urged the State President to use his Presidential powers to give Sandton immediate authority to open the town to South Africans of all races, subject only to the normal laws of family occupation.

Councils collapse for lack of money

18/7/86

Rent boycotts now affect 28 townships

28/07/86
123

RENT boycotts, some of them 20-months-old, are taking place in 28 townships across the country, the University of Witwatersrand Community Research Group (CRG) said yesterday.

The CRG said the Urban Councils Association of SA (Ucasa) recently reported that 32 community councils and three town councils had collapsed because rent boycotts had eliminated their source of revenue for running the townships.

The rent boycotts date back to September 1984.

The recession, rising inflation and increased unemployment form the background to the widespread refusal to pay rents.

In Langa, near Uitenhage, a recent survey of rent problems revealed that nearly half the residents were not paying rent simply because they could not afford to feed themselves.

The CRG said that, in most cases, rent boycotts were called by civic groups affiliated to the United Democratic Front (UDF) and the detention of civic leaders had made negotiated settlement

SOPHIE TEMA and Sapa

of the boycotts difficult.

A resident of Mamelodi, near Pretoria, was quoted as saying: "The leadership is no longer there and even some of the street committee people have been detained. So it is difficult for people, if they wanted to, to bring an end to the boycott."

Meanwhile, the Soweto City Council will set up special offices next week in Johannesburg where Soweto residents can pay their rents.

One will be on the east and the other on the west of Johannesburg.

Town clerk Nico Malan said the move was taken after he had met some residents at council chambers on Wednesday. The residents had made several complaints and expressed fears about intimidation and reprisals from opposition groups.

Malan said the first office would start operating on Monday and the second later in the week.

And he said 50% of Soweto's 75 000 registered tenants had paid their rents by Wednesday.

Call for rebate on mortgages

DURBAN — Mortgage bond interest should be tax deductible in order to cope with one of South Africa's most pressing needs — the shortage of housing — said Mr Chris Saunders, chairman of the Tongaat-Hulett group.

He said at the group's annual meeting yesterday he hoped the Margo Commission would be able to recommend this and "create a new supply-side response to the opportunities of the environment."

The government lacked the resources to cope with the housing shortage and to meet this need it should employ a "carrot and stick" approach through tax allowances. — DDC

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DD (123) 1/17/86

R2bn plan for black housing

By David Southey

A GROUP of Durban-based businessmen has prepared a widely backed plan to tap pension and provident funds for R2-billion to alleviate the shortage of black housing.

The plan is supported by life-assurance companies, pension and provident funds, major corporations and black trade unions.

It is the first time that a detailed, coordinated study with specific proposals undertaken by private businessmen has gained acceptance from both employer and employee organisations.

Called Pent Up (Private Enterprise Upgrade Project) and under the chairmanship of accountants Arthur Anderson's managing partner in Durban, Terry Rosenberg, the group sees its work as a response to President Botha's challenge to the private sector to become involved in orderly urbanisation.

After canvassing businessmen, academics and trade-union leaders, Pent Up has devised plans for dealing with the critical issues of land acquisition and development, financing, and com-

munication and negotiation between prospective house-buyers and their financiers.

Its full report will be sent to corporations, the Government, trade unions and other interested parties this month.

Pent Up is putting the finishing touches to its report which is based on contacts with such organisations as the Kwa Natal Planning Council under the chairmanship of Piet Viljoen, various town and regional planning commissions, banks, building societies, assurers and 20 big companies.

R40bn assets

Facing a black housing backlog conservatively estimated at 600 000 units, the group's chief obstacle was to devise a financing scheme acceptable to all parties.

The objective of the scheme differs fundamentally from the Government's R750-million crash project for housing under the chairmanship of Sanlam's Fred du Plessis. The State plan seeks both to provide low-cost housing and employment, but Pent Up has a plan designed primarily for people in employment.

Mr Rosenberg says: "The most obvi-

ous and accessible source of funds is through the pension-provident fund movement, which has assets of about R40-billion. We recommend that the Government create special prescribed asset status for these funds, the money to be used in black housing."

If the Government approves Pent Up's recommendation that a maximum of 5% of a pension fund's money be invested in black housing under prescribed status, about R2-billion could soon become available.

Pension funds already use building societies to provide mortgages. The most popular method is for the fund to make a matching investment with a society. The fund is normally locked in for three years.

Black labour leaders favour Pent Up's scheme because it would in effect mean that employees would derive early benefits from their pension contributions.

Mr Rosenberg says: "Building societies and certain banks have the expertise to grant bond finance, so it seems logical for them to be the financial providers. The various institutions would compete for deposits and so ensure a healthy competitive market in medium-term gilt-edged stocks."

□ To Page 2

□ From Page 1

R2bn plan

Pent Up recommends that deposits in black housing be for a minimum of 10 years.

Its investigations show that by using a subsidy scheme with the employer, employee and the State each contributing a third to bond repayments, even those earning R260 a month could afford to pay R59 a month on a R12 000 bond. That would satisfy building societies' requirements that a salary be at least four times greater than the bond payment.

The Government has said it is prepared to subsidise bond repayments to the tune of a third for first-time buyers.

Pent Up says that if an estimated 30% of a company's employees qualified under the proposed scheme, the additional cost to the company would be between 2.5% and 4% before tax.

Stable to "the 20% to 25% area", managing director Michael McWilliam told Business Times this week.

Mr McWilliam said:

Mr McWilliam

Rents

boycott sparks mass evictions

123
SUN TIMES 1976

continued to the news, and

RENT boycotts have cost a staggering R250-million and thousands of black families now face eviction as the Government supports a nation-wide crackdown on defaulters.

This week the first of what will become a wave of evictions began when municipal police in Soweto began throwing out defaulters early on Wednesday morning.

"Councils are going to be tough with people who do not pay their rent," promised Mr. Steve Kgama, president of the Urban Councils Association of SA and a Dobsonville councillor.

Temporary

"Of course, they are going to be evicted; they can't stay and not pay rent," said Mr. Kgama.

Most councils regard a Supreme Court decision to set aside the eviction notice on one Soweto resident as a temporary hiccup; they are going ahead with re-issued eviction notices.

A PFP assessment is that at least R250-million is outstanding as some boycotts have been going on for nearly

BY CAS ST LEGER

two years. Mr. Alf Widman, PFP spokesman on housing, warned that forcing the situation is only forcing confrontation.

He met a senior official in the Department of Constitutional Affairs and Planning this week, spelling out residents' victimisation fears. The official told Mr. Widman that black councils, not the Government, were insisting rents be paid, and has promised to convey the message to the Minister.

A University of the Witwatersrand Community Research Group report found rent boycotts in 26 townships with an average 60 percent support from residents. A spokesman estimated the total debt at much more than R200-million, with R20-million from the Pretoria and Vereeniging areas alone.

The report also warns that many people are defaulting, not through political, but purely economic factors. If

they spend R30 a month on rent, they will starve.

Tenants are also caught "between the comrades' and the authorities", as one Soweto resident said. If they don't pay, they lay themselves open to eviction. And if they do pay, they fear intimidation, necklacing or the burning of their homes by the "comrades".

Caught

In Soweto this week, youths have demanded and torn up rent receipts at some homes. And some of those who have paid their electricity bills sit in the dark to try not to attract the militants. While steps have been taken

to protect the identities of those who pay, tenants are still afraid that the very fact they are not threatened with eviction or visited by the authorities will brand them as "scabs".

A clear-cut case for the security endangered by home-ownership is that building societies have not been affected. A spokesman for the SA Penn, a leader in the black homes market, said that current black arrears on mortgage bond repayments were only 0.47 percent, compared with seven to eight percent for whites, coloureds and Indians.

The UBS had experienced fewer sales in execution in

the black market than with other race groups, said UBS loans manager Mr. Piet Kruger.

In response to the intimidation of residents, black local authorities are extending facilities for residents to pay their rent through their place of work.

Two special rent offices to be manned by whites are being set up in Johannesburg tomorrow to help remove the fear that militants will be leaked the names of those who have paid.

Fear

"People in general are keen to pay, but they fear victimisation," said one Soweto council official, who asked not to be named.

Some measure of protection was accorded when the council sent out its "pay up or else" letters. They were sent to all residents — even those who had paid.

The Soweto City Council normally collects about R500 000 a month from its 75 000 registered tenants. This figure dropped to R200 000 last month, and the council has been forced to dip into its reserves to the tune of R8-million, leaving a R5-million balance.

Pent Up to ease housing backlog

MICK COLLINS

AN AMBITIOUS plan to utilise institutional funds to alleviate the black housing backlog has been devised by a group of Durban businessmen.

Under the chairmanship of Durban accountant Terry Rosenberg, the group known as Pent Up (Private Enterprise Upgrade Project), has responded to government's call for the private sector to involve itself in orderly urbanisation.

"Our chief objective was to devise a financing scheme acceptable to all parties," said Rosenberg.

"The most accessible source of funds is through the R40bn provident/pension fund capital area. We are advocating that government creates special prescribed asset status for these funds."

If government approves the plan to use a maximum of 5% of a pension fund's money for black housing, about R2bn will become immediately available for the plan.

● Comment Page 4

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Property rights details released

PRETORIA — More details about blacks in proclaimed townships, and in the self-governing territories being granted full property rights, were released by the Minister of Education and Development Aid, Dr. Gerrit Viljoen, at a press conference in Pretoria yesterday.

Dr Viljoen said representatives of the six self-governing territories agreed, during recent discussions with the South African government, to promote individual land-ownership in their areas.

They also agreed to the registration of property rights titles with the South African Deeds Office, under the Deeds Registries Act of 1937.

Dr Viljoen said since individual land in proclaimed townships on trust land and in self-governing territories, was conferred by the issue and registration of a deed of grant, at the regional offices of the Department of Development Aid and in the self-governing territories, it had been decided to:

- Institute full property rights titles in townships on trust land and to register titles under the Deeds Registries Act of 1937.

- Retain the cheaper issue of a deed of grant in recognition of individual land-ownership.

- Adjust the existing deed of grant to bring it more in line with property rights title. — Sapa

Change needed to meet housing crisis 123

Johannesburg—Inflation and bureaucracy were factors blamed for the housing crisis in South Africa at a housing conference here yesterday. Private sector delegates at the conference, presented by Unisa's School of Business Leadership and the Development Bank of Southern Africa, called for de-regulation, a lowering in building standards and other measures to tackle the backlog in black housing.

The managing director of LTA Construction, Mr I W Robinson, said the biggest

demand for housing came from the black community, but only 10% of the required 80 000 units a year were being constructed.

He said the white housing demand was restricted to the low income groups as the market for middle and high income groups was 'saturated.'

Mr Robinson called for bureaucratic controls to be re-examined and for authorities to take account of entrepreneurial contractors who were willing and able to help resolve the housing

problem.

Financial institutions with huge sums of money had to be coerced into providing low-interest finance so that urban workers could purchase their own homes, Mr Robinson said.

Building regulation standards had to be dropped from first-world levels, he said.

Mr Nico Korsman, of Korsman and Van Wyk, said inflation contributed to the low building rate of only 0,9 housing units for every thousand blacks dur-

ing the period 1982 to 1985.

Dr T L Webb, of Unisa's Business Leadership School, said concern had been expressed that the various government housing agencies could lead to fragmentation, and that a single government agency would be preferable.

The head of the government department providing housing for whites, Mr Frank Gerber, said the private sector was mainly responsible for providing housing for whites.

Government support was

given to whites who were in need of care, indigent, aged, or young.

In future the department's functions would be vested in regional functionaries and local authorities, Mr Gerber said, while its role would centre on policy determination.—(Sapa)

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Shortage seen as a big problem

Land allocation for more homes urged on govt

BUDAY
24/7/85 (23)

LINDA ENSOR

A CALL for government to allocate land for housing development and to abolish the Group Areas Act was voiced by several speakers at a conference in Johannesburg yesterday.

"Without suitable and sufficient land we will fail dismally in our plans," said Patrick McEnery, director-general of the House of Representatives.

Dr Henk Fourie of the Department of Constitutional Development and Planning said government regarded the need for land as one of the biggest problems.

An amendment to existing laws in the August session of Parliament would, if passed, permit the private sector to apply directly to the minister for land to be designated for black housing, he said.

This would bypass the requirement that approval first be obtained from local authorities.

Ian Robinson, MD of LTA, said private-sector resources had not been fully mobilised in the provision of affordable homes.

"This is mainly because of govern-

ment reluctance to allocate well-located raw land to private developers to enable them to provide homes that are affordable and homes that satisfy market demand for housing.

"The large housing contractor is reluctant to invest millions of rands in infrastructure and housing in locations where the market demand is not considered sufficient to warrant the risk involved," he said.

"If the private sector is to make a meaningful contribution towards affordable homes for low-income groups, the large housing contractor must have the freedom to choose the location of the township, the right to provide the type of home to be sold and to provide financing and mortgage bond facilities without undue regulation."

Professor Nic Wiehahn, director of the Unisa School of Business Leadership, hoped the President's Council would introduce changes of a "drastic, politically reformist nature".

Post Business

Call to aid black housing

By BOB KERNOHAN
Business Editor

BUILDING societies and other financial institutions were last night urged by the Government's Auditor-General to play a greater role in eliminating the half-million backlog in houses for blacks.

Outlining a number of steps the Government had already taken and with which building societies would have to "grapple and come to terms with", Mr Joop de Loor said these included:

- Vastly increased sums of money being supplied to satisfy housing needs, by far the largest slice of which would be made available to satisfy the "relatively greater needs of black housing, which is at present nearly 500 000 units".

- The injection of a further R750 million, in addition to R1 000 million already allocated, into the home construction industry over the "next year or two".

housing

- The "inevitable urbanisation process of blacks over the next two to three decades", which should provide opportunities to the building society movement as well as to employers and other financial institutions to "make meaningful contributions to the stabilisation of the unrest situation and settling home-owners instead of home-renters".

- The proposed selling-off by Government of 500 000 existing homes to private occupants.

This, said Dr De Loor, "should have far-reaching consequences for social stability", but at present was not gathering momen-

tum at the desired pace as it was being "bedevilled by the unrest situation, ineffective local authority structures and the understandable unwillingness" of residents to switch from usually lower rents or rental subsidies to higher interest on owner units.

The building society movement would be "ideally suited" to step in and popularise the idea of home-owning rather than renting a home as societies were not associated with any Government authority and could step in and popularise the idea of owning rather than renting a home.

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(S)

Group Areas relaxation the key to boosting house prices

123
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Eve K...
24/7/86

Business Editor

RELAXING the Group Areas Act would provide the only chance of boosting house prices this year, EP Building Society chairman Mr Gideon Krige told the organisation's annual meeting last night.

Reviewing the past year and gauging prospects for the future, Mr Krige said that the property market had been "very quiet", although the society had granted a record R134 million in loans.

"The market appears to have stabilised at present, with properties below R70 000 becoming more saleable.

"I do not foresee much change taking place in property prices during this year unless there is a relaxation of the Group Areas Act, which event could take up the slack in demand in some areas," Mr Krige told the meeting.

He reported an "outstanding" growth of R70,121 million (20,6%) in society assets to a new

total of more than R426 million and a growth in share capital of 29,3% — more than 10% higher than the general level of building society growth of 17,4%.

Welcoming the introduction by the Government of freehold property rights for black people, Mr Krige said this was "a major step forward in encouraging the construction of housing units by individuals and others in the private sector".

He said that as the economic situation in the country was "not very rosy at present" and economic problems and the political situation could not be divorced, he "must break with tradition and comment on political matters".

"The mistakes of the past, both economic and political, cannot be changed but I sincerely hope that we have learnt from them.

"The most important factor now is to make decisions that will provide a climate of hope and op-

portunity for all, where hard work will receive its just rewards.

"It is not sufficient to change laws and prejudices. The changes must be seen to be just and must be communicated to all the people of our land on a massive scale so that no misunderstanding or opportunity to twist the facts is allowed to happen," said Mr Krige, who urged that education be normalised and improved as a key priority.

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Lower housing standards urged

By TOM HOOD, Property Editor

HOUSING standards must be brought much below present levels if the country is to provide for great increases in housing, says property economist Dr Peter Penny.

The enforcement of high housing standards serves to limit supply and tends to reflect the wealthier classes' sense of what is the minimum acceptable rather than that of the actual occupants of low-cost housing, he said today.

Speaking at the Unisa School of Business Leadership, he said enforcing housing standards which were too high decreased the occupants' ability to pay for other goods and services and distorted their preferred consumption and investment patterns.

"Housing standards in South Africa are high compared with other Third World countries or the rural countries from which many people have come. These standards cannot be maintained if sufficient housing is to be provided.

"We therefore have to look to alternatives to present approaches. Foremost among these must be industrialised building and informal housing built by the people themselves."

Elsewhere in developing countries, informal housing tended to provide a high percentage of total housing.

"In metropolitan areas, to a man whose traditional home has been a mud dwelling in the Transkei or a reed hut in Tongoland, a shanty may not be objectionable."

A few minimum regulations for shanties were unavoidable and these should be with concerned health and safety only. The essentials were potable water, sanitation, access roads, space about buildings and area lighting.

"We face the problem of having to provide for great increases in housing without having the resources to maintain existing standards of size and finish.

"To solve this problem, different standards of housing should be permitted for people of different incomes and minimum standards must be brought much below what they have been in the past.

"A broad division should be made between a level of services which allows for ultimate freehold ownership and a level of services which will not."

Service costs per house were far more than building costs of low-cost housing.

Building costs of Khayelitsha houses were about R4 000 and service costs were between R6 000 and R8 000.

Business

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forward 333

LINDA ENSOR

THE private sector has been tardy in providing low-cost housing for the poor, figures presented at a Johannesburg conference this week show.

Urban Foundation Family Housing Association GM Matthew Nell told the conference — Housing Under a New Dispensation — the black housing backlog stood at 538 000.

He provided figures which showed that between 1980 and 1984 the private sector provided 2,72 units a 1 000 members of the black urban population compared to the 7,3 units supplied by the public sector.

Nell said whites had a surplus of 37 000 houses, coloured people had a shortage of 52 000 and Indians a shortage of 44 000.

LTA Construction MD Ian Robinson said about 80 000 housing units were required by the black community annually. But during the last five years an average of only 8 000 units were built annually.

Furthermore, black urbanisation was estimated to increase by between 8-million and 13-million by 2000 with only 40% of the black population (excluding coloureds and Indians) now being urbanised.

President's Council member Dries Oosthuizen said: "The first challenge is whether the private sector can sufficiently cope with the provision of low cost housing, which in the past was the almost exclusive task of the public sector."

He said his impression so far was that the private sector had focused predominantly on the upper strata of the black and coloured communities.

However, speakers disagreed over whether it was the State's or the private sector's role to provide affordable housing for poor people.

Institute for Housing of SA president Llewellyn Lewis said it was predominantly government's task, with the private sector — including building societies — being involved only above a certain low-income cut-off point.

Others said self-help housing and site-and-service schemes were the only alternative for low-income groups and the private sector could play a role in that.

Nell said the State should play a role facilitating and regulating private sector initiative rather than directly supplying houses. That should be the task of the private sector — defined broadly to include the formal and informal business sectors and householders.

25/7/80 BUDM

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LINDA ENSOR

GOVERNMENT'S fragmentation of housing administration into Own Affairs departments was criticised at the conference on "Housing Under The New Dispensation" in Johannesburg this week.

Calls were made for a single ministry to cater for the housing needs of all population groups.

"The current approach of fragmenting housing administration into racially-discrete State departments undermines South Africa's ability to respond effectively to its current housing problems," said Matthew Nell, GM of the Urban Foundation's Family Housing Association.

Oosthuizen said housing would be handled by each of the Own Affairs administrations while the Deputy Minister of Constitutional Development and Planning was handling black housing outside the national states and trust lands.

All the functions would be devolved to provincial and local levels.

He said there was a need for effective co-ordination of housing matters among the different public housing agencies and the private sector.

Cape Town's town clerk, Stanley Evans, suggested tension could develop between the differentiating principle of Own Affairs and the integrating principle of co-ordination - both aspects of government policy.

Call for one housing ministry for all groups

"There is a need to involve communities in decision-making processes but there is a trade-off between the local option and own choice and co-ordination," Croeser said.

He suggested that decision-making should be centralised with localised decisions being taken on the micro level.

President's Council member Dries

"We need to pool all the available skilled manpower and experience to respond to the housing problems," he said.

Deputy Director-General of Finance Gerhard Croeser said he had a strong suspicion the Own Affairs provision was "over-regulated and over-departmentalised. There is a lot of fragmentation".

Focus on housing funds schemes

INNOVATIVE schemes by the private and public sectors to raise housing finance are being discussed and investigated at the highest level.

At a conference on housing in Johannesburg this week Dr Henk Fourie of the Department of Constitutional Development and Planning revealed that plans were afoot to float share-block companies to raise finance for township development.

An announcement would be made shortly, he said.

And deputy Director-General of Finance Gerhard Croeser said among the structures being investigated were:

25/7/86 BUS DAY
LINDA ENSOR

The US system enabling developers to raise funds on government-guaranteed negotiable instruments called Ginny Maes certificates which represent pools of mortgages;

Prescribed assets which would open sections of the market; and

Tax concessions.

All three, however, carried the disadvantage of increased government involvement in what should be a private sector function, Croeser said.

He said public-sector housing would be

financed only through loans raised by the Exchequer.

Of the private sector he said: "The private sector — especially the long-term insurers and pension funds — have a large pool of capital funds which is often invested unproductively, often chasing paper on the JSE," Croeser said.

He said proposals to involve these financial institutions in the recently-announced R750m stimulation project for housing were presently under consideration and an announcement would be made shortly on a possible vehicle to be established for raising funds.

● See Page 3

Influx: Govt slammed for 'misleading blacks'

ARGUS
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Picture: HANNES THIART, The Argus

Rain? No problem for these four city building workers. Clockwise from top right, are Mr Magmoed Limbada, Mr Brian du Plooy, Mr Felix Nyaka and Mr Zulu Stanford.

The Argus Correspondent
JOHANNESBURG. — The Government has undermined its promise to restore South African citizenship to millions of blacks and is imposing harsh new influx control measures on residents of the four independent homelands, Mrs Helen Suzman said.

Mrs Suzman, Progressive Federal Party MP, slammed the Government for misleading blacks into believing that influx control had been abolished.

And Professor Alf Stadler, a political scientist at the University of the Witwatersrand, warned that these new regulations, with the limited effect of the Restoration of South African Citizenship Act, will lock millions of workers into a permanent "quasi-migrancy" status.

Another version

Professor Stadler said the new processes could be described as another version of influx control.

Millions of workers living in the townships on the borders of Pretoria and Bophuthatswana and on the borders of East London and the Ciskei will become daily migrants.

Only about 1,75-million blacks will qualify for the return of South African citizenship, while millions of commuters from independent homelands will have to obtain work permits when their contracts expire.

Mrs Sheena Duncan, former president of the Black Sash, said: "I think people from the TBVC (independent) countries are worse off now than they were before."

Tighten

She warned that the combined requirements of citizenship and approved housing would tighten the influx net rather than represent elimination of influx control.

The new conditions were spelt out at a news conference held by the Department of Home Affairs in Pretoria yesterday.

President Mr P W Botha said at a National Party congress in December that the Government was prepared to return South African citizenship to millions of blacks who live in

Venda, Ciskei, Transkei and Bophuthatswana who lost their citizenship as a result of independence.

The Government has used the abolishment of influx control and the pass laws in full-page advertisements as "proof" that its reform policies were in effect.

One third of South Africa's black population — nine million people — lost their citizenship when the four homelands took independence between 1976 and 1981.

About five million of these live in the homelands and have no chance of getting back their South African citizenship.

Of the remaining four million living in South Africa only 1,7 million are considered eligible for restored South African citizenship.

Only TBVC citizens who were born in South Africa before independence and who have continued to live here permanently would become citizens by birth.

State remains biggest provider of black housing

W/E Post
26/7/86
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By DENISE BOUTALL

ALTHOUGH the Government has spent years encouraging private sector involvement in black housing, the State provided nearly five times as many houses for blacks in the first part of the decade.

And although all building societies have become involved in black housing, few appear to be prepared to become involved in low-cost housing where the biggest need lies.

Their spokesmen argue that the provision of low-cost housing for the very poor remains the State's responsibility.

The Urban Foundation puts the black housing backlog at 538 000 units, the coloured need at 52 000 units and the shortage for Indians at 44 000 units.

There is an over supply of 37 000 houses for whites.

In interviews, building society spokesmen were emphatic that they were committed to black housing but pointed out that they had been prevented from getting involved by the shortage of serviced land.

They said all loans were granted on the basis of the ability of clients to repay

them and the structural integrity of the house.

In 1982 the Government changed its housing policy, giving priority to the provision of serviced land.

It also said those earning less than R150 a month would be responsible for building their own homes.

The involvement of building societies in black housing began in 1979 with the 99-year leasehold system.

According to the Urban Foundation the private sector built 0,19 houses per 1 000 black people between 1980 and 1984 compared to the 0,88 houses per 1 000 people built by the State.

A top official at the UF's housing utility company, Family Housing Association, said only the private sector — formal and informal business and individual families — could solve the country's housing problems.

This would only be possible, however, if the State made enough affordable, serviced land available and if building societies were innovative.

One building society that has become involved in

low-cost housing in the Eastern Cape is the SA Perm which has issued bonds for Zenzele houses — houses based on the traditional pole and daga structures — in Grahamstown.

The Perm's assistant general manager for the East Cape, Mr Denis Creighton, said the bulk of new loans were to blacks, chiefly in the middle and upper income brackets.

It was also involved in self-help housing schemes in Kleinskool and Zwide.

"We are prepared to get involved in self-help housing only if there is a controlling agency to supervise the building," he said.

The Perm had drastically lowered standards to help people of all races to own homes. "We are always looking at extending our involvement in new, innovative housing."

However, for the very poor, controlled squatting or publicly funded housing was probably the solution.

A spokesman for the United Building Society said they now had 12 000 black bondholders with borrowings totalling R320 million.

Last year 3 071 bonds worth R97 million were granted to blacks and the rate of issuing bonds to blacks had virtually doubled since April.

"Every loan application is granted if it meets our standards of affordability and the house is structurally sound."

But the provision of housing for the very poor was not the responsibility of building societies, he said.

"The very poor cannot afford to own houses. They have to pay not only their bond instalments but also pay for electricity, water, rates and maintenance.

"Nowhere in the world do people who earn R400 and R500 a month own their houses. Low-cost housing is a government function," said the spokesman.

The East Cape regional manager of the Allied, Mr U H A Kohne, said they were totally committed to involvement in black housing and were financing houses in PE's Kwamagaki and Kwadwesi.

But they too had to ensure that the home buyer could meet instalments and that the house was sufficient security for the size of the loan.

Where blacks with low incomes had met these standards they had been granted bonds.

Sapa 2011/12

Orderly squattling seen as solution

JOHANNESBURG — Deregulation enabling people to build their own houses — resulting in a form of “orderly squattling” — was called for by the Deputy Director-General of Finance at the weekend as a means of solving the country’s housing crisis.

Addressing a seminar on housing in Johannesburg, Mr G P Croeser said the standards of housing, infrastructure and building materials should be reconcilable with the income levels of occupants.

“Wide-ranging deregulation is therefore needed in respect of housing, also or perhaps even especially at local authority level,” he told the seminar.

Mr Croeser said attention should be given to the better allocation of the existing total pool of funds available for housing rather than more money being made available, as this would be at the cost of other important expenditure priorities. — Sapa

29/7/80 SMR

'New ideas' call for home finance

By Janine Simon

The need for innovative housing finance was stressed at a recent "Housing under the new dispensation" conference in Johannesburg run by the Unisa School of Business Leadership and the Development Bank of Southern Africa.

It was suggested that, to raise money for development in black areas, the Government pass legislation allowing developers to raise funds on Government-guaranteed, negotiable instruments.

Mr Peter Penny, chief executive of Herbert Penny Ltd, said America passed such legislation — commonly called Ginnie Mae certificates — to raise money for socially desirable but risky property development.

"Ginnie Maes" represent pools of mortgages. A Government-backed mortgage association guarantees payment of the capital and interest of these securities — making them safe and attractive financing, Mr

Penny said.

The deputy Director-General of Finance, Mr Gerhard Croeser, said the Government was considering how to involve financial institutions in the recently announced R750 million housing project to meet its aim of joint public and private sector financing of housing.

Financial institutions had a large pool of capital unproductively invested, often chasing funds on the JSE, he said.

OWN RESOURCES

Dr Simon Brand, chief executive of the Development Bank of Southern Africa, said the bank was looking for a link between financial institutions in the TBVC and self-governing national states and those of the broader financial markets to generate funds for housing in those areas.

The bank would use its own resources to mobilise private involvement in providing facilities rather than laying out its own funds on housing loans, he said.

International expert on low-income housing Dr Neils Jorgensen said the conventional concept of housing "affordability" was static and had to be replaced by the more realistic and dynamic idea of "willingness to pay".

"The current rule-of-thumb of 25 percent of current income as the affordability level had been applied at all times and places with disastrous results," he said.

It had given rise to the low-cost housing dilemma or "vicious circle of static affordability": individuals who could not cope with finance terms could only buy a cheaper home or pay more of their income.

If planners accepted that cheaper housing had dynamic parameters, more people would be able to build better homes for less money.

The need for deregulation, rapid provision of serviced stands, realistic building standards and owner-involvement through self-help schemes was stressed by most speakers.

Croeser spells out Govt role

Government would provide housing only for people who could not obtain the most minimum-standard commercial homes — for the rest, its provision was the responsibility of the individual.

According to deputy Director-General of Finance Mr Gerhard Croeser this principle is embodied in a draft formula for housing finance being considered by the three Ministers' Councils.

Speaking at a housing conference in Johannesburg, Mr Croeser said the Government was responsible for low-income groups and social welfare cases, but in other instances expected the individual, his employer or financial institutions to make a contribution.

BASIC MINIMUM SERVICES

The Government should concentrate on providing infrastructure and basic minimum services — including community facilities — on a labour-intensive basis.

Individuals, as far as possible, should erect their own homes through self-help schemes.

He called for wide-ranging deregulation to enable people to build their own houses in a form of "orderly squatting".

Mr Croeser said backlogs would be eliminated partly through the new finance formula, but mostly through ad hoc grants such as the new R750 million housing package.

Public sector housing — for Own Affairs Administrations and blacks — would be financed by the Exchequer and not by loans.

The public sector could best fund future low-cost housing by better allocation from the pool of funds, Mr Croeser said.

Housing — political stability is 'vital'

Political stability was vital if financial institutions and building societies were to be involved in future provision of housing, the general manager of the United Building Society, Mr P J Kruger, told a housing seminar in Johannesburg.

He said building societies could not be expected to invest and operate in areas where it was dangerous or impossible to enter.

Building societies had already invested more than R800 million in black housing, mostly to the middle and upper income groups, he said.

They would invest heavily in houses built along the self-help concept as long they were controlled and properly supervised.

"We are not prepared to finance merely a shelter. Building societies will evaluate new building methods but in most cases will insist on an Agreement (fitness-for-purpose) certificate or an evaluation by the National Building Research Institute (NBRI).

"We accept that standards of finish will vary considerably on low-cost housing projects."

Alternate forms of finance, such as a 100 percent bond, would increase risks to financial institutions, Mr Kruger said.

The Government should ensure that local authorities allocated serviced land to genuine developers, not speculators, and also guard against forcing people into becoming homeowners.

High prices put damper on black housing schemes

SJK
31/7/86

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By McKeed Kotlolo,
Pretoria Bureau

The housing shortage, a major problem in black townships for many years, may become a thing of the past in the Pretoria area.

This is thanks to the

private sector and the recent signing of multimillion-rand contracts between development companies and Mamelodi and Atteridgeville local authorities.

But the projects are seen by many as aimed more at making profits than eliminating the housing backlog.

Most people on waiting lists cannot afford to buy the sites, let alone build their own houses.

Serviced sites in Mamelodi sell for of R5 500 for 300 sq m.

The Atteridgeville Town Council signed a R13 million housing contract with the Habitech Construction Company.

This was followed by an estimated R40 million contract between the Mamelodi Town Council and the Family Housing Asso-

ciation (FHA), an Urban Foundation housing utility company.

The planned FHA houses will cost between R20 000 and R60 000.

The FHA will develop 1 300 sites in Mamelodi Gardens, an elite area in Mamelodi East, while Habitech in Atteridgeville will build in Extension 1, also an elite area.

The executive chairman of the Urban Foundation, Mr Jan Steyn, has stressed that their commitment was to meet the needs of all those who did not have houses or were inadequately housed.

NEEDS OF POOR

He said at the launch of the Mamelodi Gardens project that there must be strong emphasis on meeting the needs of the poor.

HOUSING & HOSTELS — GENERAL

1988

AUG.

wat ontvredenheid te wees wat hoofsaaklik om drie aspekte sentreer.
Ten eerste word die student baie deeglik bewus gemaak dat slaag in
elke kursus buite die kwessie is indien diptenavorsing deur middel
van verwysings na literatuur nie in toetse en eksamens weerspieël
word nie. Die ondervinding is egter dat meeste van die studente
lui is en net die lesings in die lesingsaal ontvang, (wat dikwels
gedikteerde lesings is) ken, en daardeur slaag. Die pligsgetroue
student, wat ook later bydraes tot die vakgebied maak en kan maak,
het geen rede om trots te wees op die prestasie wat hy behaal nie.
Tweedens gebeur dit dikwels dat lesings wat aangebied word so verouderd
is en die formele aantekeninge dikwels vir tot 3 geslagte dieselde
bly. Studente voel dat hierdie een van die belangrikste faktore is
wat potensieel goeie studente se belangstelling in vakke laat vervaag.
Derdens moet take en werkstukke aan studente meer gemik wees om die
student te ontwikkel en sy kennis oor die Suid-Afrikaanse landbou
uit te brei. Seminaar onderwerpe moet aanpas by wat die student
wil en moet ken en nie wat die gevorderde landbounavorsers graag wil
weet nie.

F.M. 11/8/86
BLACK HOUSING

Another boost on the way

A further R500m boost could be given to self-help black housing next month when financial institutions are expected to announce moves to have housing included in their list of prescribed assets.

Together with government's plans to inject R750m into similar schemes, R1,2 billion could be available to provide urgently needed housing in the country's black areas.

The economic spin-off could be significant and it is seen by government as a way of giving the flagging economy a leg-up.

The Life Offices Association (LOA), representing all major life insurers and a substantial portion of the pension fund industry, is expected to announce the outcome of its



LOA's Steyn ... happy to invest

deliberations on the issue at a press conference on August 6. If accepted by the LOA, as seems likely, discussions would then have to proceed with Treasury and the Registrar of Insurance before funds could be channelled into black housing.

Government may well see the move as a godsend and a relatively painless way to raise money for housing.

It would, however, require a subsidisation of interest rates for the end-borrower, as well as a guarantee from government to the insurers.

The LOA's Development Capital committee has been studying the prospect for some time and has now finalised a report which will be discussed by its management committee on August 6. A press conference has been called immediately afterwards, when details are expected to be announced.

One suggestion, the *FM* understands, is that 1% of the industry's investment funds (life offices and pension funds) should be committed to black housing which could provide some R500m in funds for self-help

schemes.

It is likely, too, that the LOA will suggest that a trust or organisation must be set up through which all the funds would be channelled. And since the institutions would require market related rates equivalent to the current rate on government long-term stocks (between 16% and 17%), government would have to assist further in subsidising rates for the end-borrower.

Sanlam MD Pierre Steyn, who is also chairman of the LOA, says that as far as Sanlam is concerned, he would be more than happy to invest in such a scheme if the funds were accepted as a prescribed asset and guaranteed by government.

His belief is that by using the prescribed asset route it would be both administratively simpler and cheaper for government and the institutions to make funds available for black housing. Institutions, he says, are geared to investing in prescribed assets and it would suit them better if funds were invested in this way.

The funds are likely to be made available for the provision of infrastructure, as well as self-help housing. With blacks constructing their own homes, the argument goes, it will relieve the unemployment problem, as well as provide much-needed housing.

How government plans to spend the R750m on black housing, announced some time ago, is still unknown. The three-man committee, headed by Sanlam chairman Fred du Plessis, is said to be finalising details of how it will be spent in the most effective way.

Steyn says that if the LOA and government proceed with the plan, it seems logical that there would have to be close liaison with Du Plessis' committee. ■

New housing council to help spend R 750 m

1/8/85
SMA
Pretoria Bureau

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The new South African Housing Advisory Council — which will help the Government spend the R750 million it voted for housing recently — was formally launched by Minister of Communication and Public Works, Dr LAPA Munnik, yesterday.

Dr Munnik said the council, with public and private sector representation, provided a forum for addressing housing needs.

The Government's grant will provide housing for all races and is one area where the council will give advice.

Chairman of the council, and vice-chairman of the Perm, Mr Boet Viljoen, said the council would determine needs and financial resources, apply norms and identify regulations which impeded efficient housing production.

Lenders foreclose on R60m houses

REPOSSESSIONS of houses by building societies have increased more than fivefold compared with last year.

The SA Perm, United and Allied have more than R60-million outstanding on properties in possession.

An example of how sharply foreclosures have risen comes from the Perm, which disclosed this week that out of total advances of R4.4-billion it has R19-million outstanding on 388 properties in possession after provision for expected losses of R2.6-million.

This compares with 92 properties in possession and an outstanding amount of only R3.8-million in 1985. The R2.6-million net loss on sales of properties in possession comes off the income from lending.

Bad patch

The United's properties in repossession have climbed from R5-million to R25-million, and Allied's have jumped from R2-million to R16-million in 1986 — an eightfold increase.

Exact figures of repossessions by banks and other financial institutions are unavailable, but one conservative estimate is that more than 2 500 housing borrowers will have lost their properties by the end of the year.

Building societies say they are "leaning over backwards" to help mortgage borrowers by extending repayment periods or reducing monthly instalments to help them over a bad

By Udo Rypstra

financial patch.

A Perm spokesman says: "Repossessions have increased at an alarming rate and there are many others in the pipeline."

He says it takes several months after the first legal steps to arrange a sale in execution.

On the Reef alone, more than 80 judgments involving non-payment of mortgages were obtained in the Rand Supreme Court last month — most of them in favour of the Perm. Although few particulars are given about the defendants involved, it emerges that:

- Bond amounts owing vary from R8 000 on a plot to R157 000 on a home in Sandton which an Indian family could no longer afford. However, the average amount seems to be R40 000 on properties in middle-class suburbs.

- In many cases husband and wife signed for a loan, so even their combined income was insufficient to maintain payments.

- The properties of several single — especially divorced or widowed — women living in Johannesburg's flatland will come up for auction soon.

- Most repossessions involve modest homes bought in the past few years. Reductions in the initial capital borrowed are hardly noticeable.

Building societies have increased their provision for losses by up to six times. They hope the recent drop in interest rates will improve the lot of borrowers.

IN 1983 the Government announced a significant switch in direction in national low-income housing policy.

The announcement contained four changes of principle: a switch to self-help housing systems as the favoured form of housing delivery, as opposed to the conventional mass-housing approaches which had dominated previously; a change in targeting emphasis away from the poorest groups towards the lower middle-class; a significant reduction in the degree to which the State accepted responsibility for low-income housing assistance; and, in common with moves in other fields, a correspondingly greater emphasis on the role of the private sector.

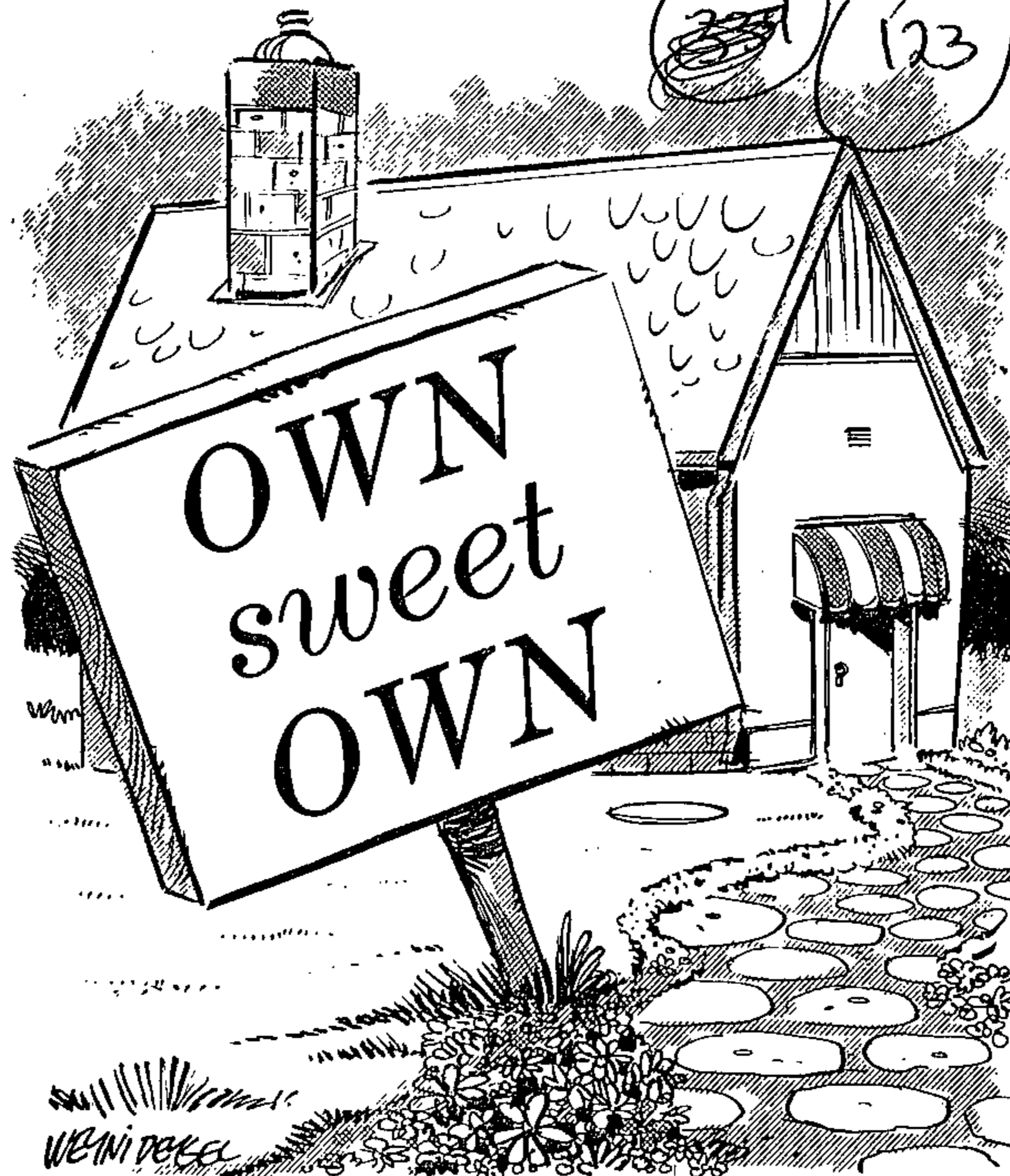
These changes in part reflected the growing influence of the Department of Finance and the Treasury in the formulation of housing policy.

The period since that time has been characterised by a massive slowing down of housing provision and widespread confusion in both Government and private sector circles about who should be responsible for what in the field of housing.

The housing backlog has grown dramatically, with commensurate increases in illegal squatting and overcrowding, and the construction sector has been badly affected, with severe consequences for employment.

Within the past month the Government has moved to reactivate its policy, but within the principles articulated in 1983. An additional R750-million has been allocated to housing, with the Department of Finance acting as the co-ordinating body between potential recipient agencies.

A private sector task force consisting of three leading businessmen will advise on how the money



The Government has launched a multimillion-rand project to house the country's homeless. This 'Homes for Hope' exercise has raised expectations. Are they justified? DAVID DEWAR, head of the University of Cape Town's Urban Problems Research Unit, says problems could arise . . .

should be allocated and spent.

Obviously, the allocation of a significant amount of additional finance to housing is to be welcomed, as is the rhetoric relating to increased job creation and skills transmission in housing programmes within which the announcement was couched.

However, there is no indication that the real nature of the housing problem is yet being acknowledged or faced.

The housing problem in South Africa does not only relate to the very poor: there are many different types of "housing problem" affecting different income groups, and a full range of delivery systems needs to be mobilised to contribute to these.

However, numerically and in intensity the main problem does relate to the very poor, and all indications are that this form of problem is growing the fas-

test. It cannot be solved simply by throwing money at it, or by greater private sector involvement.

The reality is that a great many people cannot afford the products resulting from the housing process. It is precisely for this reason that many advocate sites and services and other forms of self-help approaches.

The intention contained in these approaches is to capture the economies reflected in shanty or shack settlements and other forms of what housing theorists call "artisanal" environments, without, of course, replicating their form.

However, the point that is missed is that these economies obtain precisely to the degree to which the construction of these environments is removed from the formal economic system and from formal hous-

ing-control systems.

Compromises may indeed reduce costs to a degree, but not to a level which allows the very poor to gain access to them: indeed, at present standards, small serviced sites alone in self-help schemes in Cape Town cost about R14 000.

While variations will obviously occur between major cities, this is way beyond the financial capacity of the poor.

The implication is unavoidable. A central dimension of housing policy must be the facility to manage and assist the emergence of informal but secure environments which utilise alternative forms of services, and a wide variety of alternative building materials.

It may not be ideal and it certainly will not be neat, but it is a great deal better than implementing a system which forces people to squat, or massively increases overcrowding or

distorts expenditure priorities and forces families into a deepening spiral of poverty.

If properly and creatively designed and managed, and with appropriate forms of policy back-up, these settlements will not represent threats to public health or safety: they will contain a capacity to be upgraded at a pace and in a way which is sensitive to the economic and social needs of the inhabitants.

Central to the whole housing problem, therefore, is the issue of urban land: the need to make well-located land available to the urban poor at a rate sufficient to match demand (and thus take the sting out of speculation) and at prices which are within their reach.

Since formally announcing the acceptance of the need for "positive urbanisation", the Government has been strangely silent about this vital issue. Certainly little or nothing has been done in concrete terms to increase supply rapidly.

Analysis of the President's Council urbanisation strategy, which presumably will form the basis of the Government's urbanisation policy, raises two very serious concerns about this.

First, there is a grave danger that control over access to urban land will become the primary instrument of a new form of influx control.

The second is that control over the distribution of urban land becomes an instrument of political patronage, designed to give muscle to non-democratic and widely rejected political institutions such as black community or urban councils.

This type of function is openly advocated in the President's Council report. If this happens, the issue of urban land is likely to become a pivotal site of community struggle, with disastrous consequences for housing policy.

The task facing the private sector task force is by no means an easy one. Its level of success will ultimately be determined by the degree to which it is able to realign housing policy with the central nature of the housing problem, and by the degree to which it is able to influence Government policy in vital areas which may lie outside its formal mandate.

Dispatch Correspondent
JOHANNESBURG

Government officials yesterday confirmed the existence of a national plan to counter the widespread rent boycotts threatening to bring black local authorities to a standstill.

However, several spokesmen refused to confirm the implementation of a document which outlined the establishment of joint management centres consisting of major employers, police, the South African Defence Force, the old development boards and black

councils.
The Soweto City Council resolved at its monthly meeting last week to protect residents who want to pay rent and to maintain order and discipline in the townships.

A spokesman for the

(123) DD 4/8/86
Govt confirms plan to fight rent boycotts

Ministry of Constitutional Development and Planning denied knowledge of the plan and the chief of the Bureau for Information, Mr Leon Mellet, said he was not prepared to comment on an alleged document dating back to last year.

Mr Mellet said: "There are steps being taken to ensure rent is being collected, wherever it is necessary, and to ensure that those who want to pay rent are not intimidated." He added that the steps were being co-ordinated nationally.

He refused to divulge the nature of the action being taken.

An SADF spokesman, Commandant J.C. Rolt, said it was not a secret that joint management centres existed. They had been discussed in Parliament.

Plan to protect payers

GOVERNMENT officials yesterday confirmed the existence of a national plan to counter the widespread rent boycotts threatening to bring black local authorities to a standstill.

However, several spokesmen refused to confirm the implementation of a confidential document which outlined the establishment of Joint Management Centres (JMC) consisting of major employers, police, the South African Defence Force (SADF), the old development boards and black councils.

And the Soweto City Council resolved at its monthly meeting last week to form vigilante groups to protect residents who want to pay rent and to maintain order and discipline in the townships.

Chairman of the council's management committee Letsatsi Radebe said: "Vigilantes will be responsible for, among other things, stamping out all political renegades."

SOPHIE TEMA, SIPHO
NGCOBO and LINDA ENSOR

A spokesman for the Ministry of Constitutional Development and Planning denied knowledge of the plan and Brigadier Leon Mellet, chief of the Bureau for Information, said he was not prepared to comment on an alleged document dating back to last year.

But Mellet admitted steps were being taken to ensure rent was collected.

"There are steps being taken to ensure rent is being collected, wherever it is necessary, and to ensure that those who want to pay rent are not intimidated," he said, adding that the steps were being co-ordinated nationally.

He refused to divulge the nature of the action being taken.

SADF spokesman Commandant J C Rolt, said it was not a secret that JMCs existed, as they had been discussed in Parliament.

Anti-rent boycott plans revealed

MORE than R250-million has been lost due to unpaid rent in black townships throughout the country.

The Government, commerce and industry, town and community coun-

cils have joined hands in an effort to break the rent boycotts that now involve 31 townships.

The Soweto City Council's decision last week to form vigilante groups to stamp out propagators of the rent boycott is seen as part of this strategy.

The boycott busting move was first mooted last year after the Lekoa Town Council had an emergency meeting with various Government departments.

The council had recommended that employers deduct due rent from employees.

According to documents in the possession of the *Sowetan*, bodies leading the boycott-busting exercise are the Gesamentlike Bestuursentrums (GBS or Joint Management Centres) made up of representatives from the community councils, ex-development boards, the South African Police, the South African Defence Force and representatives from industry.

The JMC's are regional organs directly accountable to the State Security Council. Their function is to assess the security situation in each region and recommend to the authorities concerned appropriate "solutions" — ranging from security force actions to the upgrading of living conditions.

The document, compiled by the Wits University-based Community Research Group (CRG) reveals the JMC's involvement in boycott-busting moves.

In the possession of the CRG, a document entitled "Strategy for the collection of arrear rental and service charges" submitted to the

Town Council on 1985, it is

By MZIKAYISE EDOM

stated that "local collection action groups" made up of councillors, policemen and officials will be formed and mandated to use all available means to collect arrear rentals.

The document instructs that "no acknowledgement through negotiations must be given to revolutionary groups and organisations".

"All actions", it continues, "are (to be) taken in mini-GBS and GBS context . . . within the ambit of (the) National Security Management System."

To break the rent boycotts, a wide range of strategies are recommended. These include:

- Legal action to be taken against defaulters;
- Identify initial targets — that includes businessmen and households that are "reasonably well off", hostile residents and employed workers who have been identified by employers;
- Contacting employers to deduct rent by stop-order and to supply lists of workers to township officials;
- Councillors with "SAP support" must hold household discussions with groups of residents to motivate them to pay rent;

• The "hearts and minds" of the youth must be won. They must be persuaded to convince their parents to pay rent. This should be done at "weekend camps" where they must be given lectures on the functions and necessity of local authorities; and

- The establishment of police stations in all black townships.
- The media must also be used; and

Regulations on black township development

Political Staff

NEW regulations governing the way in which the private sector can for the first time become independently involved in the development of black townships and the direct selling of property in them are to be published in Cape Town today.

They form the regulatory backdrop to the Black Communities Development Amendment Act, which was passed through Parliament during the first session.

According to Mr Jan Bekker, director of legal services in the Depart-

ment of Constitutional Development and Planning, it is intended to have this Act fully operational not later than September 15.

He said the primary aim of the legislation is to remove barriers preventing private developers from playing a meaningful role in the development of black townships.

The new Act empowers the Minister of Constitutional Development and Planning to declare development areas, eliminating them from the jurisdiction of local

authorities.

Developers will then independently be permitted to build townships on these sites, and sell stands or houses.

According to Mr Bekker, substantial progress has already been made in identifying areas for the expansion of black towns and cities, and for the establishment of new ones.

The task is being tackled on three fronts:

● Development land is being identified within existing boundaries of towns.

About 260 towns have

already been dealt with in this manner, according to Mr Bekker.

● A close look is being taken at the potential of the so-called buffer strips between towns.

Mr Bekker said a number of feasibility studies have already been undertaken by his department, and the results — with recommendations — are to be presented to government before the end of the month.

● Land is also being sought adjacent to but not part of existing towns or cities (new land at Tembisa is an exam-

ple) and away from existing metropolises (for new townships).

The proposed new town north of Sandton and south of Verwoerdburg is an example of the latter category.

With government policy now being to accept the principle of the free movement of people within South Africa, and the scrapping of the migrant system that operated between the country and the independent homelands, the authorities believe the families of the migrant labourers from these homelands

will probably form the first wave of an accelerated migration to the cities.

In recognition of this, government has decided that it will no longer be party to the establishment of any new hostels in the townships, Mr Bekker disclosed.

If there remains a need for them, the private sector or the local authority will have to do the providing. Mr Bekker said that all existing hostels are to be upgraded and, as far as possible, changed into family units or flats.

4/8/86

HOUSING — as a key factor in social development — must be made affordable to all. For low income groups, affordability is the crucial starting point for almost all other considerations.

Long ago the so-called "Law of Rent" — which says that outlays for housing is a constant percentage of income — was established and it is still very common to hear planners refer to a fixed percentage of 25% of current income as the "affordability level".

This rule is then universally applied to all income groups — with disastrous results.

A new "Law of Rent" has emerged from empirical studies of low income groups in developing countries. Far from spending a uniform 25% of income on housing, this law says the lower the income the higher the percentage spent on housing.

In very simple terms, affordability is defined as that percentage of present income a person or family can afford to spend on housing. The simplicity of this definition has been achieved at the expense of realism and is virtually useless in practical terms.

The four salient components of affordability are: cost, income, rent propensity and finance terms. The inter-relationship between the four components can be translated into numerical terms:

If annual income is 100% then rent propensity (per the old-fashioned definition) is 25% and maximum cost 300% (per finance terms of 8% interest over 25 years).

If objection is made to the finance terms on the grounds that they are unrealistic, the standard answers are to cut the cost of the house or to make people pay more out of their present income or simply choose a higher income target group.

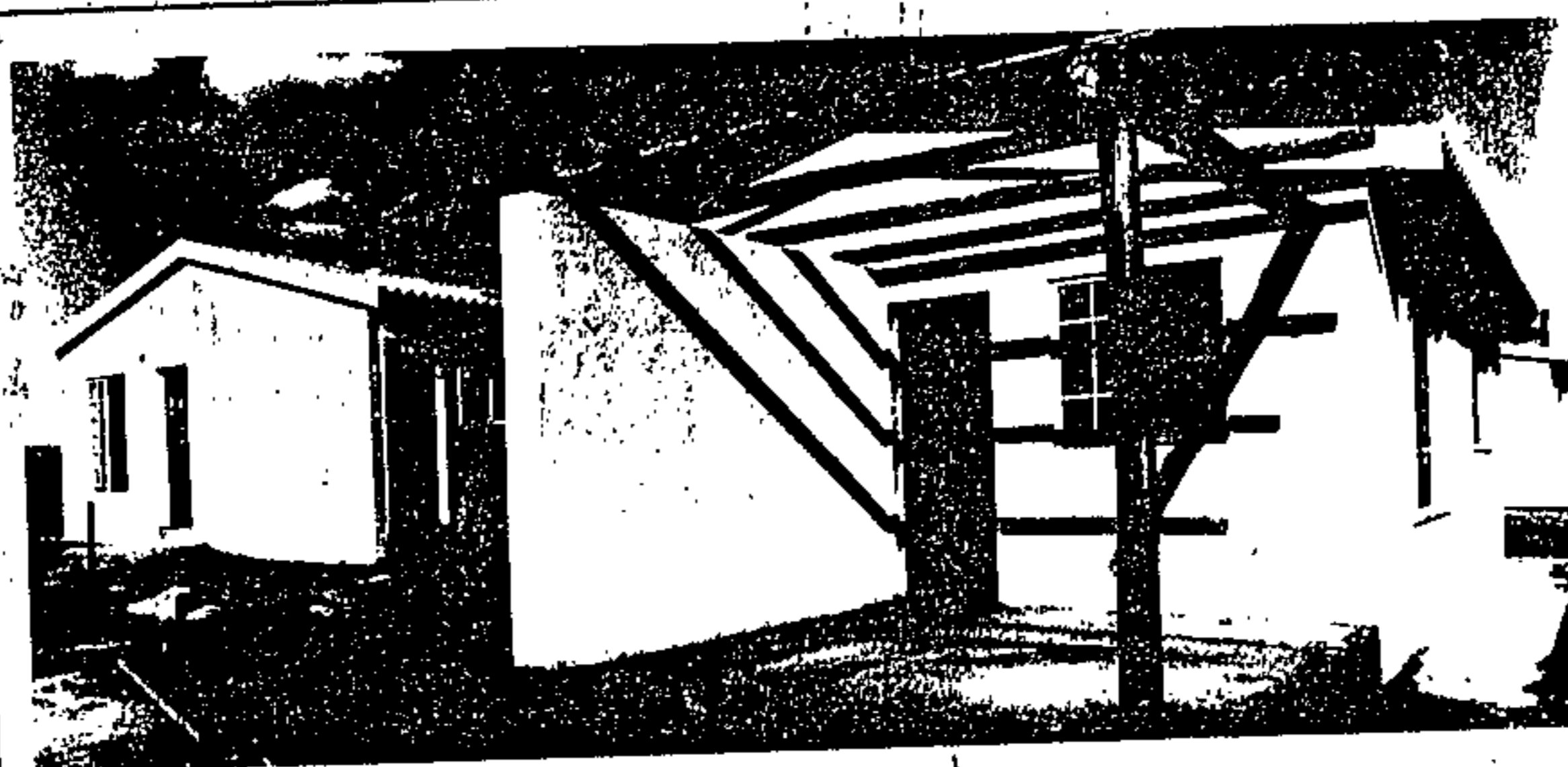
The static affordability concept offers no other alternative and is therefore becoming known as the "vicious circle of affordability" or "the low-cost housing dilemma".

It appears virtually impossible to break out of the vicious circle where most of the variables are given and where present income is taken as one of the starting points.

Affordability must be understood not as a once-for-all entity but as it really is — namely, a dynamic and ever-changing magnitude.

Cost of housing is not given if taken over time and a house is not a given entity once and for all. The obvious breakaway point is to think in terms of self-built, improvable housing, such as site-and-service schemes.

The initial cost would then only have to cover: land, services, plan-



Affordable houses on low incomes

This paper — considerably edited and abridged — was presented by a respected author and international expert on low-income housing at a recent conference held in Johannesburg. The author has asked to remain anonymous

ning and design — but little or no superstructure except for materials. Already the costs have been split into immediate and future costs of about 40/60.

All of the cost is not incurred from the start, and much of it is left to suit the individual's rent propensity over time through incremental consolidation.

Income can be defined in almost as many ways as there are ways of making it. A few examples:

- Salary from employment, which changes from year to year;
- Rental income from rooms let to tenants or for a right to cultivate a piece of land or build on it;
- Profit on trading or sale of produce, houses, services, etc.

Also there is the income created by capital appreciation on a piece of land or a house. This income may not be in cash until one sells or borrows against it, but it is income just the same.

All of which adds up to a very flexible and dynamic component, particularly if income from all the household members is included.

Rent propensity is also difficult to lay a cool administrative hand on.

First of all, rent propensity has to do with what people want to spend on housing, not what consult-

ants, planners or politicians think they should be able to spend — or to afford.

Thus we are dealing with something which at times can be as high as 45% and as low as 10%, depending on family size, age of head of household, tradition and location, other consumption priorities and income expectations.

Present income does play a part in rent propensity — perhaps the most important one. By actually plotting what households spend on housing compared with what they presently earn, it can be shown that the lower the income the higher the percentage of income spent on housing.

What is even more interesting is the fact that if low income families increase their income they are likely to spend 50% or more of the increase on improved housing — if better housing is available.

Finance terms are the real culprits of the housing dilemma.

The most common method of providing housing finance is still the so-called "fixed annuity" type loan, which calls for equal, periodic payments of capital and interest.

Since these loans normally run over a very long time the payments stay fixed, as everything else changes.

This fact creates the well known situation of a potential buyer or

allottee having to give up acquiring a house because the loan repayments are "un-affordable" initially. Later on they would present less of a problem, but the project never got off the ground.

There are many other loan forms which are more appropriate. If the house represents the security of the loan there should be no need to require a substantial deposit at the very start of the transaction, when legal fees and other charges are also due.

The added security required by building societies in the form of a deposit could be taken care of by public sector guarantee or an insurance — or done away with through more competition in the finance market.

To bring the concept of affordability more in tune with reality, one should look at the housing problem from the point of view of the user and his/her "willingness-to-pay".

For the potential house-owner the house is not only "shelter". It has several other attributes, such as symbol and expression of status, physical frame for a home environment, appreciating economic asset, security for raising finance and a base for income-earning activities, such as the sub-letting of

rooms or for a business.

It is therefore appropriate to refer to "user-value," which is the value the user will put on an asset whether he/she can afford it or not — that is, what it would be worth to him/he as a user or owner.

It is quite evident that if there was a choice of different finance terms, the most popular would be those which best fit the borrower's income profile over the period of the loan.

The user-value of a house financed in this way would therefore be higher. The borrower would be prepared to pay a higher price for the house or a higher interest rate for the loan than for different finance terms.

Experience shows that the more rooms provided, the more the housing scheme becomes affordable to those lower down the income scale.

But more rooms will cost more to build? Of course, but as long as the rental income from these rooms is higher than the monthly payments on the extra cost/loan it is a viable proposition.

But are rents per room as high as that? Yes, in this case they are, due to the pressure on habitable space caused by the large and growing demand relative to supply of low income housing.

Renting rooms is a source of income which makes a many-roomed house more affordable in the long-term for a low income earner than a one-roomed house.

This changes the income profile of the borrower. There are other ways in which these change over time or with the very acquisition of a house.

For instance: job seniority gives higher salary; automatic wage adjustments tied to inflation/cost of living; children leaving school and becoming net contributors to family income; improved earnings; fixed annuity loan on the house, leaving more for consumption or investment in a new or additional house.

Thus it is clear that if re-housing to the user means extra income, all of that income (not just 25% of it) is likely to be spent on housing initially.

To acquire this source of income — which, moreover, has a tendency to be inflation-proof — the allottee is very willing and often able to find extra money for a deposit and for the monthly payments.

To conclude: affordability is not static and inflexible but dynamic and subject to change by the housing process itself.

These are the characteristics which must be exploited in the implementation of the housing policy so that the provision of housing for the poor becomes itself a generator of income.

Business Day
6/18/86

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BUSINESS DAY

Urban Foundation spending to soar

THE Urban Foundation's budget is expected to soar this year by more than 140% to R108m.

About R44m was spent in the year to March, the annual review shows.

The expected rise in expenditure — assuming donations of R16m — results from the expansion of the foundation's role as agent for social reform in education, housing and work opportunities.

The newly-formed residential and construction division is expected to spend R81m on 28 projects in five metropolitan areas — more than double the R38m spent in 1985-86.

The division will focus on affordable, low-cost housing, site provision and settlement upgrading and co-ordinate the work of the foundation's utility companies.

If loan finance is forthcoming, turnover in its housing utility companies

LINDA ENSOR

should grow from R33m to more than R80m.

Of the R44m spent in 1985-86, a total of R37,7m — R32,7m borrowed and R5m from foundation funds — was invested in servicing 12 600 stands and building 10 900 houses.

This activity was financed by donations, which rose by 17% to R11,7m, and loans.

A sum of R100,7m was raised in loans from the public and private sectors.

Building societies lent 42,9% of this sum, banks 22,4% and off-shore sources 24%.

President Harry Oppenheimer said in the review the foundation's activities and achievements remained a beacon of hope in a society undergoing an anguished process of transition.

Homes trust plan to boost black housing

The Argus Correspondent
JOHANNESBURG

The Government was considering a homes trust as a central base for its multimillion-rand injection in the housing market, as well as the issue of housing bonds to financial institutions, the Auditor-General, Dr Joop de Loor, said today.

He told the South African Property Owners' Association congress in Johannesburg. "The availability of millions of rands for black housing to be spent under the guidance of a private-sector group will have a phenomenal impact on the property market."

"Most probably a type of housing trust will be formed which will receive an initial contribution from the State and then collect the rest of its funds by issuing housing bonds to financial institutions."

"The details are being worked out right now."

Getting housing on the go would benefit from the privatisation and Dr de Loor gave as an example the experience in Britain — "the world's laboratory for privatisation and de-regulation."

Britain, he said, collected more than £12-billion (about R45-billion) which would otherwise have had to be extracted from taxpayers.

Government plans housing trust

By Frank Jeans

The Government plans the establishment of a housing trust to channel its vast amounts of money into the homebuilding business.

And, as an extension to the big money-for-homes drive, the issue of housing bonds to financial institutions which are flush with funds is also on the cards.

This was announced by the Auditor-General, Dr Joop de

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Loor at the South African Property Owners' Association congress in Johannesburg today.

Dr de Loor told delegates: "The availability of millions for black housing to be spent under the guidance of a private sector group will have a phenomenal impact on the property market.

"Most probably a type of housing trust will be formed which will receive an initial contribution from the State and then collect the rest of its funds

by issuing housing bonds to financial institutions.

"The details are being worked out right now."

This will be good news for builders and developers who, while welcoming the Government's recent R750 million injection into the housing market, have been looking for guidance as to when and how the money will eventually get to the building site.

● Full story: Page 20.

Government may create a homes trust

De Loor tells of plans to boost black housing

7/18/85 SML (123)

By Frank Jeans

The Government is considering a homes trust as a central base for its multi-million rand injection in the housing market as well as the issue of housing bonds to financial institutions, the Auditor-General, Dr Joop de Loor, said today.

Speaking on the advance towards privatisation and its effect on the South African property industry, he told the South African Property Owners Association congress in Johannesburg: "The availability of millions of rands for black housing to be spent under the guidance of a private sector group will have a phenomenal impact on the property market."

"Most probably a type of housing trust will be formed which will receive an initial contribution from the State and then collect the rest of its funds by issuing housing bonds to financial institutions."

"The details are being worked out right now."

Getting housing on the go can only benefit from the privatisation issue and Dr de Loor gave as an example the experience in Britain — "the world's laboratory for privatisation and deregulation".

The United Kingdom, he said, had in the process collected more than £12 billion which would otherwise have had to be extracted from taxpayers. This had enabled the Government to provide, among other things, vastly increased numbers of homes for the lower income groups.

"Another £7 billion will be collected over the next two years as the next State-owned enterprises come under the hammer," said Dr de Loor.

Listing the benefits of privatising business, Dr de Loor said that it turned tax consumers into tax producers and unprofitable strike-riddled undertakings into thriving, profitable undertakings and shifted assets to the lesser privileged communities.

"If we want to begin the long process of defusing political tensions, then privatisation is one small but critical step to take because it spells depoliticisation," he said.

"By replacing political decisions over goods and services with a system of commercial decisions based on impersonal competition, suspicion is reduced."

Rent control

Looking ahead, the Auditor-General said he believed that the recent abolition of influx control and the new emphasis on inward industrialisation is bound to have a positive impact on property prices, particularly in the more select residential areas and in the areas which have to be prepared for orderly settlement of those moving into the cities.

"The opening up of CBDs to all races must further have a favourable impact on the property industry," he said.

Delegates were left in no doubt about the ill effects of rent control on the property industry when comparisons were given in the UK experience by Sir Donald Tebbitt, recently retired director-general of the British Property Federation.

"Rent controls have been operated in defiance of both market forces and inflationary processes to such an extent that in practice the home-owner is required to subsidise his tenant for the rest of his days."

"The classical argument underlying the Rent Acts is, of course, that if the tenant were not protected, the landlord would be able to take advantage of the shortage of homes to increase the rent unreasonably."

"Moreover, if the tenant could be evicted, he might have nowhere to go and become homeless."

Sir Donald questioned, however, why there was a housing shortage in the first place and why it was getting worse and sees the answer in the fact that under present conditions, no one wanted to be a residential landlord if he could help it.

Calling for a healthy private rented sector, Sir Donald said: "Whereas it accounted in the UK for 90 percent of the housing stock in 1915, the year of the first Rent Control Act, it has fallen to 8 percent today."

"Every housing Act since 1915 has set out to alleviate a housing shortage but has only succeeded in making it worse by making the landlord's position more and more intolerable," he said.

Private sector moves into housing crisis

8/8/86. BUDDAI. 123

UNTIL five years ago government owned the housing crisis. Tenders were put out to the private sector for the construction of houses rented to blacks by the State. Then the backlog in housing became too large.

The market was opened to the private sector that could build houses for sale on 99-year leasehold to the black population.

Government provided the land and full services like water and electricity.

Problems arose when government ran out of funds for the provision of serviced stands. This necessitated private sector involvement in providing these, as well as building the houses.

The cost aspect to the consumer climbed accordingly, and the private sector found itself providing housing primarily to upper-income blacks, coloureds and Asians as well as to government employees benefiting from subsidies.

The bottom end of the market remained unprofitable for developers, so the backlog increased in this sector.

The demand for houses is approximately 80 000 units a year. The private sector currently provides about 8 000.

Gough Cooper Homes MD Tony Acton believes there are viable solutions to the housing crisis.

"There are two primary need areas — for homes costing less than R30 000, and for sub-economic housing.

"The larger the development, the easier it is to control costs across the

SIQBHAN LOFTUS

board — we are looking at mass housing developments of around 1 000 units a time.

"Bond finance is available for this sector.

"But to provide affordable housing on this scale, as well as obtaining a reasonable return on the massive capital outlay required, we need to be able to access cheaper funds," says Acton.

"A large amount of the nation's savings lie with the life insurance companies and the pension funds.

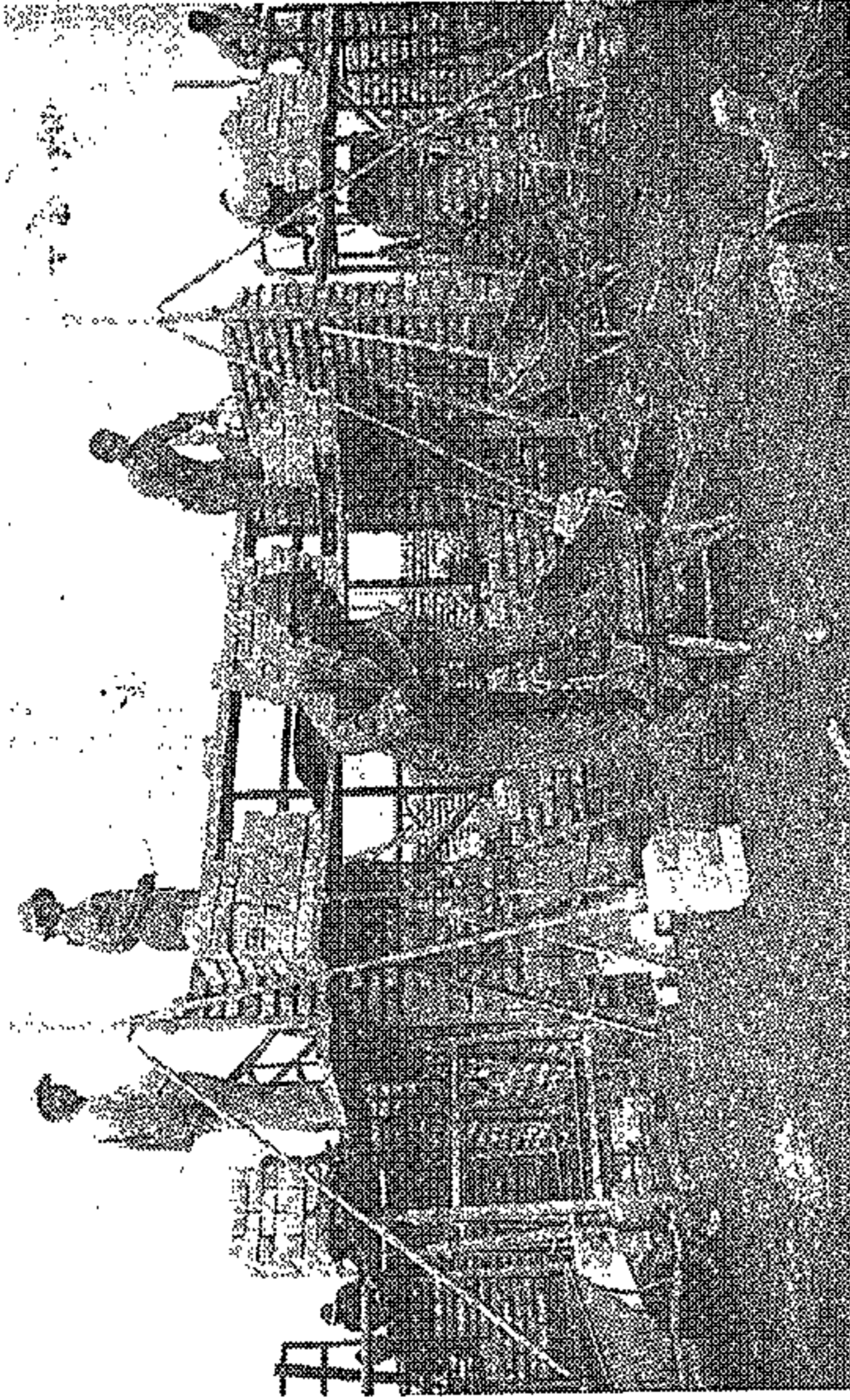
"We urgently need a National Housing strategy that provides for a partnership between government and the private sector, where government provides the means of obtaining capital and the private sector can concentrate on the building and selling of homes to the mass market," he continues.

Low affordability housing — the core house on a serviced stand — is an area developers would enter into if bond finance was available and if the serviced stands were provided by government.

Building societies, other than the SA Permanent Building Society, are not offering bonds on the basic unit, which can consist solely of foundations, plumbing and walls, leaving the home owner to complete the development.

A further complication affecting company housing schemes, developers and building societies is uncertainty regarding the Group Areas Act.

The Allied Building Society notes



Construction in progress

the surplus of housing in the white sector cannot be taken up by blacks, coloureds and Asians.

Company housing schemes are retarded by the Act, with companies awaiting political progress before buying or developing housing for their employees in areas that are not suitable or convenient to the employees.

LTA Building Projects MD Don Goodey believes employers should make a greater contribution to the housing needs of their employees.

"The R40 000 to R50 000 homes are being developed — the UBS lent R97m to blacks for more than 3 100 homes last year, with an average price of R32 000.

"But this doesn't help the majority of the lower-income workers."

The lack of serviced stands makes the provision of housing in the R25 000 bracket almost impossible.

"Government should stop talking about providing these facilities and actually do it," Goodey maintains.

SA Perm deputy MD Brian Kemmey cites delays in the bureaucratic

process of developing land and reaching building completion.

This entails registering the bonds against the security of a 99-year lease or freehold title as an ongoing problem.

"The solution lies with the authorities and the developers — local authorities must proceed apace to develop serviced land and to speed up the sales process for existing housing stock," he says.

The Perm is actively involved in the black lending market, granting more loans to this market than any other society in the financial year 1985/86 — a total of R106m.

The Urban Foundation's Family Housing Association (FHA) has been able to conduct a self-help housing project on an economically viable basis in the Kathlehong Self-Help Housing Scheme.

The foundation intends extending this scheme next year, and hopes to have more than doubled its output and expanded its operations to include activities in neighbouring Tokoza.

BUSINESS 8/8/86
123

Business Day Reporter

TIMBER-FRAME construction is a recently approved, less pricey alternative to traditional brick construction.

It is seen as the panacea to the current housing shortage in SA.

And, says SA Lumber Millers Association (Salma) executive director Andries Swart, the building regulations promulgated in September last year allow timber-frame houses to be built anywhere in SA.

A group of companies in the timber industry is offering a series of these prefabricated, low-cost houses in kit form ready for erection. This system lends itself to alterations and additions, which means the house can be upgraded according to the owner's needs and pocket.

Resistance to the utilisation of timber-frame housing, which can provide a basic house consisting of a living room, two bedrooms, a bathroom and a kitchen for between R4 000 and R7 000, stems primarily from lack of knowledge regarding the durability of the construction and the training required for builders.

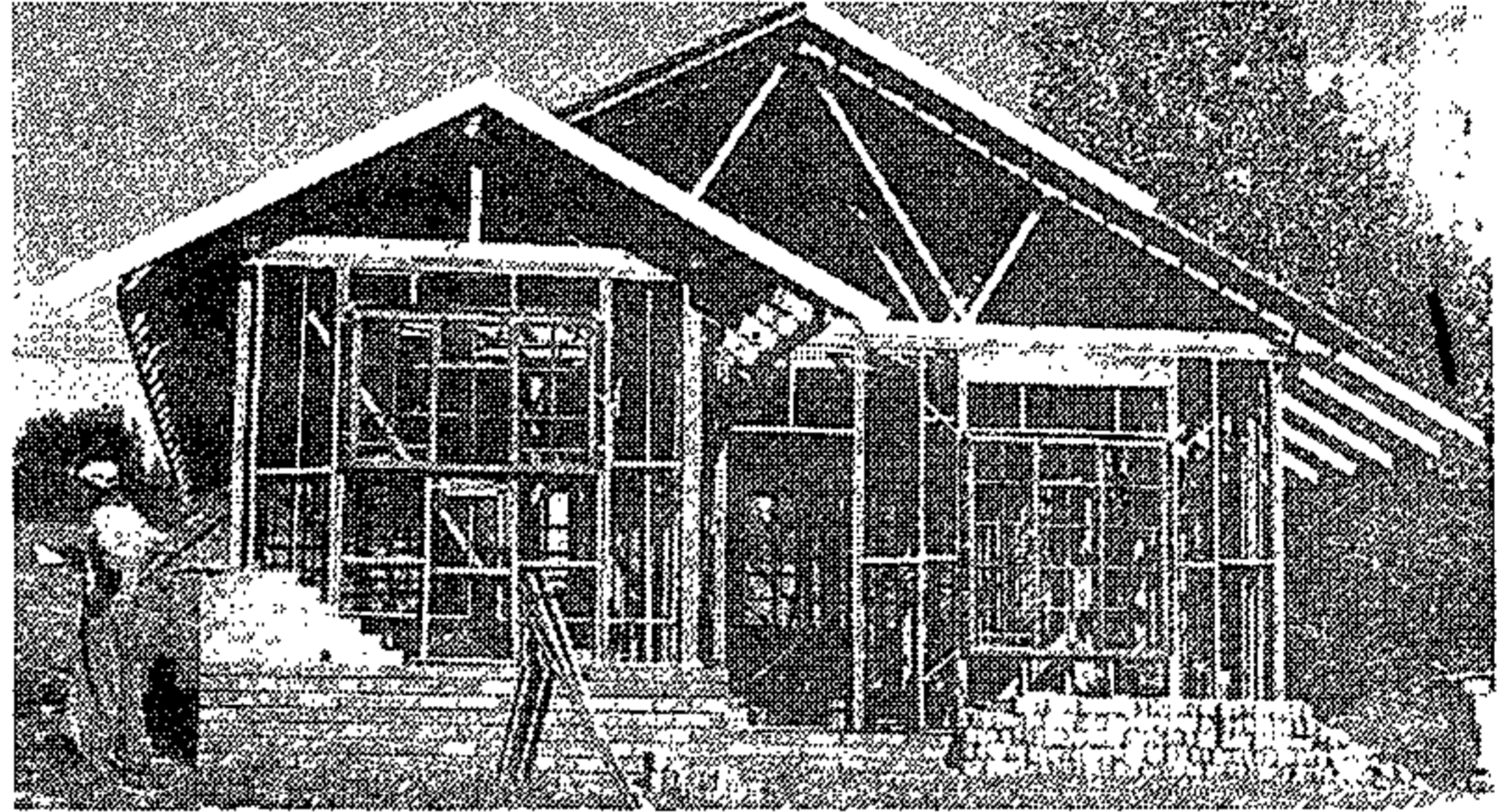
Swart says: "The minimum of skills are required for construction. We are training builders and promoting the concept to building societies and construction companies.

"About 90% of all US, Australian, Canadian and European houses are built in this way. We have developments in SA where the durability of the construction is clearly visible."

Schemes such as the 108 timber-frame houses built in Riverlea in the 1960s illustrate this.

The timber-frame house consists of timber wall cavities which are clad with a variety of materials. Foundations are erected for the outside walls only, allowing individuals to redesign

Timber frames seen as boon for housing



□ A timber-frame house under construction.

the interior of their homes with the minimum of expense and effort.

All components are treated for rot and insects, in keeping with SA Bureau of Standards (SABS) specifications. The structural design of components and the overall design structure of the housing systems conform to the SABS requirements as set out in the new National Building Regulations.

"The benefits for the lower-income housing market are obviously great," says Swart. A timber-frame house, complete with electricity and plumbing, could be erected for approximately R15 000.

Private sector interest is reflected in the 300 calls received every week by Salma to inquire about the building process.

"Another benefit of timber-frame

construction is the speed of erection," says Swart. "The house can be erected within 10 weeks, saving the consumer a fair amount in interim interest and occupation rent charges."

However, the high demand for timber-frame housing has focused attention on the problem of a lack of sufficiently qualified builders.

Says Swart: "The problem was so acute that our strategy had to be redirected to include extensive training programmes for builders and their employees in an effort to overcome the shortage."

□ Individuals and organisations who would like further information can contact Salma at (011) 974-1061, or write to Private Bag X686, Isando, 1600.

EM 8/8/86
TOWNSHIP RENT BOYCOTT

A vigilante plan

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The disclosure of an official plan aimed at breaking the sustained rent boycotts in more than 30 black townships has struck fear and apprehension into urban black communities.

The plan, sponsored by a body called Joint Management Centres, involves the SA Police and the Defence Force, former development boards and local chambers of commerce, all acting jointly and in collaboration with black community councils.

Black local authorities, which constitute the vanguard of the boycott-busting move, are to establish and use vigilantes to "protect people who want to pay rent." Unpaid rents have so far cost an estimated R250m.

The plan was revealed when a secret government document — sent to the Lekoa Council last November — was leaked to the Sharpeville Civic Association and to the Community Research Group (CRG) last week.

Besides millions of rands lost in unpaid rent, development boards (now being phased out) had lost R144m in unpaid rent by June last year, according to the CRG. In the Vaal Triangle, where residents have not paid rent

ers of the system in the townships — as happened between the "widoke" and "comrades" at Crossroads, and between Inkatha and groups affiliated to the United Democratic Front (UDF) in Durban, or between the Imbokhoto and "comrades" in KwaNdebele in recent months. Meanwhile, 138 homeless families at Dobsonville, Soweto, who had occupied new houses without authorisation, were forcibly evicted by the Dobsonville Council on Monday. They were evicted by council police in the presence of the army. Six other families have been evicted in recent weeks.

for over 18 months, the loss incurred by Sebokeng Council stood at R20m, while the Soweto Council has lost nearly R9m since the boycott started in June (*Current affairs* July 25). Bankruptcy and unrest have led to the collapse of more than 20 black local authorities, among them Alexandra in Johannesburg, KwaNobuhle in the eastern Cape, and Turnahole at Parys in the Free State. White officials have, as a result, already taken over the running of some councils. Other attempts have already been made, particularly in the Vaal Triangle, either to prosecute rent defaulters, or to evict them in a bid to break the boycott. This has not been very successful. At Duncan Village in East London, the dead are denied burial plots if the family concerned is in arrears. The Soweto council has already acted in terms of the new plan. At its monthly meeting last week, it decided to establish vigilante groups in each of the township's 30 wards. Suggestions from a couple of councillors — that the council should start negotiating, instead, with local civic associations in order to get payments resumed — were rejected. Some blacks in townships in Pretoria, the East Rand and the West Rand see the plan as a "desperate effort by the government to forcibly make people pay rent." They also said they feared the boycott-busting move would result in a bloody confrontation between anti-apartheid elements and support-

Housing used as bait

Business Day Reporter

WHEN manufacturers relocate to development areas it is inevitable they must take some key personnel with them.

To ensure they attract the necessary skilled personnel, housing subsidies are often granted for a period of 20 years.

According to Schalk Coetzee, of Johannesburg-based industrial consultants Alkhan, key personnel are defined as people employed on a permanent, full-time basis in at least a supervisory capacity.

However, the regional industrial development authorities reserve the right to limit the granting of housing subsidies for key personnel to not more than 10% of the total permanent, full-time labour force.

Housing for key personnel is subsidised by the regional industrial development authorities for a maximum period of 20 years on new mortgage

loans. *AS DAY 123*
The maximum amounts for which housing units are eligible for subsidies are:
 One in 10 housing units at R68 000; and
 Every house thereafter at R55 000.

Subsidy

In implementing the scheme, the authorities will base the subsidy on the interest rate of the largest building society, with the proviso that the interest rate after the subsidy has been applied should not be lower than 6%.

The lowest subsidy rate is 20% of the building society rate and the maximum 60%.

In exceptional cases, subject to approval, the housing subsidy will be applied to rented accommodation.

These subsidies are subject to the normal tax on housing benefits.

CHP 7/25 11/3/06 (123)

Home-loan rate cut

JOHANNESBURG. — Barclays National Bank Limited has announced a further 0,5 percent reduction in its home loan interest rate — from 16,5 percent to 16 percent, according to a statement issued by the company at the weekend.

Officials at Nedbank and Trust Bank confirmed yesterday that their banks would lower rates on deposits by 0,25 to one percent within the week.

A Standard Bank spokesman said the bank "hadn't made any decisions yet" on rate cuts. But executives at other banks said Standard already had indicated privately that it would lower deposit rates in line with competitors.

Two months ago Barclays lowered the rate by 2,25 percent to 16,5 percent.

The new rate, which comes into effect from August 25, 1986, is applicable to all accounts in its home loan portfolio and is lower than any rate offered by building societies at present, said the statement. — Sapa and Own Correspondent

12/1/86
SMA

Overcrowding — but 37 000 homes empty

By Jaap Boekhoudt
123
Sixteen blacks are living in each house in urban townships, while 37 000 houses and flats in white areas are standing empty, according to estimates in a survey by the Housing Research Information Centre.

The centre, part of the National Building Research Institute of the CSIR, says there is still an unmitigated housing shortage among groups other than whites.

The shortage for blacks outside national states is 538 000 houses, for coloured people 52 000 and for Asians 44 000. The country's 7 400 000 urban blacks live in only 466 000 relatively small housing units.

This works out at statistically at almost 16 people per house. Among whites more households and families are now sharing accommodation, and both expensive and cheap housing units are difficult to let.

Many landlords had to reduce rentals for flats and houses by as much as 20 percent. In white areas an estimated 17 400 flats, or 3.9 percent of all flats, and 19 000 houses are standing empty.

The centre said housing shortages and surpluses could be evened out by carefully selected "grey areas" where all population groups could live.

Rent boycott families

Vereeniging Bureau
SMA
12/1/86

The first group of a large number of families who have not paid rent for two years were evicted in Vaal triangle townships at the weekend.

Nearly 1 800 more will also get eviction orders in the next few weeks "if they fail to react positively and settle their long overdue debts" — said to total several million rands.

Mr Klasie Louw, town clerk of Lekoa, said the evictions followed several appeals to residents to pay their rents.

He said 13 families — two in Sharpeville, eight in Bophelong and three in Zamdela — were evicted on Saturday after 1 800 eviction orders were granted by magistrates in Vereeniging and Vanderbijlpark in the last few months.

"We will continue to have residents evicted in groups of 13 or more on a weekly basis until they react positively to our continued appeals to settle their dues," Mr Louw said.

"We are not taking the law into our hands by resorting to these measures as the evictions have been authorised by magistrates in the area."

Five years to pay

The evictions were being enforced by the new municipal police force in conjunction with a messenger of the court.

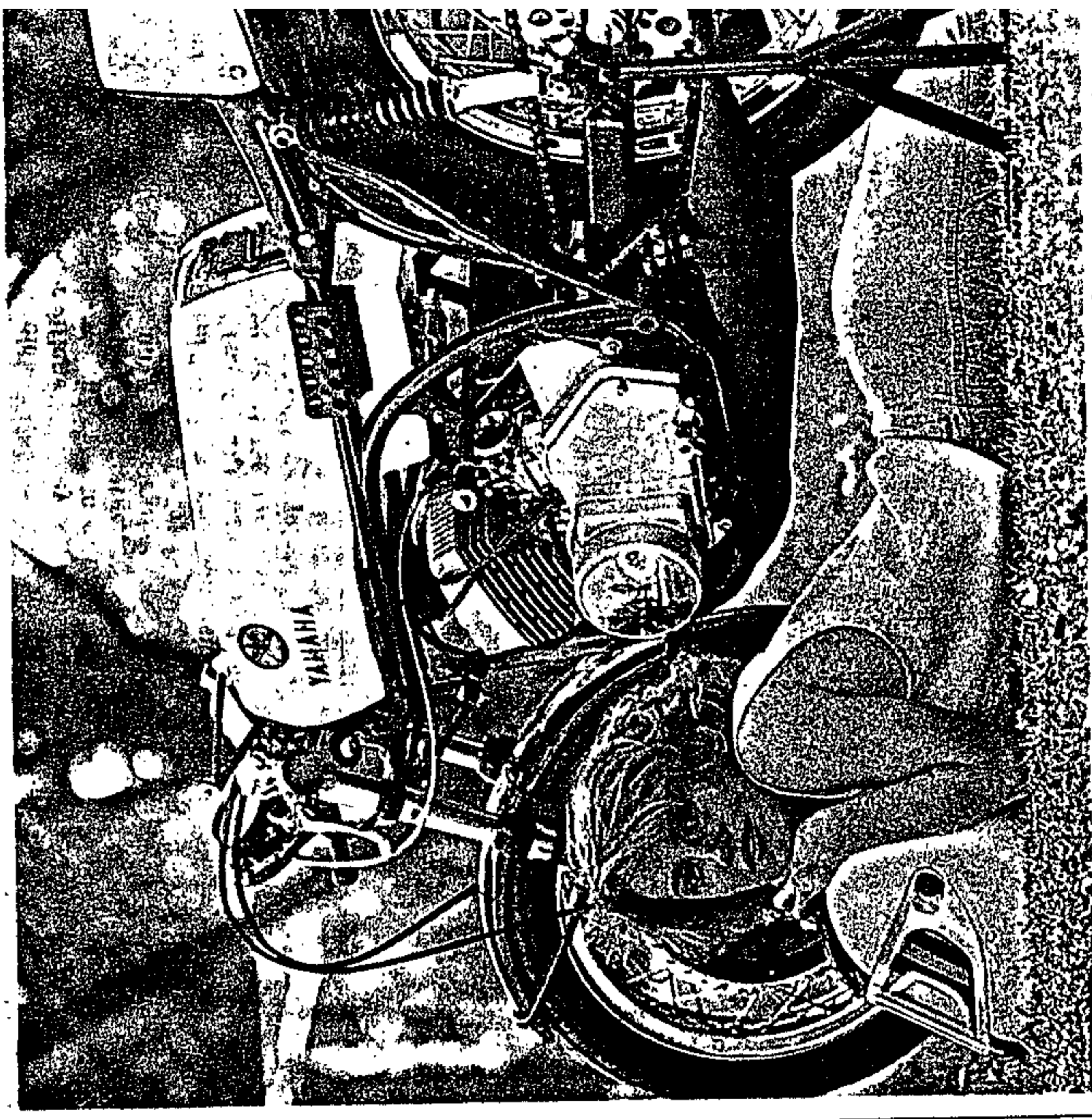
They were "on a selective basis and with a feeling of pity for the less fortunate". Those with fixed incomes would be evicted at first.

However, according to Mr Louw, residents owing rent could still avoid eviction by making arrangements to pay with the town treasurer of Lekoa at the municipal centre in Sebokeng (the former development board complex).

He said residents could leave a deposit and pay off the rest of the money owed over five years.

Mr Louw also warned residents who have failed to pay their electricity bills to do so within the next two weeks or have their service cut.

He said the electricity supply to about 150 homes in the area had already been disrupted. Electricity supply cables to these houses were dug out and removed.



Here's a preview of what you can see at the Classic Motorcycle exhibition at the until August 16. Gwen Goosen (21) shows off a 1969 Yamaha TR2 350 belong

1964.5 - 24/8/66

Abolish group areas, say housing experts

By TOM HOOP,
Property Editor

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HOUSING specialists throughout South Africa want the immediate abolition of the Group Areas Act.

A postal survey of the 800 members of the Institute for Housing, which represents all disciplines in the housing field, attracted a 30 percent response.

There was unequivocal support for the immediate scrapping of the Act, said the institute chairman, Dr Llewellyn Lewis yesterday.

Members also believed the Government should share responsibility for low-income housing rather than local authorities and that the new open areas policy should apply equally in metropolitan and rural areas.

The State currently accepted responsibility for those earning less than R150 a month but he suggested a great many families earning more than this re-

mained unattractive prospects for private enterprise.

"Selfhelp housing may be an important component in the housing process but it is only a last resort and an admission of government failure," he says.

The institute recommends that 70 percent of the R750-million recently allocated to hous-

ing by the Government should be spent on building houses and only 30 percent on infrastructure, some of which could be used for selfhelp housing schemes.

Houses must be built as rapidly as possible by small and large contractors. This would generate important employment opportunities.

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Rent boycott costs R30m each month

JOHANNESBURG — Rent boycotts in 38 black townships are costing the Government R30 million a month, according to a Community Research Group report released today.

At least 300 000 families nationwide are refusing to pay rent in protest against soldiers in the townships, in demand for better municipal services and as a strike at apartheid.

Some of the boycotts have been going on for two years and evictions, usually by municipal police guarded by security forces, are on the increase.

Rents are the sole source of income for the black town councils in the townships. Some rent boycotts are sparked by complaints that the councils are corrupt or are co-operating with the Government. Many council members and local police have resigned under pressure or been killed in the past two years of violence.

The Urban Councils Association reported last month that 32 community councils and three town councils have collapsed because of the financial losses resulting from rent boycotts.

Although the CRG called the boycotts the most organised form of sustained opposition to

apartheid" if its figures held up for a year, the Government's loss would be only R360 million. That is about 1% of the Government's projected 1986 revenues of R33,7 billion.

However, the losses projected by the CRG total more than half of the money the Government budgeted this year for housing blacks.

Four major black urban areas with a population of more than 1,5 million are affected by boycotts, the report said, naming East London, Port Elizabeth, Soweto (Johannesburg) and the Vaal townships about 50km south of Johannesburg.

In the Pretoria-Johannesburg area alone, the rent boycotts have already cost the State R188 million, said the report.

"Conservative estimates show that the boycott is about 60% effective countrywide," said the report. It arrived at its figure of R30 million a month based on rents and service charges ranging from R50 to R150.

The report said the Government has lost R146 million in the Vaal townships, where a R5 monthly rent increase in September 1984 sparked riots and the boycott that has lasted two years. Evictions in three of those townships began last

weekend and the Lekoa Town Council, which administers the area, said the evictions would continue, 13 families at a time, until 1 800 households have been removed.

Rent boycotts began this year in Soweto, Alexandra, Duduza and Tsakane east of Johannesburg and in the townships of Pretoria and have cost the Government R37 million, the report said.

The Soweto council's director of housing reported that the normal revenue of R9 million a month from rent and service charges to 75 000 households has been cut by two-thirds.

When the Soweto council began issuing eviction notices in July, it set up a separate office in Johannesburg and allowed for payment by mail in response to complaints that even those who wanted to pay faced the wrath of the community — in particular the threat of being "necklaced". The council said it would take action against any council employee who revealed the names of rent-payers.

Research group says 6-million involved

Boycott rents loss now put at R30m a month

RENT boycotts in the largest townships in the PWV and Eastern Cape now affect up to 6-million people and costs government at least R30m a month, according to updated calculations of the Community Research Group (CRG).

A report yesterday by the CRG says that in the PWV area the State has lost R188m. In Vaal townships, where the refusal to pay rent has been going on since September 1984, it has lost R150m.

The further loss of R38m has been incurred this year in Soweto, Pretoria, Alexandra (Sandton) and the East Rand townships of Duduza and Tsakane.

The boycott has spread to 38 townships and more than R250m has been lost countrywide.

The report says at least 300 000 households in the PWV and Eastern Cape townships are not paying rent, and 11 of the 16 zones in Mdantsane in the Ciskei, are also now affected.

Government's response — evictions — will not successfully put an end to the boycotts because such action only serves to increase confrontation.

This is because the boycotts are sustained in the midst of well-organised

THELMA TUCH

communities intent on voicing political grievances.

In some areas the demand for the release of community leaders has become a major community demand as a precondition for negotiations to end the boycotts which have intensified in many of the areas worst hit by detentions. These areas include Soweto, Port Elizabeth, Alexandra, Duncan Village and Huhudi.

Some community leaders, initially held under the state of emergency, have recently been moved to detention under Section 29 of the Internal Security Act — a move viewed by the CRG as an attempt to block their possible release should the courts challenge the validity of their original detention.

It says such action manifests black people's rejection of the black local authorities and their refusal to pay for repression.

The UDF referred to the Joint Management Committee plan to break the rent boycotts as an indication of government's desperation after its failure to crush the boycott through SADF and police raids and "sweet and sour" letters to residents.

Houses for under R9 000

Staff Reporter

ARBUS 15/8/86
123
THE Easy Homes Show, a major exhibition which could promote important changes in the concept of low-cost housing, will be held in October.

The show, the first of its kind in South Africa, has attracted 40 exhibitors, including top construction companies, engineering contractors and entrepreneurs.

The challenge to private industry to investigate innovative construction methods with a view to developing more self-help housing options was taken up by the Cape Divisional Council, which provided the land and relaxed its

construction standards for the show to encourage imaginative thinking about ways to solve housing problems.

The show village, in Belhar, will demonstrate methods to prove that houses can be easy to build, easy to extend and easy to afford.

All homes on show will cost less than R9 000 in materials and labour and will have two or three bedrooms, a living-room, kitchen, bathroom and toilet, plumbing, drainage and electrical installations.

● See Page 9.

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Boycott affects 300 000 houses

THE rent boycott is currently affecting some 300 000 households in 38 townships countrywide and is costing the state at least R30-million per month, according to the Community Research Group (CRG).

In a report issued yesterday, the university-based CRG said the boycott was currently affecting South Africa's largest townships in the PWV and Eastern Cape areas.

Conservative estimates show that the boycott is about 60 percent effective

in the 38 towns where it is in force, the CRG said.

It has cost the state some R188-million in the PWV area alone. In Soweto, for example, the council, which normally collects R9-million monthly in rent and service charges from 75 000 households, is now collecting only R3-million.

CRG also found that the rent boycott

has spread to Mdantsane, suggesting it is now taking root in the "homelands".

The CRG comments it is unlikely that recent moves to evict rent boycotters will succeed. "This is because rent boycotts are currently taking place in the most well-

organised communities that have

made it clear the boycott has been called to express deeply felt political grievances.

"The authorities are making a bad mistake if they think they can intimidate these communities into paying rent.

"If the recent evictions in the Vaal are an indication of state strategy, we can expect the confrontation between

the people and the state over the rent issue to escalate. On the one hand the boycott is spreading and communities are becoming ever more determined to see it through; on the other local officials are planning boycott-busting strategies that are bound to be extremely violent."

The United Democratic Front said in a statement this week that the government was marshalling its forces to break the rent boycotts.

A Bureau guide to electricity

123 15/8/76
WEEKLY MAIL REPORTER

THE television advertisements being filmed as part of the government's campaign to break the rent boycott will tell people the amounts they pay for rent, bonds, transport, electricity and water are "quite a bargain".

Details of the adverts were leaked to the Weekly Mail this week.

There will be more than 40 one-minute advertisements, each one filmed in a number of different languages. The scripts name the client as the "civic education authority".

Last week, the Bureau for Information confirmed it was launching a "multi-media approach to support the educational and information campaigns of local authorities".

The scripts show viewers how their houses or services are supplied. For example, one that deals with electricity shows someone using a lamp and then, through the mouth of an Escom official, "takes us to

discover about electricity".

"We switch on the power and electricity flows. But where does the electricity come from?" the script asks.

After describing the process step-by-step it concludes: "Now, when you think how expensive such a system is to build, and how many people are employed, you can see that your monthly electricity bill is quite a bargain. But even a bargain must still be paid for."

The advert that deals directly with rents will take place in front of "houses of the middle type — neither matchboxes nor mansions".

It concludes: "And so, when you think of all the people and all the materials it takes to build a house, it means that the amount you pay for your bond or your rent is quite a bargain. But, of course, even a bargain must still be paid for."

FinMail 15/8/86

BLACK HOUSING

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Private hopes

SA's private sector is pushing hard to complement government efforts to meet the country's massive black housing backlog. A variety of schemes and strategies are jostling

for attention.

A major consideration is whether the private sector or government should be responsible for sub-economic housing — by far the largest proportion of the backlog pyramid.

Natal Building Society chairman Gordon Chapman recently made an "urgent plea" to government to create financial instruments enabling the use of long-term life insurance funds to shore up building societies. He also supported a call by Allied Building Society MD, Brian Benfield, that the authorities make investment in housing a prescribed asset requirement.

Chapman makes a case for the building society movement to administer the R2,1 billion needed to start meeting the black housing backlog, estimated at some 360 000 units.

"Building societies have the infrastructure and skills to provide mortgage finance for the country's housing needs, while insurance companies and pension funds have the funds," Chapman says. "Apart from meeting housing demands, greater stability and a positive contribution to job creation should follow, so stimulating economic growth."

Hard sell

Meanwhile, the SA Lumber Millers' Association (Salma) is using hard sell techniques to promote timber frame housing as an economic solution. "More than 90% of all houses in the US, Canada, New Zealand, Scandinavia, and Japan are timber frame," says Salma executive director, Andries Swart. "Treated and graded structural timber is ideally suited for all types of housing, from the most expensive to the cheapest."

He says the major advantage is the speed of erection.

Twenty timber frame units can be built in six weeks, while brick and mortar construction would take 16 weeks.

Swart says national building regulations promulgated last September authorise timber frame houses anywhere in SA. Timber houses are well suited for areas with difficult soil conditions, while the greater economies of scale also make them ideally suited for self-help housing schemes.

"Some kits, which provide only the basic structure for a house, sell for as little as R5 000-R8 000 a unit," he says.

Auditor-General, Joop de Loor, recently told the AGM of the EP Building Society that the inevitable rapid urbanisation of blacks in the next two or three decades would provide opportunities for building societies, other financial institutions and employers to contribute meaningfully to stabilising the unrest by financing and settling home owners.

"The building society movement seems ideally suited to popularise the idea of owning, rather than renting, a home," De Loor said.

At the same time, he added; government should eliminate — as far as possible — the red tape that still inhibits its own scheme to sell off 500 000 homes. ■



ARGAS 15/10/86

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A UNIQUE self-help housing exhibition — the first of its kind in South Africa — has attracted innovative ideas from throughout the country. Now contractors are bringing their imaginations to bear on the concept of providing a low cost self-help home that will cost R9 000 ... or less!

The help yourself homes

By DICK USHER, Staff Reporter
Pictures: WILLIE de KLERK

THERE'S a unique project taking shape at Belhar in the search for an answer to South Africa's serious housing problems.

On a site, presented by the Divisional Council, 40 contractors, who have been freed from some of the restraints which have hampered developers up to now, are building their versions of a low-cost self-help family home which will meet the need of thousands of people who do not have homes.

They will go on show to the public and housing officials when the Easy Homes Show opens on October 2. The upshot is expected to be a boom in self-help and easy to construct cheap housing.

THE Easy Home Show is the first exhibition of its kind in South Africa — it has attracted innovative ideas from throughout the country as contractors bring their imaginations to bear on the concept of providing a home that can be built for a maximum building material outlay of R9 000.

With millions of people in dire need of homes and ever-lengthening waiting lists as authorities struggled to come to terms with the need by conventional methods, the self-help concept was finally accepted as one solution which could help overcome the massive shortage.

For the first time, timber frame and other unconventional houses, which will be exhibited, are being considered as a serious option by the authorities. It's a long-awaited concession which is regarded as significant.

THE concept has two major advantages. By substituting the homeowner's labour for hired labour, costs are immediately reduced. And while self-help builders are putting their own work into the project it immediately introduces the pride of creation and self-esteem.

The first advantage helps bring home ownership within the grasp of more people, while the second helps build community spirit.

The Easy Homes Show incorporates both these concepts — but it has also been a challenge to South Africa's developers to produce imaginative solutions to the need for low-cost homes.

All 40 homes to be built for the exhibition will employ different construction techniques ranging from cement blocks through prefabricated wood panels to interlocking cement bricks.

One that is certain to attract major interest is a design built out of sprayed foam on a shade cloth base. It already stands, well insulated even in cold conditions, and looks vaguely Saharan with its pointed domes.

Conventional standards have been deliberately relaxed for the show homes to see what developers can come up with when allowed almost free rein.

THE challenge to provide easy-to-build, easy-to-afford and easy-to-extend housing was taken up by the Divisional Council of the Cape — and contractors were invited to show what they could do.

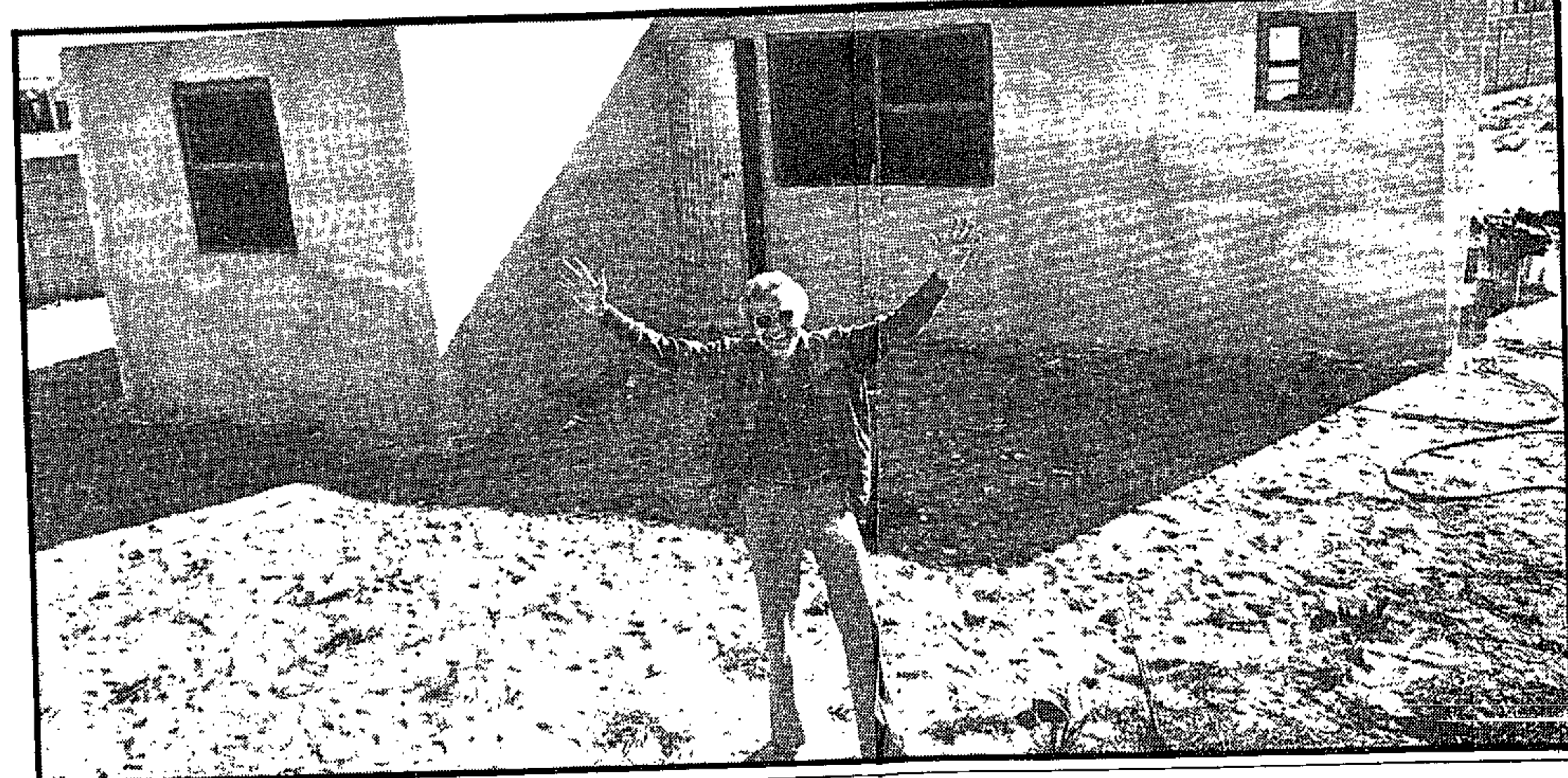
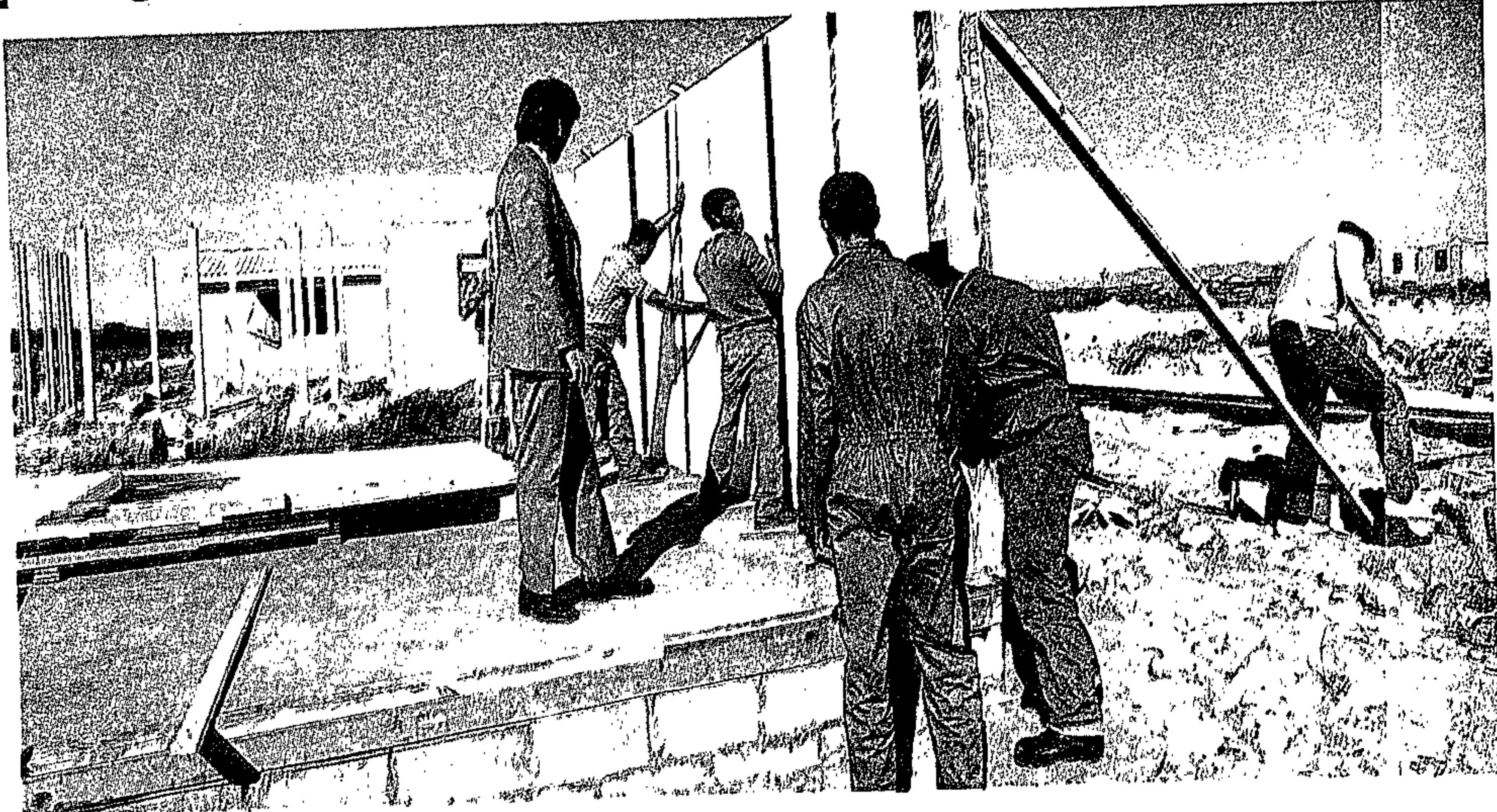
Each house will stand on its standard 300-metre erf and, provided it is accepted as suitable by the council, will be sold and occupied after the show either by an employee of the firm or by someone on the council's housing list.

All the homes must be suitable for future expansion and must have two or three bedrooms, a living room, kitchen, bathroom and toilet, plumbing and electrical installations.

While the total cost may not exceed R9 000, some of the homes on show will cost as little as R2 000.

The site will be landscaped by the council before the show which is opened on October 2.

Participants include major construction companies (including some international concerns), civil engineers, materials manufacturers and construction companies.



TOP: Workers position the prefabricated panels of another of the low-cost home designs that will be on display at the Easy Homes show. **ABOVE:** It's up! Mr Karl Frederick Ketzer, developer of this ingenious concept in low-cost housing is delighted at the success of his structure.

Rent boycotts cost millions

374 - C

Supercce

AREA A:

AREA B:

AREA C:

AREA D:

AREA I:

Seneka
Vryburg;

AREA F: Mount Currie, Polela, Frankfort, Vrede, Bloemhof,
Pretoria, Schweizer-Reneke;

Rent boycotts in 38 black townships are costing the Government R30 million a month, according to the Community Research Group (CRG) report released in Johannesburg today.

At least 300 000 families are refusing to pay rent in protest against soldiers in their neighbourhoods.

They are also demanding better municipal services.

Some of the boycotts have been going on for two years, and evictions, usually by municipal police guarded by security forces, are on the increase.

Rents are the sole source of income for the black town councils in the townships.

Some rent boycotts are sparked by complaints that the councils are corrupt or are co-operating with the Gov-

ernment.

Many council members and local police have resigned under pressure or been killed in the past two years.

Although the CRG called the boycotts "the most organised form of sustained opposition to apartheid", if its figures held up for a year, the Government's loss would be only R360 million — about one per cent of the Government's projected 1986 revenues of R33,7 billion.

However, the losses projected by the CRG total more than half of the money the Government budgeted this year for housing blacks.

In the Pretoria-Johannesburg area alone, the rent boycotts have already cost the State R188 million, said the report. — Sapa-Associated Press.

STRY, CERTAIN

TV ⁽¹²³⁾ advert plan to ^{DD} break rent boycott ^{16/8/86}

JOHANNESBURG — Television advertisements are being filmed as part of the government's campaign to break the rent boycott and will tell people the amounts they pay for rent, bonds, transport, electricity and water are "quite a bargain".

There will be more than 40 one-minute advertisements, each one filmed in a number of different languages. The scripts name the client as the "Civic Education Authority."

Last week, the Bureau for Information confirmed it was launching

a "multi-media approach to support the educational and information campaigns of local authorities."

The scripts show viewers how their houses or services are supplied. For example, one that deals with electricity shows someone using a lamp and then, through the mouth of an Escom official, "takes us to discover about electricity."

After describing the process step-by-step it concludes: "Now, when you think how expensive such a system is to build, and how many people are employed, you can

see that your monthly electricity bill is quite a bargain. But even a bargain must still be paid for."

The advert that deals directly with rents is set in front of "houses of the middle type — neither matchboxes nor mansions."

It concludes: "And so, when you think of all the people and all the materials it takes to build a house, it means that the amount you pay for your bond or your rent is quite a bargain. But, of course, even a bargain must still be paid for."

— Sapa

RKB 20/10/78 (128)

R400-m fund for low-cost homes started by Govt

By TOS WENTZEL
Political Correspondent

A R400-million trust fund for low-cost housing and a scheme for housing bonds were announced today by the Minister of Finance, Mr Barend du Plessis.

The money for the trust is being allocated from the R1 205-million package to stimulate the economy, announced by the Minister in June.

Mr du Plessis said today the private sector would be drawn into the low-cost housing scheme as much as possible.

Housing bonds

Of R750-million announced in June for low-cost housing, R350-million would be used by the authorities.

Special housing bonds with a market-related interest rate would be issued to supplement the funds available for the trust fund.

A private-sector committee consisting of Dr Fred du Plessis, Mr Meyer Kahn and Mr D E Cooper had decided the best way of stimulating the economy was through low-cost hous-

ing efforts aimed at maximum job creation.

Thousands of people trained by the Department of Manpower could now be given work.

The fund would be controlled by trustees appointed by the President.

Mr du Plessis said the main aim of the fund would be to promote the creation of work by enabling unemployed people, who did not own houses, to build houses for themselves.

The trust would co-operate in this with the authorities and existing organisations in the private sector.

Committees would be started in consultation with local authorities to help to allocate loans and provide building material. The trustees would give further particulars soon.

There had been consultations with the Department of Constitutional Development and Planning, the Department of Development Aid and the administrations of the Assembly, the House of Representatives and the House of Delegates about spending the remaining R350-million.

A number of housing and work provision projects had been identified, like housing for the aged and site-and-service schemes.

These projects were chosen for immediate execution within days or, at most, weeks of today's announcement.

In most cases the land was available and the money to start building was awaited.

These projects hopefully would be completed in six to nine months.

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Clerical workers want tax scrapped

JOHANNESBURG—Four of the country's leading white-collar unions are urging the Minister of Finance to scrap fringe benefits taxation on low interest housing loans.

They are the South African Society of Bank Officials, the Building Society Officials' Association, Die Volkswaas Amptenare Vereniging and Nedbank Staff Society.

Together, they represent more than 70 000 clerical workers.

'By imposing a punitive tax on low interest housing loans the Government is placing home ownership beyond the means of clerical workers,' says Sasbo general secretary Mr Ben Smith, whose union initiated the protest, in a letter to Mr Barend du Plessis.

'The Government has effectively stifled one of the most significant fruits of free enterprise.'

He goes on to say the tax was contributing to declining property values and the brain drain.

Utopian

'Helping South Africans of all races to own their own homes is one of the surest ways of restabilising South African society.'

'It is an internationally proven phenomenon that people with a stake in their countries become better satisfied with their lot, and thereby more secure and optimistic citizens. Given something of real value to lose, such people become more cautious about advocating radical causes which lean heavily on utopian promises which exist only in the minds of those elements bent on making South Africa ungovernable,' the statement said.

'In the past, only white South Africans had access to home ownership. In recent years the Government appears to have recognised this previous shortcoming and is now spending billions of rands in a crash programme to provide black and brown citizens with homes, many of which, hopefully, will be owned as opposed to being rented.

Modest

'Paradoxically, however, the authorities have, through the introduction of a tax on fringe benefits, simultaneously made home ownership more difficult for the middle classes. Over the years, financial institutions have shown a willingness to make available low cost housing finance to their employees. In so doing they have a proud record of helping tens of thousands of South Africans to acquire homes of their own — an action which has positive ripple effects throughout the economy.

'This benefit added gilt to otherwise modest salaries and unquestionably provide greater stability to employment patterns.'

Pointing to Mr du Plessis's re-evaluation of fringe benefits tax on company cars following the tax's negative impact on the motor industry, Mr Smith called for similar measures on the tax on low-cost company housing loans.

'In addition to providing much-needed relief for clerical workers, this would stimulate both the real estate and construction industries,' the statement concluded. — (Sapa)

WATFAL
20/8/86

R400-m to help jobless build homes

By David Braun,
Political Correspondent

CAPE TOWN — A R400 million trust fund to enable unemployed and homeless people to start building their own homes was announced by the Finance Minister, Mr Barend du Plessis, today.

The fund may take the form of a private sector company without gain and will be administered by trustees appointed by the State President.

It will be boosted by the sale of special housing bonds, similar to the standard defence investment bonds, which will be made available at market-related interest rates. A further R350 million is to be made available for housing projects.

Mr du Plessis said discussions between the State President, various Ministers and a number of prominent leaders of the private sector, had led to the decision as to how the money should be spent.

The resources would be utilised for maximum stimulation of the economy, the provision of low cost housing and maximum job creation.

The main goal of the Housing Trust was to enable unemployed people to construct their own houses by means of self-help schemes.

The Trust would cooperate with the relevant authorities and existing organisations in the private sector, which was to be involved in the process as much as possible.

In co-operation with local authorities, committees would be established to assist with loans and building materials.

20/8/86 N/M (123)

Govt charges 'unfair' interest on housing

Mercury Reporter

THE Tongaat Town Board yesterday accused the Government of dragging its feet in reducing interest rates on State-funded hous-

ing, at a time when building society bond rates have been dropping.

Mr Manoj Singh, a member of the board, said hundreds of families living in the board's housing scheme

at Tongaat were struggling to make ends meet because of high rents.

'Rents are high because the houses have been built with funds loaned by the Government through the National Housing Commis-

sion. We are still being charged interest based on the old rate of 17,5%.

'Although building societies and Barclays Bank have reduced their mortgage rates, the Government is still charging the old

rate. This is unfair and one of the main causes of the increasing number of tenants falling in arrears with their rent.

'It's a pity that while the Government has announced massive salary increases for MPs, the people most deserving financial relief — the thousands of families in municipal housing schemes throughout South Africa — have not been helped sufficiently in these tough economic times.'

No success

Mr Singh said the board had made several urgent representations to the Government both through the House of Delegates and the National Housing Commission but without success.

Tongaats Town Clerk, Mr Victor Parkhouse, yesterday confirmed that in spite of numerous representations to the Government, interest rates for Government-funded housing schemes had not been reduced in line with the building society rates.

Rent board challenge to housing ministers

N/M 20/8/86 (123)

Municipal Reporter

IN AN effort to protect Indians and coloureds facing up to 350% increases in rent, housing ministers have been challenged to defend the dissolution of rent boards.

Mr Sayed Iqbal Mohamed, chairman of the Durban Central Residents' Association, said Mr Amie Venter (House of Assembly), Mr Baldeo Dookie (House of Delegates) and Mr David Curry (House of Representatives) had been asked to a public meeting in St Anthony's Church in Centenary Road, Durban, at 2 p m on Sunday.

'Tenants are being told to pay exorbitant increases or be evicted,' said Mr Mohamed.

Mr Dookie said yesterday that representations had been made for the rent board which was reconstituted for whites to also control Indian and coloured properties.

Housing a problem for funds

123
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LESLIE LAMBERT

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terised in 1983/1984. Its main structure to assess, provide individual finance for, and monitor repayments for housing bonds.

Building societies and banks appeared the most suitable to receive investments from pension funds and channel them into low-cost housing, said Basserabie.

A DISTINCTION would have to be made between providing funds and subsidising loans if pension funds were to finance low-cost housing, said Federated Life MD and president of the Pension and Provident Funds Association Arnold Basserabie.

He said recently that pension funds could not be expected to subsidise interest on loans for low-cost housing as this would mean subsidising the public.

While pension fund investors had to earn satisfactory rates of return for members, Basserabie said, it was considered that the funds could provide some finance for low-cost housing.

He said that since pension funds had to invest 53% of their assets in Part 1 assets, investments in low-cost housing should qualify as part of the prescribed investment portfolio.

If this were not possible, the prescribed investment requirement should be reduced by the amount invested in this area.

Also, interest on money provided for low-cost housing should be market-related.

It was felt that the industry did not generally have the infrastructure to assess, provide individual finance for, and monitor repayments for housing bonds. Building societies and banks appeared the most suitable to receive investments from pension funds and channel them into low-cost housing, said Basserabie.

Administrators

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INTRODUCTION

Massive housing fund plan

(123) 20/8/86
we post

By DIRK VAN ZYL, Political Correspondent

CAPE TOWN — A R400-million trust fund is to be established for the development of low cost housing, the Government announced today.

And, to supplement the fund, special housing bonds with a market-related interest rate are to be issued.

These announcements were made at a Press conference by the Minister of Finance, Mr Barend du Plessis.

The R400 million trust fund forms part of an amount of R750 million for low cost housing, which Mr Du Plessis announced in Parliament in June. The remaining R350 million is to be spent by governmental authorities and will be mobilised within weeks.

Mr Du Plessis said the trust fund — which could alternatively take the form of a private sector company without a profit motive — would be controlled by trustees to be appointed by the State President.

The main aim of the fund was to promote job creation by enabling unemployed people who did not own a home to build houses for themselves through self-help schemes.

The trust would work with the relevant governmental institutions and existing private sector organisations.

Committees would be established in consultation with local authorities to help with the granting of loans and the provision of building material.

The trustees would soon divulge further details about their aims and method of working.

On the R350 million to be spent by

governmental authorities, Mr Du Plessis said consultations had taken place with the Department of Constitutional Development and Planning and the own affairs administrations of the three parliamentary Houses.

A number of housing and job creation projects had been identified. These included site and service schemes and more housing for the elderly.

These projects would be implemented "within days or at the most within a few weeks".

Mr Du Plessis said that in most cases the land was available and only the necessary money had been awaited, to enable building to start.

The projects, it was hoped, would be completed within six to nine months.

Mr Du Plessis said the idea of the trust fund stemmed from the recommendations by a private sector committee which the Government had appointed to investigate the matter. It had consisted of Dr Fred du Plessis (chairman), Mr Meyer Kahn and Mr D E Cooper.

The R750 million earmarked for housing was part of an amount of R1 205 million, which, in June he had announced the Government would make available to further stimulate the economy.

One of the main reasons the Government had decided low cost housing was a priority, was that it could provide work for thousands of people

INSIDE

PE poised for export boost

— Page 2



Tutu spent R1m on travel

— Page 2

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● **It's All Happening** — Page 13

● **TV, Show** — Page 14, 15

● **Racing** — Page 22

123 1986

10 Cape Times, Thursday, August 21, 1986

Housing move welcomed

THE government's announcement yesterday of a R400m housing trust and an allocation of R350m to construction and upliftment schemes was welcomed yesterday by Assocom.

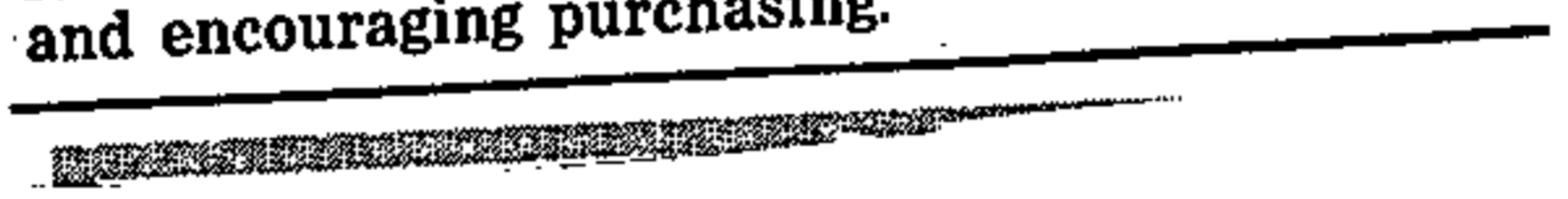
Its chief executive, Raymond Parsons, who was in Cape Town for discussions with Finance Minister Barend Du Plessis, said the announcement would promote confidence among the business community.

The immediate past president of the Cape Town Chamber of Commerce, Andrew Peile, said he believed confidence was already increasing and there were signs of an improvement in the economy as a result.

"Order books are looking better and clothing manufacturers are employing more people.

"Retailers have run their inventories down so much that they must order more, particularly if there is any increase in purchasing."

Peile said he thought "the perception that there is less violence and unrest" was boosting confidence and encouraging purchasing.



State gives R3,1m to families of detainees

CAR Tom 21/8/86 (208) 123

Political Staff

THE State has made R3,1-million available to assist the families of detainees.

But confusion exists as to just how the money is to be allocated.

Making the announcement yesterday, the Minister of Finance, Mr Barend du Plessis, said that R3,1 million of the R750 million earmarked for housing and job creation would go to the families of detainees.

In addition, R3m would be made available to rebuild the houses of black policemen which were destroyed by arson in unrest-related incidents.

Initially the Department of Finance stated that the R3,1m would be administered by the Department of Justice but the department had no knowledge of the announcement.

Later it was disclosed that the money would be handled by the Department of Constitutional Development and Planning, but a spokesman for the department said he was unable to give any information about the scheme.

The Minister of Constitutional Development and Planning, Mr Chris Heunis, was in Pretoria and it was hoped to be able to give some clarification when he returned to Cape Town today.

'Bizarre' announcement

Peter Dennehy reports that the Detainees Parents' Support Committee was "stunned" yesterday by what it described as the government's "absolutely bizarre" announcement of an emergency aid programme for the families of detainees.

Mr Du Plessis made the announcement yesterday at a press conference on how the government is to spend R750-million earmarked for low-cost housing in a bid to reflate the economy and stabilize society.

Another R3-million of the money was to be spent on rebuilding policemen's houses. About ten thousand new "special constables" would be appointed at a cost of a further R17,3-million from the low-cost housing package and R10-million from a separate fund allocation for job-creation.

He said R4m would be spent on a pension scheme under the House of Representatives, and R1,4m on emergency food aid.

Black housing would be allocated R185m, while R17,7m would be spent on white housing.

'Nest egg' for private sector

R400m would go to the private sector as a "nest egg" for a trust fund or company empowered to issue housing bonds which would enjoy the status of prescribed investments. The R400m would be multiplied several times over "in the next few years" as the funds were turned over.

Most of the projects could be implemented "within days or at most weeks", Mr Du Plessis said.

The DPSC spokesman said there would be no need for the R3,1-million handout if the government would simply release detainees. A Repression Monitoring Group spokesman said his organization viewed it as "a cynical move" by the government.

"It would be absurd to expect families to be grateful. The government can't buy off the hostility detainees' families feel. This is an attempt to purchase a veneer of morality."

ARMS 2/18/86

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Cautious note in response to housing plan

By DEREK TOMMEY, Finance Editor

A GOVERNMENT proposal to provide between R1 200-million and R1 600-million for black housing by issuing housing bonds has drawn a favourable, though cautious, response from the private sector.

The proposal was announced yesterday by the Minister of Finance, Mr Barend du Plessis, when he gave details of how the R750-million allocated to stimulate the economy and reduce unemployment was to be spent.

He said R400-million would go to a trust fund which would use this sum as a nest egg. It was planned that the trust fund would raise additional large sums of capital by issuing housing bonds three to four times the value of its nest egg.

These bonds would be given prescribed asset status and could be included among the prescribed assets of insurance companies and pension funds.

Mr J H Steyn, executive director of the Urban Foundation, has welcomed the Government's creation of a trust fund to promote low cost housing but warned the fund would be effective only if poor and homeless people could afford houses built under the scheme.

He said a "sound housing process" would develop skills, create jobs and contribute to stable family life and he therefore welcomed the state allocating such a substantial sum of money for the purpose of housing development.



Mr du Plessis

Mr Mike Levett, managing director of the Old Mutual, the country's biggest insurance company, said in principle he was in favour of the plan to issue housing bonds with prescribed asset status. It was definitely a step in the right direction, but the private sector would want a number of questions resolved before it was likely to invest in the bonds.

Questions posed

These included what security was offered, whether there was any guarantee of repayment, how "market-related" would be the interest paid and whether the bonds were marketable.

Another important element would be the availability of land for low-cost housing and whether the borrower had leasehold or other residential rights. If the land was not available, the lack of money would not be the difficulty in providing black housing, Mr Levett said.

Mr J T Louw, Sanlam's chief economist, said raising such large sums for black housing would have favourable long-term effects on the economy.

12-month delay

But it would be between 12 and 14 months before the economy began feeling the effects of the scheme, and he believed that if the Government wanted to stimulate the economy now it should cut taxes.

Mr du Plessis said it was intended that the R320-million being made available to the State Housing Commission would be spent as soon as possible, and before the end of the fiscal year.

It had to go to projects which could be started virtually immediately. This would benefit low income groups and spread building activity among small contractors and as far as possible.

He said the money need not be used only for building houses but for other community projects such as old age homes and workshops for the blind.

500 000 new homes needed by year 2000

By Frank Jeans

The number of blacks living in South Africa's cities is expected to virtually double to 13 million by the year 2000. And, in order to cope with the additional inflow in the wake of sweeping away of influx control, some 500 000 new homes will be required.

This massive residential component, according to the latest issue of *The Property Economist*, will in itself provide big opportunities for the building industry which has taken a buffering in these recession years.

Metropolitan population volumes which are expected to rise by a further six million blacks up to the year 2000, indicate that 100 new townships averaging 5 000 stands each will be needed apart from the present throughput of houses to meet the current backlog.

While recognising the threat of growing urbanisation, insofar as increased unemployment and crime is concerned, the journal also sees the advantages in the creation of many opportunities for entrepreneurs and developers.

The abolition of influx control means more people in the city areas and, therefore, an increased demand for space," says the PE.

The cycle of residential development will start with the squatter shack and later this will be upgraded as funds become available.

It is clear that the private sector will be heavily involved in this great urban renewal not only in the provision of homes but in commercial and industrial development so as to create jobs.

And with health care a prime consideration, more clinics and hospitals will all be part of the infrastructure — again giving further impetus to the construction and building fields.

In the near term, though, with contractors cutting margins to the bone, the PE suggests that these companies should look at another major cost of erecting a building — financing costs.

If the construction company could reduce the finance holding costs of the developer during construction and the initial period of a building's life, then many a developer would re-enter the market on the basis that it is cheaper to build today than tomorrow.

Developers could then afford to offer a few months rent free to induce tenants into their buildings and all parties could keep their doors open in these times.

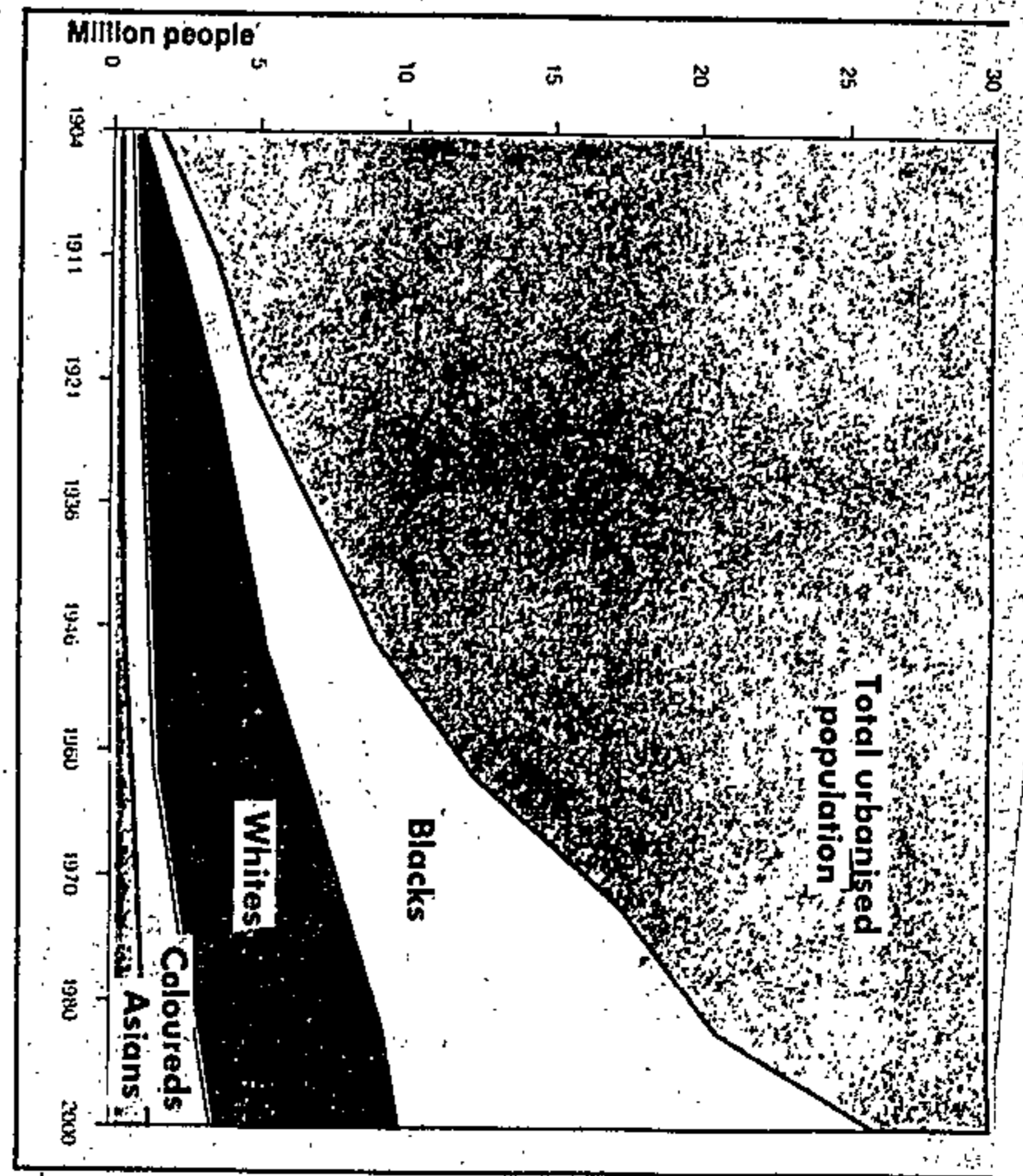
This interest cost subsidy could come from a variety of sources. A loan

negotiated by a construction company directly with the mortgagee or provider of finance could be passed to the developer at a few percentage points below the cost of finance.

Alternatively, the construction company might agree to subsidise interest payments made to the provider of finance by the developer.

Obviously, each project would have to be costed out accurately to ensure that the profit on the negotiated contract would be sufficient to offset the cost of the interest subsidy. The contractor may even take an equity stake in the project as payment for the interest rate subsidy.

We caution contractors, however, not to offer fixed interest rate subsidies as an upward moving interest rate pattern will be detrimental to their financial health," says the journal.



Growth of urban population

FIN MAIL
123
22/8/86

BUILDING DESIGN

Back to basics

SA has all the glitzy glass-towered buildings it needs, and future development will have to be more in line with Third World thinking. That, at least, was the feeling among many at last week's SA Property Owners' Association (Sapoa) conference.

What's needed, the argument goes, is an updated version of developments that were popular in SA during the Fifties. And developers, it is said, could do worse than visit other countries in Africa and South America to see what is really needed.

Simply put, US and European examples are no longer relevant, because SA has all the First World development it needs.

SA, it is argued, is essentially a Third World country and needs to concentrate on infrastructure to provide the necessary base for construction. This could mean no more than providing the base on which to build shelters for the masses.

Yet the present system, dominated by the institutions, has virtually killed off private entrepreneurs. Most current developments are being undertaken by institutions which are less likely to take risks.

In the past, entrepreneurs have developed projects to on-sell to institutions at a 9%-10% return.

But with today's high interest rates, this has become impossible for most because ready finance, essentially through part bonds, is too expensive in the current 16% range.

Fluctuations in the rates in line with the retail money market also make it impossible to estimate costs. In most cases, high costs coupled with falling rentals makes it impossible for developers to cover outgoings.

What is needed, Sapoa delegates felt, was a financial system that would provide private entrepreneurs with money at a fixed rate.

Rapp and Maister MD Wolfie Cesman



**Basic housing...
what is needed**

reckons that, to make the sums on new developments work, loan rates would have to be pegged.

Entrepreneurs, says Cesman, are an essential element in property development. And,

he says, several institutions would admit to the fact that some of their more successful investments were developed initially by smaller entrepreneurs.

For Landmark MD Marke Markovitz, the need is for updated versions of buildings which were developed in the Fifties rather than modern, computer-controlled, airconditioned buildings.

In many cases, says Markovitz, old-fashioned corrugated iron buildings, on which Johannesburg was founded, are suitable.

Architect and former Sapoa president Piet Moolman concurs. As Moolman sees it, it is now necessary to develop what the South African consumer needs — not the glass towers that look good in the US and Europe.

"The consumer today has not got the disposable income of yesteryear and if unemployment and inflation continue to grow at present rates, there won't be many of his sort left anyway. Eventually," he predicts, "we'll run out of consumers."

"Our consumer needs more basic development. His property needs are much smaller than we think they are. We can no longer afford the fancy buildings. We can, however, afford tin sheds."

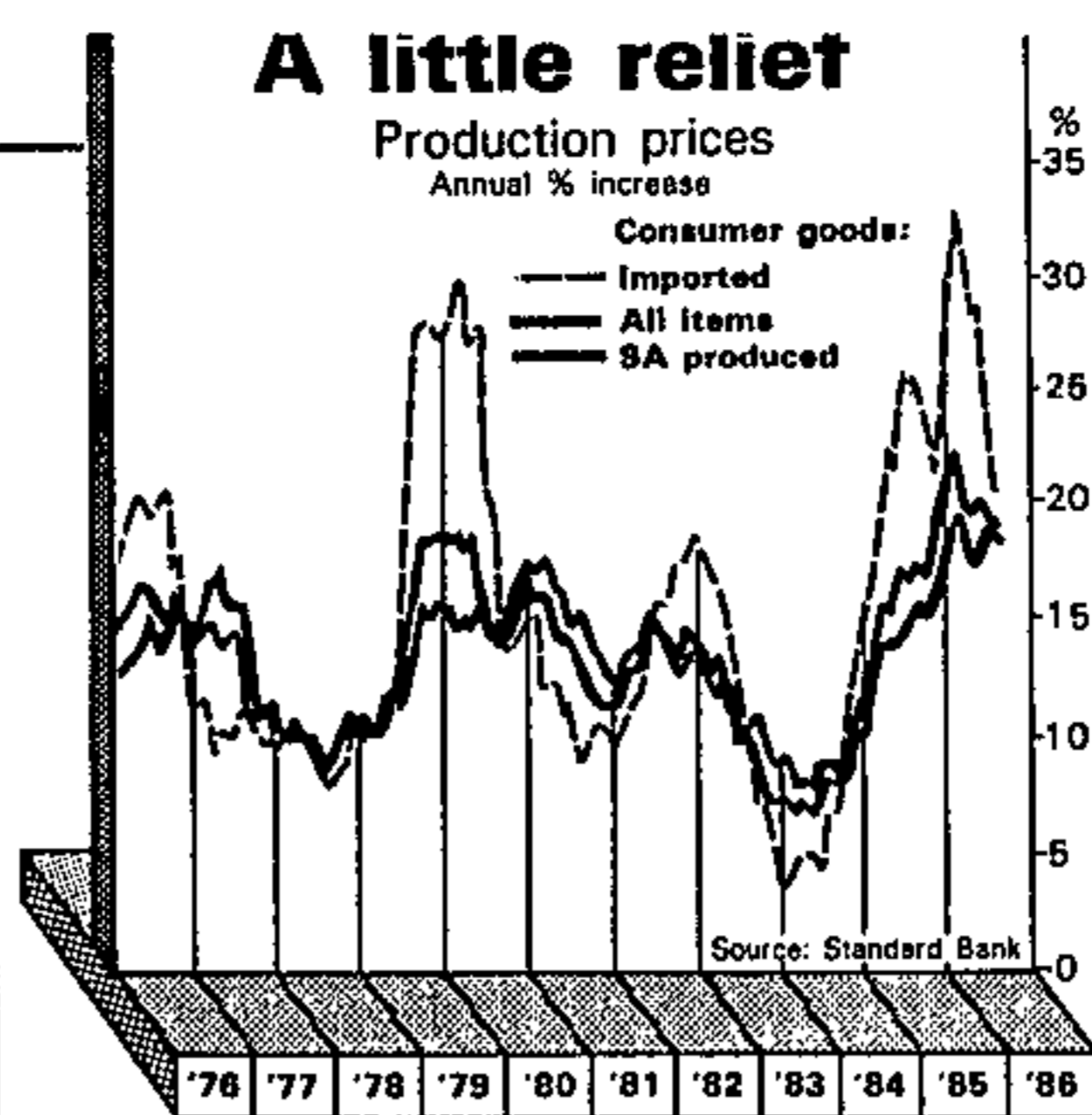
He says whole towns, not just townships, will also have to be developed to provide for the growing tide of urbanisation. And South Africans, he cautions, will have to get used to the idea of shanty towns growing up around the glass towers as they do in South and Central America. ■

declining trend may not last.

A major bogey is the threat of sanctions. Anglo American's Aubrey Dickman says bluntly that it's "nonsense" to think that sanctions can be anything but inflationary. Import replacement industries may absorb spare labour; but their output, virtually by definition, will be more expensive than the imports they replace. The net effect must be a fall in real purchasing power.

Negative factors

Bethlehem adds two other negative factors. He is worried that world inflation (notably in the US) could pick up in 12-18 months' time, and believes that apprehension of this is one reason for the stronger gold price.



Then, he points out that the stronger (or, to be precise, more volatile) gold price itself is a mixed blessing. When the gold price

firms, the revenue effect stimulates demand-pull inflation; when it falls, cost-push comes into play.

If these pessimistic pressures materialise, the second half of next year could see inflation start to build up again.

Perhaps we should count ourselves lucky that inflation has not reached Latin American or Israeli levels.

Perhaps, too, there is indeed little we can do to contain it at the moment, without creating even more damage to an already battered economy. But it remains a basic weakness which is not going to disappear; and if (when?) the economy ever does start to put on steam, it could become a serious problem again much faster than most would now credit.

LTA

Another day older . . .

123
FIN MAIL
22/8/86

LTA's faltering trade record reflects a recent history of ill luck and bad judgment — although the relative proportions are hard for the outsider to gauge. While accepting that LTA trades in a tough building environment, some of its larger projects have gone so radically wrong that one does begin to wonder if, perhaps, it takes chances at which others would balk.

There is the offshore expansion, which, although based on sound principles of diversification, has cost the group so dearly. And, locally, the ghost of the disastrous Soweto electrification contract returns annually to haunt the group's financial reports. LTA has still to receive a great deal of money on this major contract, although three years' work went into it and R12m has already been written off — still only a fraction of the total owing. But while LTA and the three Soweto councils battle out of court to settle the (never explained) dispute that led to non-payment, it has had to provide bridging finance from its own resources; and from this has come rising group debt, and spiralling finance costs.

In local engineering and building markets, LTA has an aggressive and respected presence. In a very tough environment last year, it reported operating profits of R11,6m on turnover of R986m in local operations (a paper-thin margin of only 1,2%). Hefty finance costs slashed these profits to R215 000. But the real damage appeared lower down the income statement, where losses from discontinued offshore op-



Colin Wood

Robert Tshabalala

LTA has taken a beating over its involvement in the electrification of Soweto, and its offshore projects. But with hotels and offices stagnant, there are even more downside factors. Mass black housing holds out some hope.

erations amounted to R18,6m, and a further R28,5m extraordinary write-off was made against further potential offshore losses.

The extent to which these losses eroded reserves is shown in the fall in net worth per share — down 54% from 631c to 290c. The share price followed suit, dipping 42% this year to 175c.

In March 1985, Colin Wood took over as group MD after Michael Ridley retired. Wood's objectives seem clear: he needs to extricate the group from overseas markets; negotiate a settlement of debt with the three Soweto councils; and find ways of reducing LTA's heavy debt load, while ensuring that the group at least breaks even, preventing a greater erosion of reserves.

As far as its offshore interests are concerned, LTA is employing the ancient military discipline of orderly retreat. The offshore operation will be steadily run down, says Wood, "but this could take a long time, because there are contracts to complete, and we don't intend to withdraw completely." The Australian operation will be shut down, though, following some bad experiences

in that country.

The Australian subsidiary landed three major contracts in Brisbane last year, all around the city's airport. However, things began going wrong when the cricketing row broke, and Australian Prime Minister Bob Hawke was harangued by the press for acting against sporting ties with SA, while leaving the two countries' business connections untouched.

Hawke immediately responded by moving against South African businesses in Australia, and LTA was the first he hit. Two contracts were taken away from LTA and put up for re-tender, leaving it with only one Brisbane airport contract which — without the benefit of economies of scale that three contiguous contracts would have provided — proved a lossmaker. To date, LTA has written off some R8,5m in Australia.

All of which is explicable. But what went wrong with LTA's other offshore interests, where the bulk of losses occurred? When LTA began looking overseas 10 years ago, Wood says, "it seemed the right decision then, because we realised we would eventually run into a shortage of work in SA, and we needed to diversify."

Instead of moving into new local markets that were unfamiliar to group management, LTA chose to stay with its core business, while reducing operating risk by trading in the different economic cycles of a number of countries. The strategy seemed at first to work, because oil markets were booming and building projects were proliferating in oil-rich countries.

With oil revenues drying up, Europe's heavyweight contractors began looking for work at home, and LTA's offshore companies found themselves in a competitive war for new business. The fact that LTA's foreign companies were remote-controlled from SA could not have improved their competitive edge either — a view that gains

credence with the recent despatch overseas of two heavyweight executives.

LTA splits its income statement into profit categories for continuing and discontinuing operations, and extraordinary items. This technique is sometimes criticised because it tends to soften the impact of losses. Wood contends, though, that this reporting method provides analysts with vital information for assessing future profitability. In the year to March

1986, he says, "we tried to depict three levels of danger pertaining to offshore operations."

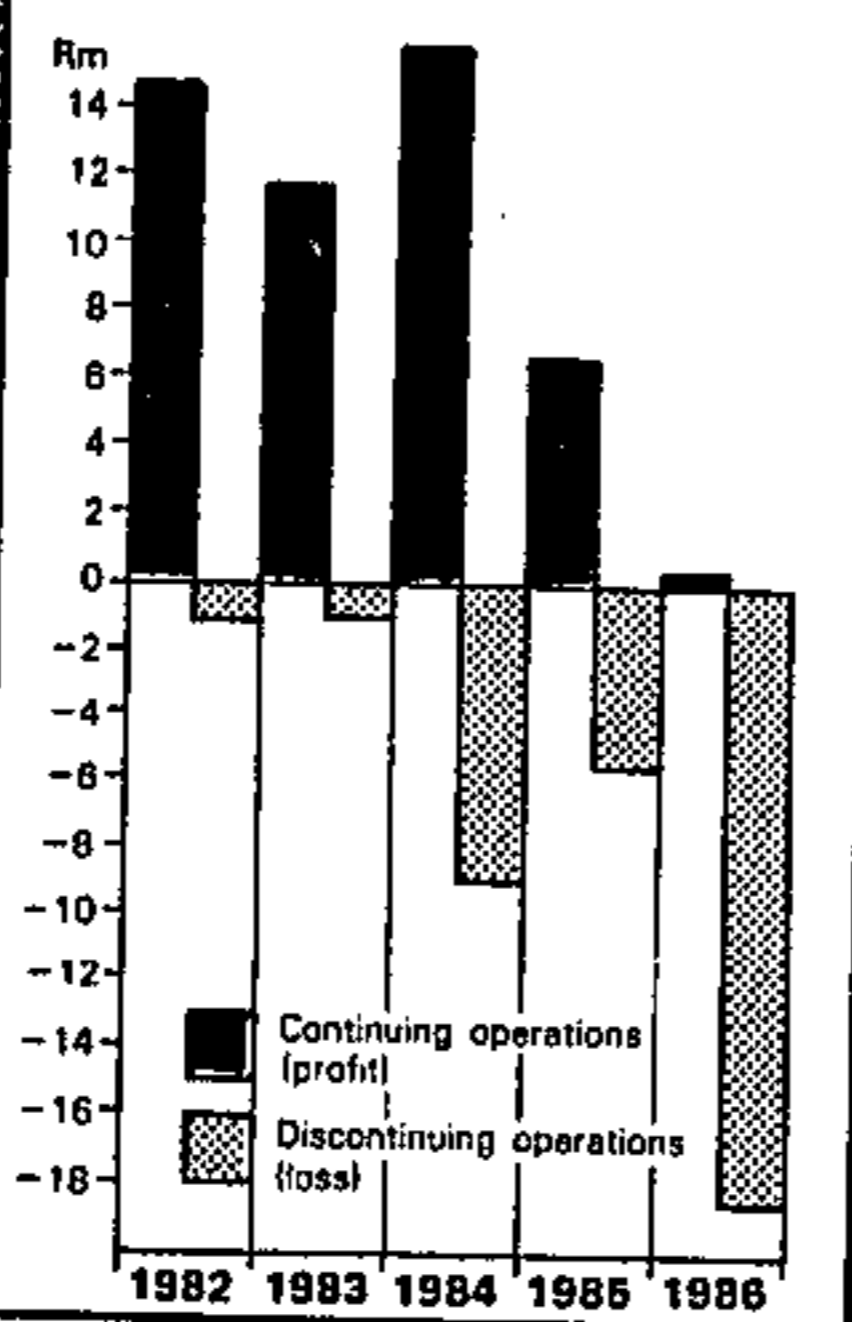
On the first level, the board was telling shareholders they could reasonably expect offshore losses to total R18,6m (shown as losses on discontinued operations). On a second, they were warning that LTA risked losing another R28,5m if overhead expenses remained on budget overseas. But virtually no cash comes in (shown as an extraordinary write-off).

Finally, another R6m was transferred to a non-distributable reserve, depicting remaining losses overseas "if absolutely everything goes wrong."

Back home, LTA appears to have made little progress in its dispute with the Soweto councils (Soweto, Diepmeadow, and Dobsonville) over the electrification contract. Wood is tight-lipped on the subject. He contends that negotiations are at a delicate stage, and he wouldn't like to undermine the little progress that has actually been made.

Insiders believe that LTA encountered a chaotic situation in Soweto. The group would lay down cables, only to have them severed a few days later by one or another sub-contractor laying down ditches in the opposite direction. Most contracts carry variation clauses, which are costed separately to the client. But

Profits crumble



the Soweto contract ended with over 2 000 variations — which someone has to pay for. Wood refused to confirm these claims, but he did say, "We were not entirely blameless in this affair."

At end-March, group debt was somewhat high at R43,9m, which translates into a heavy gearing ratio of 110% despite the balance sheet having been strengthened in January, when property worth R45,4m was sold into a joint finance com-

pany.

Nonetheless, LTA is in the throes of a rights issue of pref shares to raise R26,4m, which will enable it to reduce gearing to more comfortable levels. The prefs are convertible between 1987 and 1992, but before that happens, they still need to be serviced at 10%, partly negating the short-term benefit to cash flow. Most of these prefs will be taken up by LTA's parent, Anglo American Corp. It is the first time since 1972, Wood hastens to point out, that Anglo has needed to inject funds into its construction subsidiary. At operating level, LTA expects to break even this year after accounting for finance and other costs. Below-the-line losses should be largely out of the system, says Wood, although further close-down losses cannot be ruled out if trading conditions deteriorate further.

Of LTA's four main divisions, earthmoving (accounting for 65% of turnover) is expected to perform best. This division, relying heavily on government spending on roads

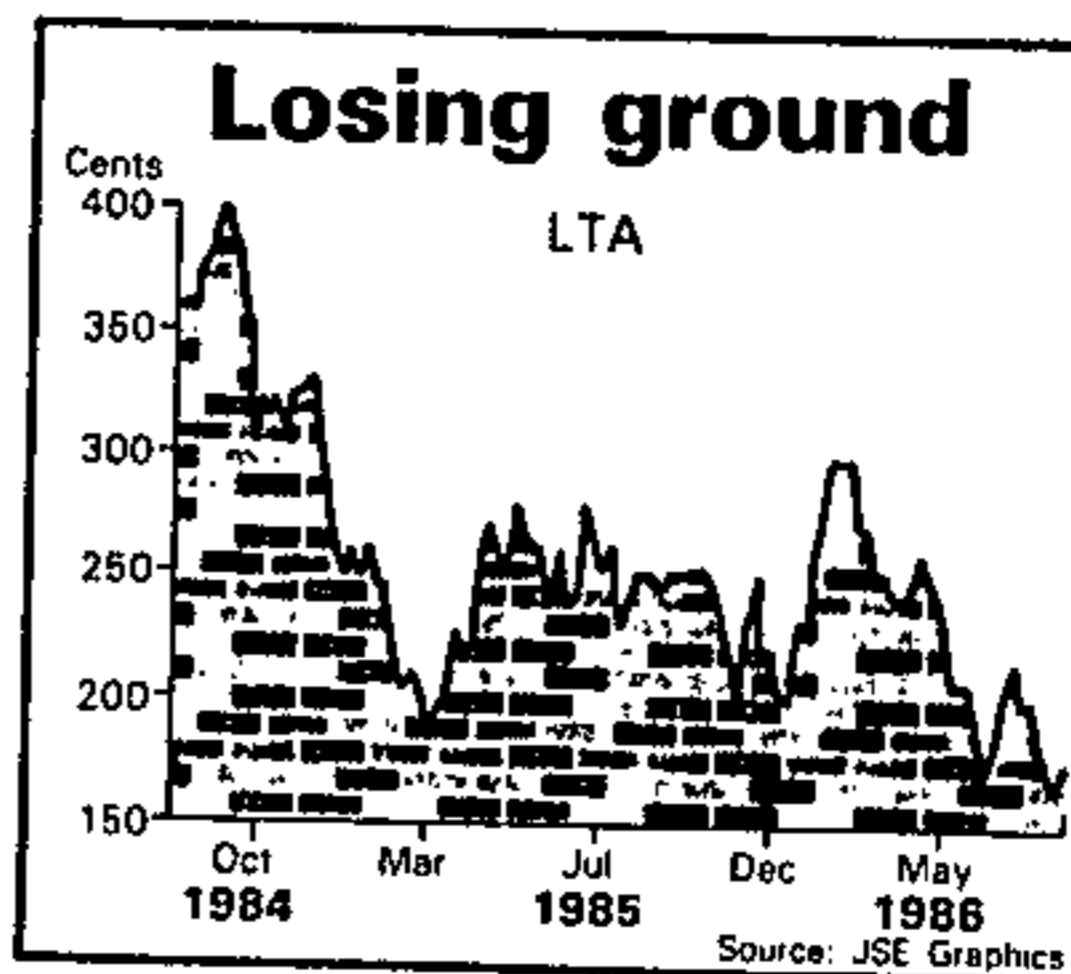
and infrastructure, is sitting on a good order book, Wood says. He is also satisfied that the work taken on will be executed at acceptable margins.

The civil engineering division, however, is showing little signs of picking up, although it should break even. Cost-cutting has been heavy in this division, taking account of the steady decline in the market over several years. "The large projects of the late Seventies, involving the likes of Escom, the Saldanha railway, and Sasol, are a thing of the past," Wood laments. "It's difficult to see what will replace them." To many, even Mossel Bay now seems a millenium away.

Wood's prognosis for general construction is equally grim. The conventional work such as hotels and office buildings all seem to have been built; we are at the end of an office boom; and once again "it is difficult to see what will replace them."

The engineering services company, Steeldale, feeds heavily on construction, and consequently is struggling

with low margins and turnover, although it "remains profitable." It is in the market for mass housing, however, that conditions remain buoyant. And here LTA is operating at reasonable capacity; and if government does indeed push through its stimulatory package of accelerated black housing, LTA will doubt-



less take its slice.

Although shareholders should not expect a major return to profits this year, the group would look a great deal healthier if part of the mountain of cash owing to it by Soweto and the offshore debtors begins to flow in. In that happy (but uncertain) event, the potential savings in finance costs will make the share worth another serious look. Until then, LTA still seems far from attractive even at the current low of 175c.

Neville Glaser

FINANCE Minister Bar-
end du Plessis' R750-million
trust fund to promote low-
cost housing received a
mixed reaction yesterday.

The Urban Foundation
welcomed the creation of
the fund, but warned that it
would only be effective if
poor and homeless people
could afford houses built
under the scheme.

Executive director Jan
Steyn emphasised that, to
be effective, the fund would
have to operate within a de-
velopment policy that took
into account factors as rapid
delivery of land - especially
serviced land in "appropri-
ate" places - and affordabi-
lity.

● Building, Construction
and Allied Workers' Union
vice-president Edward Mo-
gane said: "Anything done
for the working class must
have representation from
that working class. And we
wonder if this fund address-
es itself to that question."

Late yesterday the union
held an executive meeting
in Johannesburg and the
fund was among its priori-
ties under discussion.

● The Afrikaanse Handel-
sinstituut welcomed the
government's creation of the
fund.

AHI president Christie
Kuun said: "It was always

Not much trust in State's new trust

the AHI's opinion that the
less-privileged section of our
population, especially the
blacks, were willing and pre-
pared to make use of such
an opportunity.

● "This is another story
where government is trying
to create money for itself,"
said Black Allied Mining
and Construction Workers'
Union general secretary
Phandelani Nefolovhodwe.

He said that "anything
from this government can-
not be beneficial to blacks.
For years they have not wor-
ried about the question of
black housing."

In another development,
it was confirmed that R3,1-
million of the R750-million
fund would be available to
assist the families of detain-
ees. This money will be ad-
ministered by the Constitu-
tional Development Depart-
ment.

(123)

IC 171 (P250)

24/12/76

Nationwide backlog of half-a-million homes

(23) Argus 25/8/86

The Argus Correspondent

VEREENIGING. — There is a shortage of about 334 000 homes for coloured, Indian and black people and a surplus of about 37 000 for whites, according to Mr D M Roelvert, executive director of the Institute for Housing of Southern Africa.

He told a local government and housing conference in Vanderbijlpark that the surplus was equivalent to a town the size of Mitchell's Plain and represented a capital investment of about R1,48-billion.

There was also a shortage of about 177 000 homes for coloured, Indian and black people in the six national states and the trust areas.

Density

He said that according to the 1980 census, 45 percent (13-million) of South Africa's 29-million inhabitants were urbanised. By the year 2000 the population was expected to rise to about 46-million, of which 75 percent would be urbanised.

This could be equated to building between three and five Johannesburgs in the next 14 years at a cost of more than R3-billion a year for the first 10 years and R2,6-billion a year for the next four years.

President P W Botha's announcement that an extra R1,75-billion would be made available for housing was still not enough.

Mr Roelvert said Johannesburg, including Soweto, housed 3,3-million people, but by the year 2000 it could house about five-million at a density of 18 to 29 people a hectare. Of these, about three-million might fall in the low-income bracket.

Permits

He said: "Third World standards are thus going to dominate the urbanisation process while social, economic and political stresses can be expected to escalate."

Mr Roelvert said the money needed for housing over the next decade or two could not be provided by the Government without higher taxes and a resultant strain on the economy. Alternatives had to be found.

"One alternative is that the Government could rent the approximate 37 000 vacant dwellings from the whites on a long-term lease and let the units to homeless people.

"Permits could be issued in terms of the Group Areas Act for other population groups to occupy these houses until the Act is abolished."

Mayoral pleads
for protection
of black local
authorities

Vereeniging Bureau
25/8/86
STAR
An appeal for protection and support of black local authorities was made by the Mayor of Daveyton, Mr Tom Boya, at a local government and housing conference in Vanderbijlpark at the weekend.

Mr Boya lashed out at the now defunct administration and development boards, saying they were "established in the Government's desperate search for a way of implementing the policy of influx control and separate development".

He said black local authorities were introduced with the sole object of giving blacks the opportunity to share power at local government level and to manage and administer their own affairs.

However, this form of local government had met with opposition from the outset.

"It is not surprising that most of the horrible crimes committed lately in the black society are directed against black people who are prepared to work within the so-called 'system' — especially against those who are connected with black local government."

Mr Boya continued: "These black local authorities find themselves in the front line in the battle for the expansion and maintenance of democracy in South Africa and the question arises whether enough is being done to protect these people who have become the main target of forces opposing the system."

Mr Boya suggested that only by providing visible improvements at grass-root level in the black townships, would black local authorities be able to build up credibility.

Surplus of homes for whites

Institute

Vereeniging Bureau

There is a national shortage of 334 000 homes for coloureds, Indians and blacks, and a surplus of 37 000 for whites, says Mr DM Roelvert, executive director of the Institute for Housing of Southern Africa.

He told a local government and housing conference in Vanderbijlpark at the weekend that this surplus was equivalent to a town the size of Mitchell's Plain in the Cape and represented a capital investment of R1,48 billion.

Mr Roelvert said there was also an estimated shortage of 177 000 homes for coloureds, Indians and blacks in the six national states and the trust areas.

He said that according to the 1980 census, 45 percent (13 million) of South Africa's total population of 29 million was urbanised. Projections for the year 2000 were that the total population would increase to about 4 million, of which 75 percent (34 million) would be urbanised.

Five Johannesburgs in 14 years

This could be equated to building between three and five Johannesburgs in the next 14 years at a cost of R3 135 million a year for the first 10 years and R2 625 million a year for the next four years.

The State President's announcement that an additional R1 750 million would be made available for mass housing was still not enough.

Mr Roelvert said Johannesburg, including Soweto, accommodated 3,3 million people, but by the year 2000 it could house about 5 million at a density of 18 to 29 people a hectare. Of these, about 3 million might fall in the low-income bracket.

Mr Roelvert stressed that the capital investment required for large-scale housing provision over the next decade or two could not be provided by the Government alone without further taxing the economically active citizens and straining the economy.

STAR
25/8/86
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CAP Times .26/886

Housing projects to begin soon

123

JOHANNESBURG. — The government had identified a number of housing and development projects for economically-disadvantaged communities that could begin as soon as money was made available from the recently-announced R750-million stimulatory package, the Deputy Minister of Finance, Mr Kent Durr, said yesterday.

Speaking at the opening of the Interbou exhibition at Crown Mines here, he said these projects included site and service schemes and the provision of services such as water, lighting, halls, recreation facilities and old-age homes.

These projects would be completed within six to nine months, and should stimulate the building industry.

About R350-million of the R750-million would be allocated for this purpose, and more than half of that R350-million would go to housing for

blacks.

The rest of the R750-million would go towards the creation of a housing trust to supply both housing and employment.

Doubled

Black urbanization was accelerating, and by the year 2000 the urban population of the country would have approximately doubled to over 30 million, with the black component having increased from nine million in 1980 to about 21 million, he said.

Mr Durr also said there had been "remarkably few problems of any importance" with the introduction last year of the National Building Regulations, and their adoption had gone very smoothly.

It was the government's aim to simplify things further, and work on the first revision of the regulations would commence in September, he said. — Sapa

Home loans for all

THE South African Permanent Building Society has agreed to provide loans for starter homes in Katlehong costing less than R10 000, including the price of the stand.

Mr Bob Tucker, managing director of the society, yesterday said families earning as little as R350 a month would qualify for housing loans. He was speaking at a Press conference in Johannesburg.

The building society is financing the starter homes through the Katlehong Self-Help Housing Scheme. The scheme is run by the Family Housing Association, a utility company established by the Urban Foundation.

Since the scheme started in 1982 it has helped 670 families living in backyard shacks in Katlehong to build their own homes.

A starter home is a

SOWETAN ONLY

Earners of R350 a month qualify now

By NKOPANE MAKOBANE

two-roomed unit of 30 m² which can be extended. Low-income families who could previously not afford housing can now buy homes.

Said Mr Tucker: "There has been an eager response to the scheme. Our involvement in the project demonstrates admirably our commitment to assist black families to acquire homes they can afford."

Self-help

"The flexibility of the society is demonstrated not only by the use of self-help and the acceptance of much more realistic minimum specifications, but also our increased recognition of all income earners in the family."

"We believe that through these innovations, we are making private ownership in housing available to a whole new sector of the black community," he said.

Mr Matthew Nell, general manager of the

Family Housing Association, said that in developing this new programme with the society, his association had taken one more step towards opening new opportunities for low-income families to obtain homes.

"It confirms our belief that a significant proportion of the demand for housing for blacks in urban areas can be fulfilled by the private sector," he said.



Mr JONAS Thulo and his son, Sibusiso (4), outside their new starter home in Katlehong.

achieved. costs can be
act as port agents in SA. which may be adopted at the

Perm has a plan for low-income families

The SA Perm Building Society has agreed to provide loans for "starter homes" costing less than R10 000, including the price of the stand, in Katlehong.

Families earning as little as R350 a month will qualify for housing loans from the building society. The Perm is financing these homes through the Katlehong Self-Help Housing Scheme, run by the Family Housing Association, a housing utility company established by the Urban Foundation.

A starter home is a two-roomed core unit of about 28 square metres, plus an outside toilet, or a 44 square metre shell unit. The concept gives access to housing to low-income fami-

lies who could not previously afford homes. Mr Bob Tucker, MD of the Perm, said there had been an eager response, and bonds had been approved for the first 78 homes.

The society's flexibility, he said, had been demonstrated by the use of self-help, acceptance of "much more realistic minimum specifications" and its increased recognition of all income-earners in the family.

The Perm would acknowledge all regular incomes of a particular household, both husband and wife, and all adults over the age of 18. It had also decided to recognise all informal income as long as it was regular. — Sapa.

28/8/86. STAR 229

Many face exploitation after rent switch — claim

123

By Shirley Woodgate, Municipal Reporter

Urgent government action was needed to solve the problems of exploitation facing thousands of blacks, coloureds and Indians living in "white" rent-controlled premises throughout the country, said Mr Mo-

ammed Dangor of Actstop (Committee for Stopping Evictions).

He said the disbanding of the Rent Control Board this year, and its reconstitution for whites only, had left "black" people without legal protection from overcharging or intimidation by unscrupulous landlords. This protection afforded by the board was removed after the establishment of the tricameral Parliament, automatically depriving "disqualified" people living illegally in white areas of all recourse.

"The irony is that since the reconstruction of the Rent Board for whites only, black tenants have also been left without protection from black landlords," said Mr Dangor.

Actstop was considering taking legal opinion on the removal of black rights.

He saw the action as government "sleight-of-hand" — an attempt to appease both its Left and Right wings while trying to resolve the mounting problems of the Group Areas Act.

"The Government does not have the courage to tell the people to stay or get out of 'grey' areas, so it creates this situation in which it hopes on the one hand that the 'disqualified' people will move out voluntarily if they are exploited," Mr Dangor said.

"On the other, they believe they are showing that they have no sympathy for people who break the Group Areas Act."

These new developments had been highlighted in recent problem areas in Hillbrow and the Johannesburg CBD, where tenants and landlords of Branksome Towers, Claridge Court and Drummond House had come to grips.

He estimated that in Johannesburg alone, 60 000 people were affected by the removal of the Rent Board.

Pretoria St.

State has no plan to solve SA rent crisis

CITY PRESS

28/1/88

123

THOUGH rent boycotts have now spread to about 53 townships — causing a loss in income of about R40-million a month — the government has no plan to solve the issue.

A Constitutional Development and Planning Department spokesman said the government was also not running any program to evict rent defaulters.

He said it was the "prerogative" of the 235 black local authorities to collect rents.

The spokesman could not say how many people were in arrears with rent, or how much money the town councils were losing.

But he said both the local authorities and the government were "concerned" and local authorities had been "urged to take steps to collect the outstanding amounts".

● Meanwhile, the numbers of municipal policemen in townships — reportedly being used to deal with rent defaulters — have swelled to thousands in recent years as the number of town councils grew from 42 in 1984 to 235 this year.

Municipal policemen are normally armed with 9mm pistols and shotguns, and have been involved in a number of shootings.

The latest was in Soweto last weekend, when five people, including Constance Rankutu, 24, the mother of a two-year-old child, were allegedly shot dead at a night vigil.

But the department — which subsidises municipal policemen's salaries — could not say how many municipal policemen there were now.

Councils are empowered to appoint 17 municipal policemen for every 1 000 residents.

● Newspapers are currently able to report on the municipal forces' actions, since they do not fall under the definition of "security forces".

But it is rumoured in Pretoria that the definition may be extended to ban reporting on their actions — which would restrict full coverage on the rents crisis.

Asked if central government would allow council services to run down due to lack of funds, the department spokesman said: "It is not the government's policy to subsidise local authorities, but where there is a need, help may be considered."

The spokesman said those in arrears with their rent because they can't afford it could apply to their local authorities for remissions.

"Evictions are only considered when people can pay, but refuse to do so," he said.

FIN MAIL
DEVELOPMENT BANK

Up and running

André la Grange, GM, resources, of the Development Bank of Southern Africa (DBSA) has ended months of speculation. He tells the *FM* that tenders for the bank's new R30m head office in Midrand will be called for towards the end of this year.

Final drawings are nearly ready. Earthworks will start before the end of the year, the successful contractor will be on site early next year and the development should be ready for occupation by mid-1988. At that stage, the bank's lease on its present Lifegro-owned head office in Sandton will expire.

The critical question still to be decided is the method of finance. Several avenues are still being explored, but most seem to end at a private sector address.

One possibility is that the bank will lease the building from a private sector developer.

There are, however, several options:

- A leaseback through a bank or insurance company;
- Financing through a consortium or syndicate;
- Financing by the bank's own pension fund, and
- Self-ownership through the DBSA's financial resources.

La Grange says there have already been approaches from interested organisations in the private sector.

The bank is to be built on the Midrand boundary on a prime 25 ha site overlooking the Ben Schoeman Highway. It is part of a 150 ha tract expropriated by government from Institutional Land Holdings (ILH) (*Property* July 19 1985).

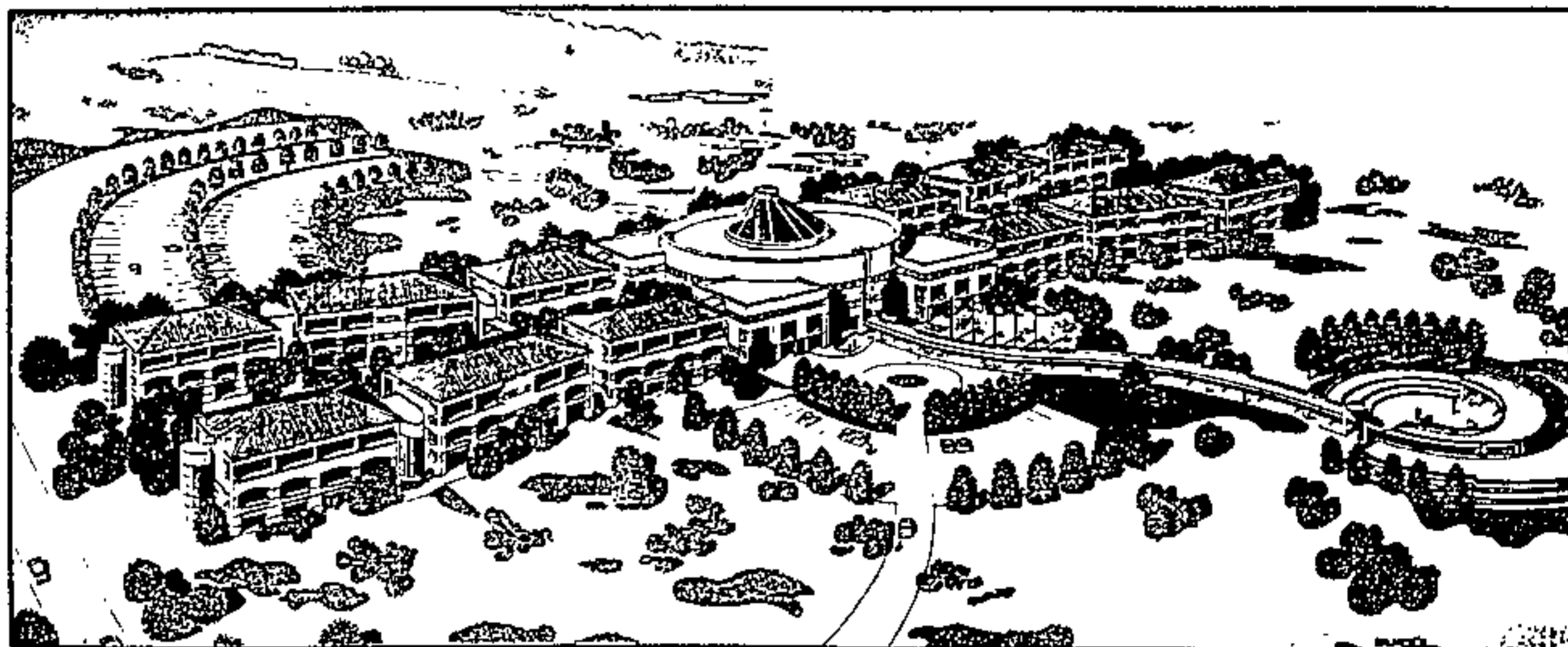
The balance of the ground (125 ha) is being held by The Secretariat for Multi-lateral Co-operation in Southern Africa (Secosaf), a comparatively new government body formed to liaise between the governments of Transkei, Bophuthatswana, Venda and Ciskei. The TBVC countries and SA are the shareholders in the DBSA.

Secosaf is not saying what it intends to do with the remaining land but, inevitably, rumours abound. A favourite is that it will be turned into a southern African "UN" to house TBVC officials, but DBSA officials say they are not privy to Secosaf's plans.

However, the bank development will go ahead independantly. DBSA officials point out that the Secosaf land is not part of their plans and that the two sites will be divided by the new K27 road anyway.

The design of the new building will be functional rather than palatial — a south-facing brick building about 200 m long with some 24 000 m² of usable space.

Designed to accommodate a workforce of 600 — which is about as many as the bank



DBSA's new HQ ... initial development

intends to employ — it will sport four three-storey office wings extending from a cylindrical hub housing the boardroom, library, conference and committee rooms, auditorium, and computer and training facilities.

The complex will be served by only two lifts in the central core, while internal access will be by stairs and overhead walkways.

Landscape gardeners will not be pleased to hear that the bank is not going on any landscaping spree. It will merely add indigenous flora to the lone thorn tree currently on site.

There will, however, be more in it for other industries because bulk services still have to be installed. The cost, says La Grange, "will have to be shared with the adjoining developers, ILH and the State."

The complex has been designed by Heine Hauptfleisch of Stauch Vorster, one of a short list of architectural firms asked to submit designs.

RENTS ACT (123) 29/8/86

Colour coded

Rent boards have never been popular among property owners, for obvious reasons. But there could well be a case for some form of statutory rent protection for some Indians and coloureds who, if only temporarily, are finding themselves at the mercy of exploitative landlords.

It was a bureaucratic bungle — one which could have arisen only through SA's convoluted "own affairs" constitution — which saw the old rent board, which used to be colour blind to rent grievances, reconstituted as a white "own affair."

Coloureds and Indians, by parliamentary decree, were to follow by creating their own rent boards to hear matters affecting their communities. But somewhere along the line,

the system broke down and the ethnic boards never came into being.

Predictably, once landlords discovered that tenants were without the protection of the Rents Act, they had a field day. In some instances, rents in Durban's Indian quarter were increased by 300% overnight. In other cases, tenants were summarily given notice to vacate.

Ethnic boards

Baldeo Dookie, Minister of Local Government, Housing and Agriculture in the Indian House of Delegates, says the Department of Public Works and Land Affairs, which enjoys jurisdiction over rent matters, is urgently looking into the matter. He expects ethnic rent boards to be proclaimed "within the next two weeks."

In the interim, he warns he will have no hesitation in asking the State President to intervene if cases of gross exploitation are brought to his attention. Usurious landlords face the prospect of having to reimburse tenants if the rip-off charges can be proved.

But comforting as that may seem, tenants could be forgiven for feeling that it is a bit like closing the stable door after the horse has bolted.

WINDHOEK (23) 29/8/86

Shifting CBD

Hamstrung by years of uncertainty over Namibia's future, development in Windhoek in recent years has been just about non-existent. Indeed, as a consortium which has been looking at the restructuring of the city centre has found, downtown Windhoek has remained much the same since German times.

Essentially, the city's CBD is little more than a strip development, mostly on the west side of Kaiser Street which hosts most of the

HOUSING OF HOSTELS

GENERAL

1986

SEPT — NOV — DEC .

123 Cape Town 11/8/86
Sales of subsidized houses up

GEORGE. — The Minister of Local Government, Housing and Agriculture in the House of Representatives, Mr David Curry, said the sale of State-subsidized housing throughout the country has increased dramatically over the past few months.

Addressing the Labour Party South Cape regional conference here at the weekend, he said the government had extended the period for the sale of half a million State-subsidized houses.

Over a period of two months nearly 22 000 coloured tenants had bought their houses.

● The deputy leader of the Labour Party, Mr M Richards, said the only solution for South Africa was a one-man, one-vote system or a negotiable system of implementation on government level.

He said this was going to be the message to the Minister of Constitutional Development and Planning, Mr Chris Heunis, when he meets party leaders tomorrow.

The Labour Party would not move from its standpoint of one local government body for each city and town, Mr Richards added. — Sapa

A glimpse at R185m housing plan ^{21/9/88} ^{WU/DK} ¹²³

THE Minister of Constitutional Development and Planning, Chris Heunis yesterday took some of the wraps off how the additional R185,4m made available for low-cost housing and infrastructure would be used.



● HEUNIS

In a joint statement Heunis and

Own Correspondent

Minister of Education and Development Aid Dr Gerrit Viljoen said R123,6m had been allocated to black urban development and R61,8m for low-cost housing project in the non-independent homelands.

With regard to urban development, Heunis said the R123,6m was supplementary to the R338m pro-

vided for this purpose in the current financial year and would be used to upgrade areas in such a way as to promote job creation and stimulate the economy.

Heunis said that in funding projects, the provision of infrastructure and services for housing erven would receive preference in order that the private sector might also make a contribution.

BUSINESS (32) (33) (123)

Low-cost SA housing under the spotlight

THE provision of low-cost or affordable housing has become a focal issue for SA's property industry.

While it may once have been considered government's responsibility to provide for those who could not afford to house themselves in the conventional market, it has now been realised both public and private sectors will have to pull together to tackle the problem.

The subject has to be approached from a number of angles — the size of the market, different construction methods and financing of schemes. This analysis requires the adoption of a fresh approach to various aspects of the problem, a willingness to changing standards and abandon preconceptions.

By now it has generally been accepted white SA housing standards are too high, even at the lowest income level. Enforcing housing standards that are too high prevents ownership, or at least decreases ability to pay for other goods and services.

It has also been acknowledged these high Western standards cannot be imposed on the rest of the population. Not every home will have an indoor toilet, for example, and many families will move into accommodation designed for them to build on as they can afford to.

Informal settlements

Bearing in mind many families cannot afford to borrow at market rates the sort of money needed to buy the simplest contractor-built house, informal settlements will have to be accepted.

It has been suggested a person whose traditional home has been an informal rural structure may not object to a similar home in an urban area, in a place with potable water, sanitation, access roads and area lighting. A few regulations of health and safety should apply to this "shanty" development.

The next level should be considerably higher, envisaging ultimate freehold ownership.

Although informal housing is likely to account for a significant proportion of overall stock for many years to come, opportunities in the development of formal housing are enormous.

The lack of accurate statistical information about housing and population poses a serious problem for residential accommodation planners. The number of housing units occupied by the black urban population group has never been counted in any national census.

An Urban Foundation figure puts the annual housing requirement for urban blacks at between 80 000 and 100 000 units a year until the year 2 000. But in the last five years only about 8 000 units have been built in black urban areas annually.

A number of different types of low-cost houses have been proposed, some schemes already having been put into practice. These ideas range from the very basic add-on wet core to rather more elaborate and costly structures.

The question of affordability forces a look at existing and potential financing possibilities.

Traditional home lenders, the building societies, seem to be aware of the need for flexible assessments of the financial capability of the borrower and of the standards they demand. Measures being adopted include taking into account the combined incomes of members of a household, moving away from the standard 25% of the borrower's income and adopting a more flexible attitude towards women clients.

Still, allocation terms and practices are obstacles to lower income families in formal loan finance.

A choice of loan terms has been put forward from some quarters as one way in which the societies can play a bigger part in the low-cost market. Changes to the terms could be in terms of the length of the loan, graduated repayment schedules, fixed or variable interest rates and the size of the deposit.

Ways of encouraging the private

sector to enter this market are under focus. What incentives can be offered to the pension funds and insurers, for example, to push them into low-cost housing?

The adoption of the US GNMA certificate system has frequently been mooted for the high-risk residential market. The "Ginnie Mae" method — after the Government National Mortgage Association — is in effect a guarantee from government of the timeous payment of principal and interest.

Some believe the Ginnie Maes combine the best features of both mortgages and government loans, with safety, attractive yield, cash flow and superior marketability. The GNMA is not authorised to originate new mortgages — it buys selected types of mortgages and issues long-term securities backed by self-liquidating mortgages, the principal and interest payment of which it guarantees. The loans are of 30-year duration but are typically paid by the 12th year.

Fixed property investment has become more and more the preserve of institutions with strong cash flows, meaning pension funds and life assurers are today's major owners of investment property.

Presumably the perception of this prompted the recent government decision to make bonds available so the institutions can provide funds for housing purposes.

Indirect investment

The institutions could also invest in housing indirectly by placing a portion of their funds on long-term deposit with an intermediary body.

It has been proposed that government considers directing a proportion of the prescribed asset of financial institutions to this field. Pension funds and insurance companies presently have to invest 53% and 33% respectively of their assets in prescribed investments.

If only 5% of the approximately R40b invested by pension funds is allocated to housing, 100 000 homes could be built.

Alternative housing defined

WHAT is a low-cost house?

Parameters vary, but one clear definition comes from Council for Scientific and Industrial Research (CSIR) National Building Research Institute chief economist, Dr Tobie de Vos.

De Vos describes a low-cost house as a 55m² to 60m² home, containing three living rooms, a kitchen and a bathroom, with no cupboards in the bedrooms and only basic and essential storage space in the kitchens. Electricity, hot and cold water and water-borne sewerage are included.

This house, when produced conventionally by the building industry, would cost between R15 000 and R20 000 in 1986, including the land.

Obviously many low-income families will live in houses of lesser standards than this. Alternative housing methods include the following, with a range of standards inbetween:

- Controlled squatting;
- Self-help site and service units;
- Core houses or shells on to which the owner adds when the family can afford it.

Actual construction methods which some building societies are now prepared to consider include the wattle and daub form, the *sakke en sand* structure, concrete brick construction, airated concrete panel building, the utilisation of laminated wooden panels and the prefabricated interlocking concrete panel method.

PROPERTY

**Valley View
turns to timber**

THE Valley View village development in Randburg could prove to be a trendsetter: it uses the timber-frame method of construction.

The method, the norm in countries such as Australia and the US, has not yet caught on in SA, although it is a year now since the introduction of new national building regulations that accept timber-frame.

Manfred Hegler, MD of developers City State, says the Valley View homes use components produced in factory conditions, reducing construction time and enabling the home-owner to move into the finished house 10 weeks after building begins.

The cost structure means first-time buyers qualify for the government subsidy.

"In view of the housing shortage, the speed of erection and cost advantages make this concept ideally suited to current local conditions," says Hegler.

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Aim is to improve quality of life, says official

GOVT LOANS FOR HOUSING SCHEME

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3/9/86 EDWENOW

THE Department of Development Aid is giving loans for self-built housing schemes in proclaimed townships within the self-governing territories and development trust areas.

Mr George Bothma, an official in the department, said in an interview that satisfaction of the basic needs of urban blacks in townships within these areas was of utmost importance so as to improve and raise the quality of life.

He said the maximum loan being granted by his department for self-built housing schemes in these areas has been increased from R3 500 to R5 000.

Cost

This followed requests by several individuals and bodies in these schemes that the amount should be increased because of increases in the price of building materials, higher labour and transport costs.

He said the South African Government placed a high premium on home ownership and the involvement of the individuals and the community in self-help schemes.

By NKOPANE MAKOBANE

This had been indicated by the recent announcement by the Minister of Finance that R750 million is to be made available for low cost housing throughout the country. In the case of his department, the Minister had approved R61,8-million for such housing as well as infrastructure.

"For members of the low income group who do not have sufficient

private means to build or who do not qualify for loans from financial institutions, the Minister has approved individual loans of R5 000 in the form of building material.

"These loans, payable over a 30-year period, are available at a very low interest rate to the breadwinners earning up to R350 a month. They are designed to assist members of this group to build either by themselves or with the aid of contractors."

He also pointed out

that in the overall process of township development, his department endeavours to ensure that most of the physical development projects will be carried out as labour intensive projects.

This action was taken to provide the maximum number of job opportunities for the residents of townships.

"In the case where development projects are given out on contract to private firms, requests are made to the contractors to follow the same principle," he said.



Mr GEORGE Bothma.



Mrs ANNA Kumalo and her son, Josiah in front of their new home at Lethlabile township outside Brits. The house has been built with loans from the Department of Development Aid.

5/9/86
FIN MAIL

The sardine syndrome

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What does a guy (or gal) do when times are tough and the rental becomes too much to handle? Move back home, share with others or, in the case of families, move in with another family, that's what.

It happens in every recession. But now, it seems, "doubling up" has become too much of a good thing.

Complaints of overcrowding are coming from flatlands all over the country and, in most cases, municipalities are not quite sure what to do about it.

In Johannesburg, for example, bachelor flats hosting up to 12 permanents have been identified. Landlords, of course, would like to evict most of them. But it isn't easy because tenants can delay eviction by invoking a multiplicity of laws and regulations which allow them to extend their stay.

Johannesburg Town Planning Department's Rudi Erasmus explains the local authority's problem.

Local regulations, he notes, define a dwelling as a unit which can be occupied legitimately by a couple, their parents, the couple's children and four other persons. That

means if both sets of parental in-laws are still alive, the total rises to six. If the couple has four children, the total rises to 10; if four other people occupy the unit, as the law allows, the total rises to 14. All very legal.

The problem, laments Erasmus, is that the regulations refer to a *unit* which could mean anything from a bachelor flat to a mansion.

That's why the council finds it difficult to take action. Anyway, as Erasmus admits, it just does not have the manpower to handle the police work, so it acts only on complaints.

Even then the process is cumbersome — the council can act only 28 days after a notice has been served. The matter then has to go to the City Secretary and he, in turn, has to order a further inspection. If the premises are still overcrowded, he can issue a notice and institute legal proceedings.

Professor Hilliard Hurwitz, Johannesburg's Medical Officer of Health, points out however that the Slums Act now gives the local authority more teeth. It demands separation of the sexes of children in a unit and lays down that each adult must be allocated 3,716 m² of floor space and 11,32 m³ of air-

space. And there must be at least one toilet for every 12 people.

Unlike the planning regulations, the Act does not hold the landlord solely responsible for overcrowding. But to act against tenant or landlord means having to constitute a special slums court hearing.

There are two other pieces of legislation which can be used to prevent overcrowding, says Hurwitz — the Health Act and the Prevention of Illegal Squatting Act.

In terms of the squatting legislation, a magistrate may order the removal of "squatters," their transfer elsewhere, or the demolition of buildings if he finds they are "proper slum dwellings."

Tenants cannot be summarily evicted by the landlord, however, because they have the right of appeal to a magistrate.

Landlords *can* invoke the provisions of the Health Act to evict, but if it can be shown that they have knowingly created a slum in the process (unlikely but possible) they can be prosecuted.

No wonder most of them are saying "what the hell" and letting sleeping dogs lie.

plenty of both. As sole letting agent for the Gold Fields of SA (GFSA) new Johannesburg office development, 77 Fox Street, it has decided to let the entire 6 000 m² to a single tenant. And at a hefty R16,50/m² gross with 10%/year escalations to boot.

What commercial manager Nic Hill is looking for is a company prepared to pay about R100 000/month initially for the eight-floor building, which will be ready for occupation towards the end of the year. What are the chances?

For that price and at this time, the market is quick to point out, tenants are generally looking for better deals than that. After all, even top quality space is readily available at R12/m².

Still negotiating

Hill knows this as well as anyone but remains confident that he will find a taker. He claims two concerns "are already nibbling."

To Hill, the prospect of not finding his super-tenant is "unthinkable." But if the unthinkable happens, he admits he will have to start looking at smaller fish. Even then, however, "none of them will be able to take less than 800 m²."

Although there are signs of improvement in the office letting market (see "Offices — 1") he admits his attitude is unusual given the current overhang of space. "But," he explains, "it's an awfully upmarket building. It cost about R2 000/m² to build and there can't be many around with that kind of price tag."

Hill reckons 77 Fox Street, with on-site

parking provided at a ratio of one bay/100 m², has many features that warrant the high rent.

The building is the third and final stage of

GFSA's development on part of the Fox, Sauer, Commissioner and Simmonds streets block which it shares with the Reserve Bank. ■

GUIDELINES

Peter Malan of Russell, Marriott and Boyd Trust has sold an 8 090 m² industrial development in Durban's Stamford Hill Road for R2,2m. The property, on which there is a headlease, yields 13% net, escalating to 18,3% in the fifth year. Buyer is an investment syndicate.

In a second deal, the company has sold a near-vacant, 1,47 ha site in Jan Smuts Highway, Waterfall Park, zoned for office development, to an unnamed developer for R450 000.

Anglo American Property Services has leased a 1 300 m² floor in Braamfontein Centre, across the road from the University of the Witwatersrand, to Geen and Richards for five years. Leasing director Joe Hallis is reluctant to quote rates, but the ballpark asking price in the building is R6/m²-R7/m². Escalation is believed to be 8%/year.

Sneech Property Sales (SPS) has let 1 200 m² in Simba Road, Sebenza Extension 1, to Lizarin Transport for two years at R4,20/m² escalating at 10%/year.

In another letting in the area, SPS has signed Dev Engineering for a 400 m² factory in Ingwe Road for three years at R4,50/m²

escalating at 10%/year.

In Edenvale, SPS has let 745 m² of garage and office space at the corner of Van Riebeeck and 10th streets to Speedy Exhaust for 10 years at R5,40/m², escalating at 10%/year.

Pace's Eddie Davidson has leased 1 926 m² at 757 6th Street, Wynberg, to Lamson Industries for five years at R4,50/m² net, escalating at 9%/year.

In Kramerville, Pace has sub-let 1 400 m² at 5 Kramer Road to Hi Tech Graphics for five years and eight months at R6/m² net escalating at 10%/year.

It has also pre-let two 800 m² units in Marvil Park, Ratchet Street, Stormill, due to be launched next week. Omnia Plastics has taken one unit for five years and Magnum Mining Supply the other for two years. Rental is R4,50/m² with 10% annual escalations in each case.

Rolair Air Film Systems has leased 650 m² of factory space and 230 m² of office accommodation in Driehoek, Germiston, to CT Hydraulics and Engineering for five years at R4,15/m² gross escalating at 9%/year. The deal was negotiated by RMS-Syfrets. ■

Govt given homes plan

By Bruce Cameron,
Political Staff

CAPE TOWN — A group of Durban businessmen, taking President Botha at his word, has asked the Government to co-operate in a multimillion-rand scheme to solve the housing crisis for the employed black middle class.

The scheme is intended to complement the Government's own multimillion-rand proposals to solve the housing shortage for the unemployed.

When President Botha appealed in March this year to the private sector for help in solving the country's problems, Durban businessman Mr Terry Rosenberg started looking around to see what he

could do.

Using contacts in his church, he found a way.

Last week, after months of work, drawing in business associates and talking to concerned people, Mr Rosenberg presented a complex report to the Government.

The project is not limited to Natal but will take effect across the nation.

Government response so far has been low-key but encouraging.

The basis to the scheme is to draw in private enterprise on a major scale in partnership with the Government, using existing infrastructure and the resources of pension funds with the prospective homeowners also paying their way.

w/b Argus 6/9/86 (123)

weekend Argus, Septem

'Slip up' puts tenants at greedy landlords' mercy

Weekend Argus Political Staff

AN administrative 'slip up' in the division of "own affairs" has left thousands of Indian and coloured tenants unprotected by the Rents Act and at the mercy of unscrupulous landlords.

There is evidence of landlords pushing up rents by more than 100 percent and tenants who are unable to pay being evicted.

Mr B Dookie, Indian Minister of Housing, said in an interview that urgent steps were being taken to rectify the matter and that action would be taken against unprincipled landlords.

The bungle occurred as a result of Government insistence on dividing all housing matters into "own affairs". As a result the Rent Board was only reconstituted to look after the affairs of white protected tenants.

No one in Government realised the omission had occurred until rents started rising sharply recently.

The chairman of the Durban Central Residents' Association, Mr Sayed Mohamed, has called for the

immediate freezing of all rents.

He has presented the housing ministries of the houses of Delegates and Representatives with evidence of rents being increased by more than 100 percent as a result of the oversight.

Mr Mahomed has also called not only for the re-constitution of the board to include all groups, but also for its scope to be extended so that more buildings can be placed under rent control.

Mr Dookie said this was under consideration, particularly because of the housing shortage.

Mr Dookie said he had repeatedly warned landlords not to take advantage. Although rent control applied only to buildings constructed before October 1949 there were protected tenants.

"If necessary, rent control will be extended to cover whole blocks," he said. He gave an assurance that the Rent Board would be reconstituted within weeks.

"I will instruct it to investigate all cases where people have been exploited," he added.

THE SHACKSVILLE HORROR

7/9/86

(123)

[Signature]

SUN. TIMES

SOUTH Africa's critical backlog in black housing could be eliminated within 10 to 15 years — boosted by the Government's R750-million package for home building.

But experts in the housing field warned this week that the cash injection was only a beginning. They say a major onslaught must be made on the shortage of available land for building and on cutting the strangling Government red tape if the time scale is to be met.

The prospects for blacks owning their own homes are now better than they have ever been. But, say the experts, the project could be still-born unless there is a major shake-up of antiquated procedures which are frustrating developers.

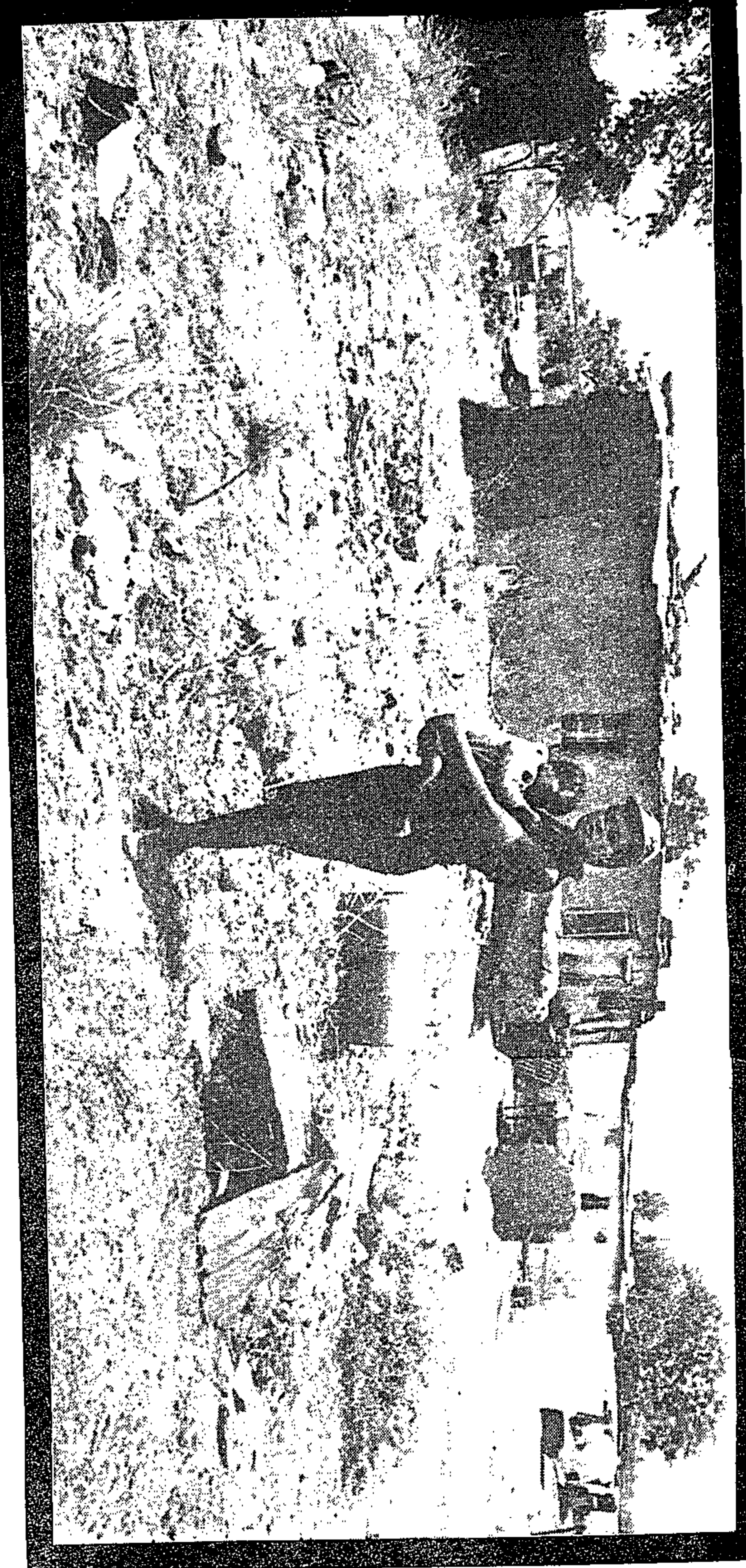
Across the country, exciting and innovative housing schemes for blacks are rolling off the drawing-boards — given momentum by political developments which give blacks as well as whites the option of buying on leasehold or freehold.

And the country's building industry, now suffering one of its worst slumps, is itching to get moving on home building — which in turn would provide a stimulus to the economy by providing jobs for a host of allied tradesmen.

Experts this week gave warm but qualified approval to the Government's new housing drive — the first serious attempt in decades to cut back the black housing backlog, which all agree could be one of the keys to racial peace.

But they say many administrative hurdles — and the vexing land issue — must be overcome if it is to take off.

Authoritative estimates put the present backlog in black housing (including coloureds and Indians) at anything between 530 000 and 575 000 homes.



It CAN be wiped out, but more than just money is needed

SPECIAL REPORT BY DAVID JACKSON

quirement by the turn of the century is such that even if the country develops 100 000 houses a year for blacks, only about 50 percent of the need will be met by the year 2000.

In some townships, an average of 16 people or more are living in a single home — with up to 42 people in a single two-bedroomed house in some extreme cases.

Government's R750-million was immediately poured into a crash housing drive. It would reduce the backlog only by about five to 10 percent.

But hopes are pinned on a snowballing effect which — with schemes such as the "self-help" housing projects being initiated by the Urban Foundation — could see the housing shortage drastically reduced within a decade.

Says Mr I W Robinson, managing director of the giant LTA construction company: "Money is not the real problem... we are short of land, and the allocation of land to the private sector has been the main stumbling block in getting over the housing backlog."

"People at the senior level of Government are enthusiastic about involving the private sector, but somewhere down the bureaucratic line there's a blockage."

"It is being cleared slowly, but I would rather like to see this R750-million used for servicing the land which the Government may be able to provide."

much easier from a cash-flow point of view to take a risk profile in selling houses on serviced land.

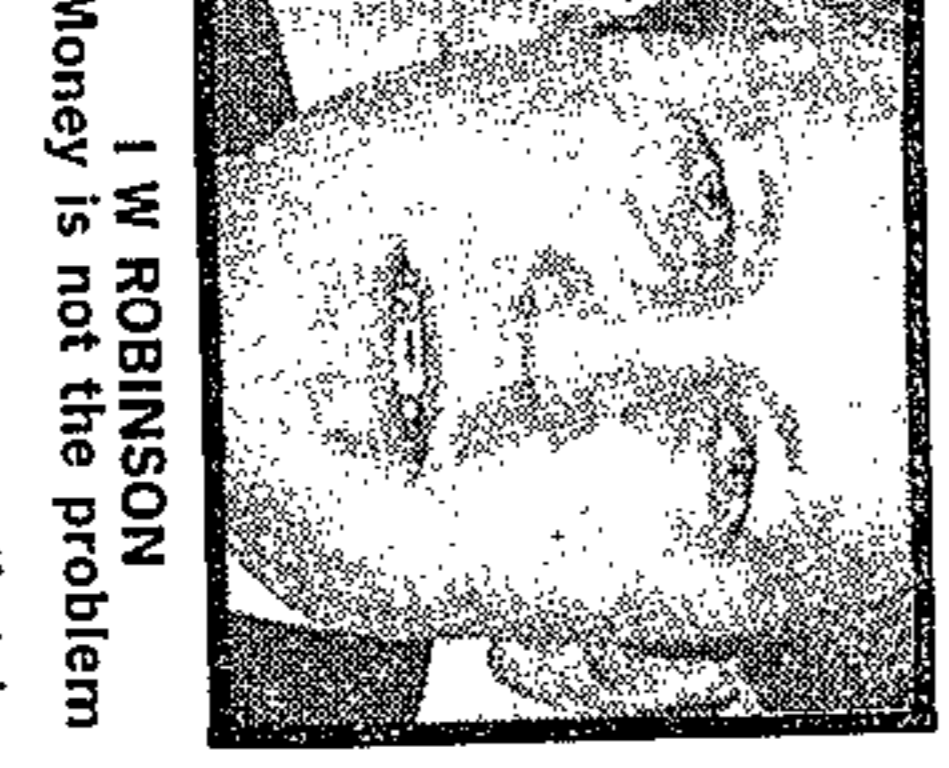
"As much of this money as possible should be spent on the infrastructure so that we can then take that land, build houses and sell them quickly."

"We have to wait a long time to get a return on our investment, whereas if we start selling houses within four or five months of actually starting work — and start generating a cash flow."

According to Mr Robinson, there is already a backlog of homes for blacks who have the means to buy them — basic bricks and mortar, two-bedroomed houses — in the R20 000 to R60 000 range.

"As a rule the black man requires space. This is a big incentive and whether the finishing is a bit rough is not really the main concern. We have a lot of potential buyers in this price range."

But what of most blacks' bond for a R20 000 home? Says Mr Robinson: "We've got to try to encourage building societies to look at financing Third World standards of housing. We are attempting to provide First World accommodation in a Third World environment at the moment."



I W ROBINSON

Money is not the problem Mr Robinson says that in theory the backlog could be cleared within 10 years.

One of the keys to low-cost housing could lie with the "self-help" schemes. Mr Matthew Nell, general manager of the Family Housing Association — a housing twinsen R350 and R400 a

utility company established by the Urban Foundation in the Transvaal — explains that these schemes, which link individual owner-builders with building society finance, have approved building plans, bulk-purchased materials available to them on-site, plus a level of technical supervision and advice available during construction.

The owner-builders then take responsibility for organising the building themselves. They find their own local contractor and employ him on a labour-only basis to produce the goods.

Says Mr Nell: "Our lowest priced house is going with a building society bond at about R10 000 at the moment. We are able to get down to household incomes of be-

month.

"This means between 50 and 60 percent of families on the Rand can afford houses with this type of self-help, assuming they are employed."

This type of housing can be produced within four to six months by the owner-builder. Such schemes are being run in Kaitleng and Thokoza (formerly NatalSpruit), and by the end of the year 100 to 125 houses a month will be coming off the production line.

There are similar schemes in the Eastern and Western Cape, Bloemfontein and Durban.

In a second version of the "self-help" scheme, people are given access to a serviced site where they take occupation, erect a temporary structure and over a period ranging from three to eight years provide themselves with a house.

This means they don't have to find the finance for the whole product all at once. But, warns Mr Nell: "The allocation of funds is only one of the elements which have to be dealt with."

"It's critical to resolve the land supply question, to stimulate the local home-building industry, and to tackle the whole red tape issue — such as the administrative requirements in order to register ownership on each individual."

"On the credit side, housing is now receiving a level of priority which increases our optimism that these factors will be addressed."

Dr Lewellyn Lewis, president of the Institute of Housing, also believes the black housing backlog could be eliminated within 10-15 years if the tempo of expenditure is maintained and there is an increased Government allocation for black housing.

"I think the Government is in earnest, because it wants to create employment and stimulate the economy."

"The package could be a major engine for growth and I'm optimistic, particularly because the private sector is becoming involved in various innovative and creative ways on the financing side."

"The constraining issues are land and finance. Technically, we can solve our problems... there is nobody in the world who can teach us anything about housing."

The private sector finds it who will not be able to get a

How cash will be shared

BREAKDOWN of the Government's R750-million package, supplied by the SA Builder, official mouthpiece of the Building Industries' Federation of South Africa:

● R320-million will be spent in the 1985/86 financial year. Of this, R185-million will be for blacks, R49-million for Indians, R68-million for coloureds and R18-million for whites.

● A further R400-mil-

lion will be put aside as a "nest egg" in a special trust fund to be administered by the private sector.

● It is intended to supplement this amount by the sale of special housing bonds, which will enjoy prescribed investment status.

The bonds will provide a vehicle for low-income housing, with the emphasis on self-help schemes and job creation.

7/9/86

Needed: 3 million urban homes by the year 2000

The population of the Republic of South Africa is expected to increase from 20 million in 1985 to about 34 million by the year 2000 when a projected 83 per cent will be living in the urban areas compared with 66 percent at present.

The white group presently has a housing surplus of about 37 000 units. This does not necessarily mean all households are without problems.

Financial hardship, overcrowding and the occupation of inadequate homes is often found. The fact that vacant units are not restricted to the relatively expensive category indicates that affordability problems are also experienced by whites.

Although statistical analysis indicates a shortage of 52 000 housing units for the coloured population, information obtained from a number of local areas seems to indicate the present shortage may be as high as 100 000 units.

The Indian population has a shortage of about 44 000 housing units.

The main housing problem facing South Africa concerns the black population. This is not only because of the size of this population, but because previous government policies restricted the building of homes, and imposed influx control and group areas legislation.

Generate demand

While the present backlog for blacks amounts to more than 500 000 units, the relaxation of influx control, together with the natural population increase, will generate a demand for an additional 1,3 million homes by 1990.

An estimated 2,7 million homes will have to be provided before the year 2000 if every household is to occupy a separate dwelling by then.

About 3,2 million homes in all need to be provided in the urban area of the RSA before 2000. This is more than 200 000 on average per annum.

The ability to provide low cost housing units depends, among other things, on the cost of the dwellings, the ability of households to afford them, the availability and cost of the land, labour and the funds available for subsidisation.

Unit cost

The cost of providing a low-cost housing unit in 1986 is R20 000 including land and services. (A low-cost house is defined as a 55 sq m to 69 sq m home containing three living rooms, a kitchen and bathroom with no cupboards and only basic storage space in the kitchen. Ceilings are provided and the floor finishes are relatively maintenance free. Electricity, hot

The scrapping of influx control coupled with the natural population increase is expected to push the housing backlog to 1,3 million by 1990 — just four years from now. By the year 2000 about 3,2 million houses will have to be built in the urban areas of South Africa if the country's needs are to be met — but 76 percent of black households in South Africa have no money for housing. These are some of the facts Dr Tobie de Vos, chief economist of the Building Services Division, National Building Research Institute at the CSIR, gave recently at a seminar on the financing of low-cost housing. Here are excerpts from his paper in which he assessed the situation.

and cold water and waterborne sewerage are included.)

The ability of households to afford accommodation can be evaluated, inter alia, in terms of their disposable income for housing.

This disposable income is considered to be that portion of household income available for housing after transport costs of the breadwinners have been paid as well as the items necessary to maintain a minimum standard of health and decency.

The Institute of Planning Research at the University of Port Elizabeth has found the Household Subsistence Levels (HSL) for blacks, Indians and coloureds to be R345, R401 and R368 a month respectively in 1985.

As similar studies have not been undertaken for whites, it will be assumed the HSL for Whites is the same as for Indians.

Households

According to the 1985 All Media and Products survey (AMPS) the average declared monthly income for households in South Africa (including the TBVC countries and Namibia) ranged from R352 for blacks to more than R2 000 for whites.

In terms of this analysis, only 2,4 percent of white households are financially unable to make any contributions towards their housing. The corresponding figures for coloured, Indians and blacks are 31,1 percent, 8,2 percent and 56,4 percent.

About nine percent of all white households need assistance to acquire a low-cost dwelling. More than half the coloureds, 30 percent of the Indians and no less than 84 percent of the blacks cannot

Current and projected urban housing requirements: 1985-2000

| Population group | | Housing Stock 1985 | Housing requirements | | | |
|------------------|---------------|--------------------|----------------------|-----------|-----------|-----------|
| | | | 1985 | 1990 | 1995 | 2000 |
| Whites* | Requirements | 1 299 000 | 1 262 000 | 1 332 000 | 1 430 000 | 1 517 000 |
| | Cum. shortage | | +(37 000) | 33 000 | 132 000 | 218 000 |
| Coloureds* | Requirements | 394 000 | 446 000 | 487 000 | 538 000 | 586 000 |
| | Cum. shortage | | 52 000 | 94 000 | 144 000 | 192 000 |
| Asians* | Requirements | 141 000 | 185 000 | 200 000 | 218 000 | 234 000 |
| | Cum. shortage | | 44 000 | 60 000 | 77 000 | 93 000 |
| Blacks** | Requirements | 466 000 | 1 004 000 | 2 299 000 | 2 724 000 | 3 161 000 |
| | Cum. shortage | | 538 000 | 1 833 000 | 2 258 000 | 2 695 000 |

- + Surplus.
- * RSA and National States, excluding TBVC countries
- ** RSA, excluding the National States and the TBVC countries

afford a low-cost dwelling with some form of subsidy.

The one-third interest rate State subsidy which first-time homeowners receive allows 94 percent of all white households to acquire low-cost dwellings whereas the civil service subsidy allows 96 percent to do so.

The corresponding percentages for coloureds are about 59 and 61, for Indians 78 and 85 and for blacks 24 and 33.

Loan funds

According to tables reflecting loan funds required for subsidised low-cost housing, it can be calculated that at least R8 000 million is needed to eradicate the 1985 backlog. This is 11 times the R750 million the Government has made available.

If the housing backlog is to be met by 1990 at the standard suggested and assuming prices, costs, interest rates and household incomes remain constant, the astronomical amount of R27 000 million will be required in the form of loanable funds on which no interest or capital redemption payments can be made initially.

Too many households in South Africa have become accustomed to either the State or their employers largely subsidising their accommodation. This has created a dependency syndrome which has detrimentally affected the natural growth of the housing market.

Informal sector

About 70 percent of white households receive some form of housing subsidy while a considerably larger proportion of other population groups enjoy this privilege.

The involvement of each household in the provision of its

housing is probably the most significant way to reduce the need for low-cost housing finance. The encouragement and development of the informal economic sector, specially in the erection and maintenance of dwellings, is of particular importance.

For such a system to be successful, building standards appropriate to the technologies employed and to the associated financial constraints will have to be actively encouraged and approved.

The role of the State in the provision and financing of housing in South Africa has often been underestimated. It is not generally known the State has in recent years been responsible for the direct financing of more than one-third of all housing constructed in South Africa.

Plots available

As far as coloured, Indian and blacks are concerned, the Government has been investing about R350 million per annum to provide about 23 000 homes a year. Despite this, the housing backlog has increased steadily. This state of affairs led to the adoption of a new housing policy at the beginning of 1983 in terms of which active support of the public sector is sought.

In an attempt to use available funds to the best advantage, the Government now gives priority to the provision of serviced building plots.

These plots are made available to all persons who can, either from their own financial resources or with the assistance of their employers or financial institutions, accept responsibility for the construction of their own homes.

For the group earning:

- Up to R150 per month, the local authority is responsible for

providing a serviced site and dwelling utilising State funds.

● R150 to R450 per month, the local authority provides only a serviced stand utilising State funds. The property owner is eligible to receive financial assistance for building materials up to a maximum of R4 000.

● R450 to R800 a month, the local authority is required to provide a serviced site only, utilising State funds.

● R801 and above, the housing needs must be met by the private sector.

New strategy

The campaign launched by the government in 1983 to sell 500 000 housing units at very reasonable prices is indicative of an endeavour to promote home-ownership.

Although this new housing strategy of the Government is laudable, it has not yet met with the success expected. This is mainly attributable to delays in finalising surveying and township establishment procedures, as well as to pressure not to purchase homes brought to bear on tenants by opposing political groups. Recent evidence seems to indicate sales are now picking up.

Loss offset

It is impossible to promote large-scale provision of low-cost housing in South Africa without some form of subsidy and incentive. Effective incentives will offset any potential loss of revenue or expenditure of funds, whereas subsidies imply the reallocation of resources.

Subsidies should ideally relate to the ability to pay. They should be granted only in cases of proven need to achieve viable objectives. If correctly applied, subsidies can make a significant contribution to the financing of low-cost housing.

PUNHML 12/9/86
BLACK HOUSING 123

Societies move in

Building societies, prepared to be flexible, believe they are making a valuable investment in financing small loans for blacks — even though these carry higher administrative costs. But with the white residential property market moribund and demand for commercial and industrial premises at an all-time low, prospects for growth have looked grim over the past 18 months.

Though building societies have continued to prosper, the increasing number of properties in possession is causing much concern. When the property market shrinks, the security of investments is threatened and scope for expansion seriously diminished.

Black housing and "grey" areas may prove the silver lining to the clouds of recession engulfing one of the most crucial areas of economic activity.

The provision of large sums of money for low-cost dwellings will boost the construction industry. "As this is one of the locomotives of the economy, it will create demand for a whole range of goods and services — cement,

sandstone, brick, iron mongering, timber and labour," says Norman Nel, president of the Institute of Estate Agents of SA.

He also predicts that relaxation of the Group Areas Act will benefit estate agents and owners of existing homes. While it will do little to meet the enormous demand for housing among lower income groups, it will go a long way towards absorbing the over-supply of existing houses.

This view is supported by Urban Foundation housing planner Guy Leitch and Christo de Coning of the Rand Afrikaans University's research unit for development studies, which has been focusing on grey areas.

Nel predicts that the influx of other race groups into white areas will be largely accepted by whites in more affluent areas and points to the experience of Harare, Windhoek and Mafikeng.

In areas where an influx of blacks causes whites to move out, sellers will benefit by increased demand and consequent rise in prices. This too will add impetus to property demand.

One way and another, these developments will mean business for building societies. Some have been quick to spot the opportunity. Since the advent of 99-year leasehold in 1978, all major societies have been involved in black housing — but some more aggressively than others.

For a while, UBS was front-runner. According to GM Piet Kruger, it has provided about 50% of loans for black housing. But the Perm, which previously played only a small part, is now making a determined bid for premier position. In the financial year ending March, it lent R106m for this purpose, compared with UBS's R98m.

Says assistant general manager Peter von Broembsen: "We are the only society to grant loans on two-room 'starter homes' of 30 m². Research has shown that the average black family can't afford more than R10 000-R12 000. To bring costs down to this level, we have reduced our standards and require only that a building be structurally sound."

The Perm, he says, is also the only society to take into account the income of the entire household — including boarders.

Building societies' more flexible approach has made the task of the Urban Foundation far easier. Says Leitch: "Originally, self-help housing was post-bonded, which meant we paid and societies granted a loan only on completion. The breakthrough came when they decided to accept the self-helper as owner-builder and prime contractor. This has worked because of the degree of management exercised by the Family Housing Association — an Urban Foundation subsidiary."

A number of other financing strategies are being considered.

Those involved in black housing believe that demand from families who are economically active will be virtually insatiable. If serviced land and subsidies are available, there seems no end to the benefits to all concerned. ■

FURN 12/9/86

RENT BOYCOTTS

123

A vicious circle

Despite the fatal shootings of at least 21 people at Jabavu, Soweto, two weeks ago, and dramatic incidents in the township last week when they were buried, neither anti-apartheid groups nor black local authorities are showing signs of giving in over rents.

The Jabavu shootings occurred when township residents clashed with Soweto council police — the “blackjacks” — as they moved in to issue eviction notices to some of the families.

Last Thursday, while Soweto residents staged a stayaway, some of the victims were buried in defiance of a ban on mass funerals. Precisely what happened is uncertain. Residents claim security forces shot and killed some of the mourners, but the Bureau for Information said no-one was killed in unrest in Soweto that day.

The rents issue has developed into a vicious circle. Officials have denounced the unrest as the work of agitators and say residents are refusing to pay their rent because of intimidation. In Soweto, the council has said it will continue with evictions of rent defaulters regardless of violent resistance.

This portends a further hardening of attitudes, and possible conflict. Last weekend, leaflets were distributed in Soweto claiming that “the present rent system is unjust and that there is no reason to increase house rentals as the loans used to build the houses — some of them already more than five decades old — have long been repaid.”

Soweto is, of course, not the only township affected by rent boycotts. According to the Wits University-based Community Research Group, rent boycotts are taking place in 48 townships countrywide.

An indication of how the boycotts are draining the coffers of black local authorities was given in parliament last week by Education and Development Aid Minister Gerrit Viljoen in response to questions raised by Peter Soal of the Progressive Federal Party.

In the Vaal Triangle, where residents have not been paying rent since September 1984, a total of R35,7m was owed to the Lekoa Council at the end of May, Viljoen said. He also told parliament that the Soweto council was owed R2,5m at the end of May; that nearly 21 000 residents owed the Diepmeadow Council R1,1m at the end of June; and that about 40% of registered tenants owed the Dobsonville Council R308 731, excluding services charges, at the end of May.

According to Viljoen, at least 296 253 residents in the Vaal are involved in the boycott, 20 840 residents out of 239 346 in Diepmeadow, and 27 000 out of 535 783 in Soweto.

Government has established joint management centres — representing local authorities, the police and chambers of commerce — to break the boycott. But the plan, which was initiated in the Vaal, appears to have had little success. ■

AANHANGSEL B

REGISTRASIE- EN JAARGELDE

B.1 In hierdie Aanhangsel, tensy dit uit die samehang anders blyk, beteken—

“jaar” die tydperk beginnende op 1 Julie van ’n jaar en eindigende op 30 Junie van die daaropvolgende jaar.

“jaargeld” die geld betaalbaar deur ’n landkapargitek of deur ’n landkapargitek-in-opleiding binne 30 dae vanaf die datum waarop hy in kennis gestel is van sy registrasie ingevolge regulasie 6, *pro rata* tot die oortydigende gedeelte van die jaar en daarna jaarliks op of voor 30 Junie van elke jaar; en

B.2 “registrasiegeld” die geld betaalbaar wanneer iemand ingevolge regulasie 6 om registrasie as landkapargitek of as landkapargitek-in-opleiding aansoek doen.

B.3 “jaargeld” die geld betaalbaar wanneer iemand ingevolge regulasie 6 om registrasie as landkapargitek of as landkapargitek-in-opleiding aansoek doen.

B.4 “jaargeld” die geld betaalbaar wanneer iemand ingevolge regulasie 6 om registrasie as landkapargitek of as landkapargitek-in-opleiding aansoek doen.

B.4. (1) *Uitreikingsegeld*
 ’n Bedrag van tyd tot tyd deur die beheerraad bepaal. Met dien verstande dat ’n duplikaat-registrasiesertifikaat uitgereik word stegs indien die applikant ’n bedagde verklaring voort met die strekking dat die oorspronklike sertifikaat verlore geraak het, dat alle moonlike stappe gedoen is om dit op te spoor en dat hy die betrokke sertifikaat desondanks nie kan vind nie.

DEPARTEMENT VAN STAATKUNDIGE ONTWIKKELING EN BEPLANNING

No. R. 1897 12 September 1986

REGULASIES BETREFFENDE DORPSTIGTING- EN GRONDGEBOUW

Ek, Jan Christiaan Heunis, Minister van Staatkundige Ontwikkeling en Beplanning, vaardig hierby kragens die bevoegdheid my verleen by artikel 66 (1) van die Wet op die Ontwikkeling van Swart Gemeenskappe, 1984 (Wet 4 van 1984), die regulasies uit te werk op 15 September 1986, welke regulasies in werking tree op 15 September 1986.

J. C. HEUNIS,
 Minister van Staatkundige Ontwikkeling en Beplanning.

BYLAE
 HOOFSTUK I
 WOORDDOMSKRYWING

1. In hierdie regulasies, tensy uit die samehang anders blyk, beteken—
 “administrateur”, behalwe waar ’n Administrateur kragens die Wet op Swart Plaaslike Owerhede, 1982 (Wet 102 van 1982), optree soos in regulasie 3 bedoel, of kragens enige ander wet as die Wet optree, ’n

ANNEXURE B

REGISTRATION AND ANNUAL FEES

B.1 In this Annexure, unless the context otherwise indicates—

“annual fee” means the fee payable by a landscape architect or by a landscape architect in training within 30 days from the date on which he is informed of his registration in terms of regulation 6, *pro rata* to the balance of the year remaining, thereafter annually on or before 30 June of each year.

“registration fee” means the fee payable when a person applies for registration as a landscape architect or as a landscape architect in training in terms of regulation 6; and

“year” means the period commencing on 1 July of any year and ending on 30 June of the next succeeding year.

B.2 *Registration fee*

A fee to be determined from time to time by the board of control: Provided that if an application for registration is not successful, such amount as may be determined by the board of control shall be refunded to the applicant.

B.3 *Annual fee*

A fee to be determined by the board of control from time to time for landscape architects and landscape architects in training.

B.4 *Duplicate registration certificate*

A fee to be determined from time to time by the board of control: Provided that a duplicate certificate shall be issued only if the applicant submits an affidavit to the effect that the original certificate has been lost, that every effort has been made to trace it and that he has nevertheless not been able to find the certificate concerned.

DEPARTMENT OF CONSTITUTIONAL DEVELOPMENT AND PLANNING

No. R. 1897 12 September 1986

REGULATIONS RELATING TO TOWNSHIP ESTABLISHMENT AND LAND USE

I, Jan Christiaan Heunis, Minister of Constitutional Development and Planning, do hereby, by virtue of the powers vested in me by section 66 (1) of the Black Communities Development Act, 1984 (Act 4 of 1984), make the regulations contained in the accompanying Schedule, which regulations shall come into operation on 15 September 1986.

J. C. HEUNIS,
 Minister of Constitutional Development and Planning.

CHAPTER I
 DEFINITIONS

1. In these regulations, unless the context otherwise indicates—
 “administrator” means, except where an Administrator acts under the Black Local Authorities Act, 1982 (Act 102 of 1982), as contemplated in regulation 3, or under any law other than the Act, an administrator in whom the assets, liabilities, rights, duties and obligations of a

administrator in wie die bates, laste, regte, pligte en verpligtinge van ’n raad vestig soos beoog in artikel 3 (1) (a) van die Wet op die Afskaffing van Ontwikkelingsliggame, 1986 (Wet 75 van 1986), en ook ’n owerheidsgees op wie sodanige bates, laste, regte, pligte en verpligtinge oorgegaan het soos beoog in artikel 3 (2) van daardie Wet;

“betrokke gesag” die gesag bedoel in regulasie 26;

“dienssteoreenkoms” ’n ooreenkoms aangegaan tussen ’n dorpsligter wat nie ’n plaaslike owerheid is nie en die betrokke gesag, ingevolge waarvan die onderskeie verantwoordelikhede van die twee partye vir die voorsiening van interne en ekstern ingeniensdienste en die vlak van sodanige dienste soos in regulasie 27 beoog, bepaal word;

“diensteahtertraderad” ’n raad deur die Minister kragens regulasie 31 ingestel;

“die Wet” die Wet op die Ontwikkeling van Swart Gemeenskappe, 1984 (Wet 4 van 1984);

“dorpsligter” —

(a) ’n administrateur, plaaslike owerheid of dorpsontwikkelaar wat die eienaar of behoorlik gemagtigde agent van die eienaar is van die grond wat die onderwerp is van die aansoek om goedkeuring as ’n dorpsligter, of wat die instemming het van die eienaar tot die stigting, in die naam, van ’n dorpsligter; en

(b) ’n administrateur, plaaslike owerheid of dorpsontwikkelaar aan wie die grond wat die onderwerp is van die aansoek om goedkeuring as ’n dorpsligter, of wat die instemming het van die eienaar tot die stigting, in die naam, van ’n dorpsligter is soos in artikel 34 (9) van die Wet beoog;

“gemagtigde beampte” iemand deur die Minister of sy gevolmagtigde as sodanig aangewys;

“goedkeurde aansoek” ’n aansoek om die stigting van ’n dorpsligter deur die Minister kragens regulasie 16 goedgekeur is, maar waar die betrokke grond nog nie goedgekeurde dorpsligter is;

“goedkeurde dorpsligter” grond ten opsigte waarvan ’n kennisgewing deur die Minister in die *Staatskoerant* uitge-eik is soos in regulasie 23 beoog, waarin die goedkeuring daarvan as ’n dorpsligter verklaar word;

“grondgebruiksvoorwaardes” die tselvoorwaardes of dorpsvoorwaardes soos in artikel 57B van die Wet bedoel en vervat in Aanhangsel F van hierdie regulasies, en ook enige dorpsbeplanningsskema wat sodanige voorgestreepte voorwaardes vervang het, soos in daardie artikel beoog;

“grondbeskikbaarheidsoreenkoms” ’n ooreenkoms wat aangegaan is tussen die liggaam deur wie grond beskikbaar gestel word soos in artikel 34 (9) van die Wet beoog en die persoon of liggaam aan wie grond beskikbaar gestel word en wat deur die Minister goedgekeur is soos in regulasie 4 beoog;

“landmeter-generaal” die betrokke landmeter-generaal soos in artikel 49 van die *Opmetingswet*, 1927 (Wet 9 van 1927), omskryf;

“oortrag, met betrekking tot die oortrag van grond, ook ’n toekenning van ’n reg van huurpagg soos in artikel 52 (1) van die Wet beoog, en die daaropvolgende oortrag van sodanige huurpagg deur ’n huurpaggouer aan ’n bevoegde persoon;

“Registrateur” die betrokke registrateur.

board vest as contemplated in section 3 (1) (a) of the Abolition of Development Bodies Act, 1986 (Act 75 of 1986), and includes a public authority to which such assets, liabilities, rights, duties and obligations have passed as contemplated in section 3 (2) of that Act;

“approved application” means an application for the establishment of a township that has been approved by the Minister in terms of regulation 16 but where the land in question has not yet become an approved township;

“approved township” means land in respect of which a notice has been published by the Minister in the *Gazette* as contemplated in regulation 23 declaring that the township has been approved;

“authorised officer” means any person designated as such by the Minister or his authorised representative;

“land availability agreement” means an agreement that has been concluded between the body making land available as contemplated in section 34 (9) of the Act and the person or body to whom the land is made available and that has been approved by the Minister as contemplated in regulation 4;

“land use conditions” means the conditions of title or township conditions contemplated in section 57B of the Act and contained in Annexure F to these regulations, and includes any township planning scheme that has replaced such prescribed conditions as contemplated in that section;

“Registrar” means the relevant registrar;

“relevant authority” means the relevant authority referred to in regulations 26;

“services agreement” means an agreement concluded between a township applicant who is not a local authority and the relevant authority, in terms of which the relative responsibilities of the two parties are determined for the provision of internal and external engineering services and the level of such services as contemplated in regulation 27;

“services arbitration board” means a board established by the Minister in terms of regulation 31;

“Surveyor-General” means the relevant surveyor-general as defined in section 49 of the Land Survey Act, 1927 (Act 9 of 1927);

“the Act” means the Black Communities Development Act, 1984 (Act 4 of 1984);

“township applicant” means—

(a) an administrator, local authority or township developer who is the owner or the duly authorised agent of the owner of the land that is the subject of the application for approval as a township, or who has the consent of such owner to establish a township on such land in his own name;

(b) an administrator, local authority or township developer to whom the land that is the subject of the application for approval as a township has been made available as contemplated in section 34 (9) of the Act, in terms of a land availability agreement;

“transfer”, in relation to the transfer of land, includes a grant of a right of leasehold as contemplated in section 52 (1) of the Act, and the subsequent transfer of such leasehold by a leaseholder to a competent person.

HOOFSTUK II

ALGEMEEN

TOEPASSING VAN REGULASIES

2. 'n Dorp mag slegs deur 'n dorpsregering gestig word en slegs soos in hierdie regulasies beoog. Met dien verstande dat—
- (a) enige persoon grond kan gebruik vir die doel van bewoning deur werknemers van 'n mynonderneming, waar ten opsigte van sodanige gebruik—
- (i) 'n oppervlaktereguleerder die Wet op Mynreguleering, 1967 (Wet 20 van 1967), uitgereik is in ooreenstemming met die gemagtigde bevoegdheid; of
- (ii) 'n permit soos geëoog in artikel 6 (1) van die Wet op Fisiese Beplanning, 1967 (Wet 86 van 1967), uitgereik is vir die oprigting van wonings;
- (b) die Minister, behoudens sodanige bedingte en voorwaardes as wat by mag bepaal, 'n uitreiking van enige of al die vereistes van hierdie regulasies kan verleen aan—
- (i) 'n statutêre liggaam,
- (ii) enige persoon wat betrokke is in bona fide-myndedrywighede,
- (iii) 'n eienaar of okkuperder van grond waarvan die ontwikkeling of uitleg, na die oordeel van die Minister, 'n vakansieoord, openbare oord of soortgelyke oord uitmaak of sal uitmaak,
- (iv) 'n koöperasie soos in artikel 1 (1) van die Wet op Koöperasies, 1981 (Wet 91 van 1981) omskryf,
- (v) 'n welsynsorganisasie kragtens artikel 13 van die Nasionale Welsynswet, 1978 (Wet 100 van 1978), geregistreer,
- (vi) 'n administrateur of 'n dorpsontwikkelaar wat 'n dorp buite 'n plaaslike owerheidsgebied stig soos in regulasie 3 (b) beoog,
- (vii) enige persoon wat 'n informele nedersetting stig, ontwikkel of verbeter in omstandighede uitdruklik deur die Minister toegelaat, of deur 'n kragtens enige ander wet toegelaat;
- (viii) enige ander persoon of liggaam, in 'n geval waar die Minister van oordeel is dat sodanige uitreiking spoedige ontwikkeling tot gevolg sal hê en dat sodanige ontwikkeling in die openbare belang sal wees;
- (c) enige persoon wat in bona fide-boederdywighede betrokke is die grond waarop hy aldus betrokke is, kan gebruik vir die behuising van enige persone wat wettiglik op sodanige grond woon, met inbegrip van bona fide-heeltydse werknemers in sy diens op daardie grond asook die afhanklikes van sodanige werknemers;
- (d) indien die Staat 'n dorp stig, hy nie gebonde is aan hierdie regulasies nie, en die dorp, wanneer 'n uitlegplan en 'n algemene plan opgestel en goedgekeur is, gaan word gestig te wees soos in artikel 35 (1) van die Wet beoog.

GROND

3. 'n Dorp mag slegs in 'n ontwikkelingsgebied gestig word en die betrokke grond moet ook binne 'n plaaslike owerheidsgebied wees. Met dien verstande dat—

- (a) die Minister 'n dorp kan goedgekeur in 'n deel van 'n ontwikkelingsgebied wat nog nie in 'n plaaslike owerheidsgebied val nie, maar wat, na die mening

CHAPTER II
GENERAL

APPLICATION OF REGULATIONS

2. A township may be established only by a township applicant and only as contemplated in these regulations: Provided that—
- (a) any person may use land for the residential purposes of employees of a mining undertaking, where in respect of such use—
- (i) a surface right permit has been issued in terms of the Mining Rights Act, 1967 (Act 20 of 1967), in consultation with the authorised officer; or
- (ii) a permit contemplated in section 6 (1) of the Physical Planning Act, 1967 (Act 86 of 1967), has been issued for the erection of dwellings;
- (b) the Minister may, on such terms and conditions as he may determine, exempt from any or all of the requirements of these regulations—
- (i) a statutory body,
- (ii) any person engaged in bona fide mining operations,
- (iii) an owner or occupier of land the development or layout of which, in the opinion of the Minister, constitutes or will constitute a holiday resort, public resort or similar resort,
- (iv) a co-operative as defined in section 1 (1) of the Co-operatives Act, 1981 (Act 91 of 1981),
- (v) a welfare organisation registered in terms of section 13 of the National Welfare Act, 1978 (Act 100 of 1978),
- (vi) an administrator or a township developer who establishes a township outside a local authority area as contemplated in regulation 3 (b),
- (vii) any person who establishes, develops or improves an informal settlement in circumstances expressly allowed by the Minister or allowed by or under any other law,
- (viii) in any case where the Minister considers that such exemption would facilitate speedy development and that such development would be in the public interest, any other person or body;
- (c) any person engaged in bona fide framing operations may use the land on which he is so engaged for the housing of any persons who may lawfully reside on such land, including bona fide full-time employees in his service on such land and the dependants of such employees;
- (d) if the State establishes a township, it shall not be bound by these regulations, and the township shall be deemed to have been established as contemplated in section 35 (1) of the Act, upon a layout plan and a general plan having been prepared and approved.

LAND

3. A township may be established only in a development area, and the land concerned must also be in a local authority area. Provided that—

- (a) the Minister may approve a township in a part of a development area that is not yet in a local authority area, but which, in the opinion of the Minister, will or

van die Minister in 'n plaaslike owerheidsgebied ingesluit sal word of waarskynlik ingesluit sal word deur 'n Administrateur, soos beoog in artikel 2 (2) van die Wet op Swart Plaaslike Owerhede, 1982 (Wet 102 van 1982);

- (b) 'n administrateur of 'n dorpsontwikkelaar wat kragtens 'n uitreiking ingevolge regulasie 2 (b) (vi) optree, of die Staat, 'n dorp kan stig op grond in 'n ontwikkelingsgebied wat buite 'n plaaslike owerheidsgebied val: Met die voorbehoud dat—

- (i) die dorp, nadat dit 'n goedgekeurde dorp geword het deur 'n administrateur geadministreer moet word soos in artikel 31 van die Wet beoog, en sodanige administrateur of, behoudens die bepalinge van genoemde artikel, die Minister, of ander liggaam of persoon deur die Minister aangewys, moet ook beheer oor die grond in die dorp uitoeft totdat 'n plaaslike owerheid saamgestel is wat, na die oordeel van die Minister, gesag in sodanige dorp kan uitoeft, en die grond waartoe die dorp bestaan deur 'n Administrateur in die plaaslike owerheidsgebied ingesluit is soos in artikel 2 (2) van die Wet op Swart Plaaslike Owerhede, 1982, beoog;

- (ii) indien grond aan 'n plaaslike owerheid oorge- dra staan te word of daarin staan te vestig uit hoofde daarvan dat dit publieke plek is, of by wyse van begraving, of 'n bedrag geld wat betaal staan te word in plaas van sodanige oordrag soos in regulasie 16 (2) beoog, sodanige grond oorge- dra moet word aan of vestig in, of sodanige bedrag betaal moet word aan die administrateur, die Minister of die persoon of liggaam in subregulasie (i) bedoel deur die Minister aangewys, in afwagting van die inlywing van die betrokke grond in 'n plaaslike owerheidsgebied deur 'n Administrateur, soos in subparagraaf (i) beoog, en dat by sodanige inlywing, die betrokke grond of bedrag oorge- dra moet word aan of vestig in, of oorbetal moet word aan, na gelang van die geval, die betrokke plaaslike owerheid deur die Minister, die betrokke administrateur of sodanige persoon of liggaam.

GRONDBESKIKBAARHEIDSOOREENKOMMS

4. Die bedingte en voorwaardes waarop grond aan 'n persoon of liggaam kragtens artikel 34 (9) van die Wet beskikbaar gestel is, moet in 'n skriftelike grondbeskikbaarheids-ooreenkoms vervat wees wat aangegaan is tussen die liggaam wat die grond beskikbaar stel en die persoon of liggaam aan wie die grond beskikbaar gestel word, en wat—

- (a) wesenlik voldoen aan die riglyne uiteengesit in Aanhangsel A, of sodanige ander of bykomende riglyne wat in die algemene plan deur die gemagtigde bevoegd, van tyd tot tyd, uitgereik word, of deur hom in 'n bepaalde geval neergelê word; en
- (b) aan die Minister voorgelê en deur hom goedgekeur is.

OORGANG

5. Dorpsstigingsprosedures vir die goedgekeuring van 'n uitlegplan of 'n algemene plan waarmee 'n administrateur bevoeg is, maar wat nog nie voltooi is nie, (ongegag of hy deur 'n plaaslike owerheid optree of 'n privaatonwikkelaar namens hom optree), kragtens artikel 35 (1), gelees met artikels 36 (1) en 41 (2) van die Wet, voor die datum van inwerkingtreding van die Wysigingswet op die Ontwikkeling van Swart Gemeenskappe, 1986 (Wet 74 van 1986), en

is likely to be incorporated into a local authority area by an Administrator as contemplated in section 2 (2) of the Black Local Authorities Act, 1982 (Act 102 of 1982);

- (b) an administrator of a township developer acting under an exemption contemplated in regulation 2 (b) (vi), or the State, may establish a township on land in a development area which is outside a local authority area: With the proviso that—

- (i) the township shall, upon becoming an approved township, be administered by an administrator as contemplated in section 31 of the Act, and such administrator or, subject to the provisions of the said section, the Minister, or any body or person designated by the Minister, shall also exercise control over the land in the township until a local authority is constituted which can in the opinion of the Minister exercise jurisdiction in respect of such township, and the land comprising the township has been incorporated into the relevant local authority area by an Administrator as contemplated in section 2 (2) of the Black Local Authorities Act, 1982;

- (ii) if land is to be transferred to or will vest in a local authority by virtue of the fact that it constitutes public places, or by way of an endowment, or an amount of money is to be paid in lieu of such transfer as contemplated in regulation 16 (2), then such land shall be transferred to or shall vest in, or such amount shall be paid to the administrator, the Minister or the person or body designated by the Minister referred to in subregulation (i), pending the incorporation of the relevant land into a local authority area by an Administrator, as contemplated in sub-paragraph (i), and upon such incorporation the relevant land or amount shall be transferred to or vest in, or be paid over to, as the case may be, the relevant local authority by the Minister, the relevant administrator, or such person or body.

LAND AVAILABILITY AGREEMENT

4. The terms and conditions on which land has been made available to any person or body in terms of section 34 (9) of the Act shall be contained in a land availability agreement concluded in writing between the body making available the land and the person or body to whom the land is made available, and which—

- (a) complies substantially with the guide-lines set out in Annexure A, or such other or additional guide-lines as may be issued generally by the authorised officer from time to time, or determined by him in any particular case; and
- (b) has been submitted to and approved by the Minister.

TRANSITIE

5. Township establishment procedures for the approval of a layout plan or a general plan commenced, but not yet completed, by an administrator (whether or not acting through a local authority or a private developer on his behalf) in terms of section 35 (1) as read with sections 36 (1) and 41 (2) of the Act prior to the dates on which the Black Communities Development Amendment Act, 1986 (Act 74

hierdie regulasies, watter datum ook al die laaste datum is, (in hierdie regulasie die "effektiewe datum" genoem) word soos volg hanter:

- (1) Indien, op die effektiewe datum, 'n persoon of liggaam, met inbegrip van 'n plaaslike owerheid of dorpsomgewel, besig is met die ontwikkeling van die betrokke grond ingevolge 'n ooreenkoms met 'n administrateur of 'n plaaslike owerheid, met inbegrip van enige sodanige ooreenkoms wat, waar nodig, deur die Minister voor die effektiewe datum goedgekeur is soos in die Wet beoog, geniet die bedinge van die ooreenkoms voorkor bo die bepalings van hierdie regulasies in die mate dat die bepalings van hierdie regulasies en die bedinge van die ooreenkoms mekaar onbestaanbaar is. Met dien verstande dat—
- (a) die bepalings van hierdie regulasies sover as wat redelikerwys moontlik is, nagekom word op die wyse en op die stadiums in subregulasie (2) beoog;
- (b) indien daar tot tevredeheid van die gemagtigde beampte aangehoor word dat alhoewel 'n bepaling van hierdie regulasies nie met 'n ooreenkoms soos beoog in hierdie subregulasie onbestaanbaar is nie, dit duidelik onvannas is of dat dit in die openbare belang is dat sodanige bepaling nie ten opsigte van die betrokke aansoek toegepas moet word nie, hy kan bepaal dat sodanige bepaling nie op die betrokke aansoek van toepassing is nie.
- (2) Behoudens die bepalings van subregulasie (1)—
- (a) indien, op die effektiewe datum, 'n aansoek om die goedkeuring van 'n uitlegplan reeds by die Minister ingedien is maar nog nie deur hom goedgekeur is nie, is die bepalings van Hoofstuk III, behalwe in soverre die gemagtigde beampte anders gelas, nie van toepassing op die aansoek nie en word die aansoek geg 'n goedgekeurde aansoek te wees sodra die Minister die betrokke uitlegplan goedgekeur het. Met dien verstande dat—
- (i) die bepalings van regulasies 16 en 17 *mutatis mutandis* van toepassing is ten opsigte van die aansoek;
- (ii) met ingang van die datum waarop die aansoek geg word 'n goedgekeurde aansoek te wees soos in hierdie paragraaf beoog, die bepalings van Hoofstukke IV, V en VI *mutatis mutandis* van toepassing is op die aansoek, behalwe in soverre daar in enige stigtingsvoorwaarde bedoel in regulasie 16 anders aangedui word of in soverre die gemagtigde beampte anders gelas; en
- (iii) 'n uitlegplan wat voor die effektiewe datum vir goedkeuring by 'n plaaslike owerheid ingedien is, maar op daardie datum nog nie soos in hierdie paragraaf beoog, by die Minister ingedien is nie, geg word by die Minister ingedien te wees soos in hierdie paragraaf bedoel. Met dien verstande dat indien sodanige uitlegplan op 'n datum vier maande na die effektiewe datum nog nie deur die plaaslike owerheid goedgekeur is en inderdaad by die Minister ingedien is nie, die betrokke aansoek as 'n nuwe aansoek ingevolge Hoofstuk III behandel word.

of 1986), and these regulations came into force, whichever is the later date (in this regulation referred to as "the effective date"), shall be dealt with as follows:

- (1) If on the effective date any person or body, including a local authority or township developer, is conducting the development of the relevant land in terms of an agreement with an administrator or a local authority, including any such agreement that was, where necessary, approved by the Minister as contemplated in the Act prior to the effective date, the provisions of such agreement shall take precedence over the provisions of these regulations, to the extent that the provisions of these regulations and the terms of such agreement are mutually inconsistent: Provided that—
- (a) the provisions of these regulations shall as far as reasonably possible be complied with in the manner and at the stages contemplated in subregulation (2);
- (b) if it is shown to the satisfaction of the authorised officer that any provision of these regulations not inconsistent with an agreement as contemplated in this subregulation is nevertheless clearly inappropriate or that it is in the public interest that such provision should not be applied in respect of the relevant application, he may direct that such provision shall not apply to the relevant application.
- (2) Subject to the provisions of subregulation (1)—
- (a) if on the effective date an application for the approval of a layout plan has been lodged with the Minister but not yet approved by him, the provisions of Chapter III shall, save to the extent otherwise directed by the authorised officer, not apply in respect of the application, and the application shall be deemed to be an approved application upon the Minister having approved the relevant layout plan: Provided that—
- (i) the provisions of regulation 16 and 17 shall be applied *mutatis mutandis* in respect of the application;
- (ii) with effect from the date on which the application is deemed to be an approved application as contemplated in this paragraph, the provisions of Chapters IV, V and VI shall apply to the application, *mutatis mutandis*, except to the extent otherwise indicated in any condition of establishment referred to in regulation 16, or otherwise directed by the authorised officer; and
- (iii) any layout plan submitted to a local authority for approval prior to the effective date, but on that date not yet lodged with the Minister as contemplated in this paragraph, shall be deemed to have been lodged with the Minister as intended in this paragraph: Provided that, if by a date four months after the effective date such layout plan has not yet been approved by the local authority and actually lodged with the Minister, the relevant application shall be treated as a new application in terms of Chapter III;

(b) indien, op die effektiewe datum, 'n uitlegplan ten opsigte van 'n voorgestelde dorp reeds goedgekeur is, maar 'n algemene plan nog nie goedgekeur is nie, word die aansoek geg 'n goedgekeurde aansoek te geword het op die datum waarop die uitlegplan deur die Minister goedgekeur is en is die bepalings van Hoofstukke IV, V en VI *mutatis mutandis* op die aansoek van toepassing, behalwe in soverre die gemagtigde beampte anders gelas; of

(c) indien 'n uitleg- en 'n algemene plan reeds op die effektiewe datum goedgekeur is ten opsigte van 'n voorgestelde dorp—

(i) word die aansoek geg 'n goedgekeurde aansoek te geword het op die datum waarop die Minister die uitlegplan goedgekeur het; en

(ii) is die bepalings van regulasies 23, 24 en 25, asook van Hoofstukke V en VI, *mutatis mutandis* op die aansoek van toepassing, behalwe in soverre die gemagtigde beampte anders gelas.

HOOFSTUK III

AANSOEK OM DORPSTIGTING

TOEPASSING VAN HOOFSTUK

6. Behoudens die bepalings van regulasies 2 en 5, is hierdie Hoofstuk van toepassing op aansoeke om dorpsdigting deur alle dorpsstigers gedoen. Met dien verstande dat indien die dorpsstiger 'n plaaslike owerheid is, die bepalings van regulasie 9 (1) (a) nie van toepassing is nie.

AANSOEK AAN GEMAGTIGDE BEAMPTE

7. (1) 'n Dorpsstiger dien 'n skriftelike aansoek by die gemagtigde beampte in, wat vergesel moet gaan van ten minste—
- (a) waar sodanige ooreenkoms nie reeds aan die Minister voorgeleë is soos in regulasie 4 (b) beoog nie, 'n afskrif van 'n grondbeskikbaarheids-ooreenkoms, indien toepaslik;
- (b) ontwerp-stigtingsvoorwaardes wat aan die riglyne, neregule in Aanhangsel B, voldoen;
- (c) voorgestelde titelvoorwaardes, asook 'n aanduiding van die mate waarin die grondgebruiksvoorwaardes op die dorp van toepassing sal wees;
- (d) 'n ontwerp-uitlegplan;
- (e) 'n behoorlik voltooide aansoekvorm en twee afskrifte, wesenlik in die vorm van Aanhangsel B, te same moet sodanige bykomende dokumente en inligting wat daarin bedoel word en tersaklik vir die aansoek is; en
- (f) 'n verduidelikende memorandum ter ondersteuning van die aansoek.
- (2) Die gemagtigde beampte erken, onmiddellik by ontvangs van 'n aansoek in subregulasie (1) bedoel, ontvangs van die aansoekvorm bedoel in subregulasie (1) (e) en die dokumente daarty aangeleg, deur datering en ondertekening van die erkenningsvorm op die dorpsstiger se afskrif van die aansoekvorm, of, indien die dorpsstiger nie in staat is om sy afskrif van die vorm by die gemagtigde beampte af te haal nie, deur sodanige vorm of 'n soortgelyke skriftelike erkenning van ontvangs aan die dorpsstiger te pos.

ONDERSOEK NA MINERAALREGTE

8. (1) Indien—
- (a) die mineralegite ten opsigte van die grond waarop 'n dorpsstiger begrip is om 'n dorp te stig, geskei is van die eiendomsteg van die grond;

(b) if on the effective date a layout plan has been approved in respect of the proposed township, but a general plan has not yet been approved, the application shall be deemed to have become an approved application on the date on which the layout plan was approved by the Minister, and the provisions of Chapters IV, V and VI shall apply in respect of the application, *mutatis mutandis*, save to the extent otherwise directed by the authorised officer; or

(c) if on the effective date a layout plan as well as a general plan has been approved in respect of the proposed township—

(i) the application shall be deemed to have become an approved application on the date on which the layout plan was approved by the Minister; and

(ii) the provisions of regulations 23, 24 and 25, as well as of Chapters V and VI, shall apply in respect of the application, *mutatis mutandis*, save to the extent otherwise directed by the authorised officer.

CHAPTER III

APPLICATION FOR TOWNSHIP ESTABLISHMENT

APPLICATION OF CHAPTER

6. Subject to regulations 2 and 5 this Chapter applies to applications for township establishment made by all township applicants: Provided that, if the township applicant is a local authority, the provisions of regulation 9 (1) (a) shall not be applicable.

APPLICATION TO AUTHORISED OFFICER

7. (1) A township applicant shall submit a written application to the authorised officer which includes at least—
- (a) where such agreement has not yet been submitted to the Minister as contemplated in regulation 4 (b), a copy of a land availability agreement, if applicable;
- (b) draft conditions of establishment complying with the guide-line as set out in Annexure B;
- (c) proposed title conditions, including an indication of the extent to which the land use conditions will apply to the township;
- (d) a draft layout plan;
- (e) a duly completed application form and two copies, substantially in the form of Annexure B, together with such additional documents and information as are referred to therein and are relevant to the application; and
- (f) an explanatory memorandum substantiating the application.
- (2) The authorised officer shall immediately upon receipt of the application referred to in subregulation (1) acknowledge receipt of the application form referred to in subregulation (1) (e), and the documents attached thereto, by signing and dating the form of acknowledgement on the applicant's copy of the application form or, if the township applicant is unable to collect his copy of such form from the authorised officer, by posting such form or a similar written acknowledgement of receipt to the township applicant.

INVESTIGATION OF MINERAL RIGHTS

8. (1) If—
- (a) the rights to minerals in respect of the land on which the township applicant wishes to establish a township have been severed from the ownership of the land;

- (b) die eienaar van die grond waarop 'n dorpsdigter begerig is om 'n dorp te stig, 'n huur van regte op mineraal toegeestaan het of 'n prospekteringskontrak gesluit het, waarvan die een of albei indervolge die Registrasie van Aktes Wet, 1937 (Wet 47 van 1937), geregiſtreer is, of 'n notariële akte verly het soos in artikel 8 van die Wet op Edelgesteentes, 1964 (Wet 73 van 1964), of artikel 19 (1) van die Wet op Mynergie, 1967, bedoel, welke notariële akte geregiſtreer is of geag word geregiſtreer te wees; of
- (c) die grond waarop die dorpsdigter begerig is om 'n dorp te stig, geproklameer is soos in die Wet op Mynergie, 1967, bedoel.
- moet die dorpsdigter die inligting in subregulasies (2) en (3) bedoel, insluit in die aansoek in regulasie 7 beoog.
- (2) 'n Dorpsdigter moet in sy aansoek in die omstandighede in subregulasie (1) bedoel, aandui—
- (a) of die houër of huurder van die mineraalregte of die houër van die regte uit hoofde van 'n prospekteringskontrak of 'n notariële akte, toegeestaan het vir die stigting van die dorp, of, ondanks redelike pogings om hom op te spoor, nie opgespoor kan word nie;
- (b) of die dorpsdigter die betrokke Administrateur, soos in artikel 4 van die Wet op Ontiening van Minerale-regte (Dorpe), 1969 (Wet 96 van 1969), beoog, versoek het om die mineraalregte te ontien;
- (c) of die geproklameerde grond in regulasie 8 (1) (c) beoog, vir die doel van 'n dorp uitgeson is ingevolge artikel 184 van die Wet op Mynergie, 1967, of nie gebruik word vir myndoelendes of 'n doel wat daarmee in verband staan nie en die eienaar van die grond, met die skriftelike toestemming van die Staatsmyningengineer soos in artikel 1 van die Wet op Mynergie, 1967, bedoel, versoek is om toe te sien of toegesien het dat 'n dorp op die grond gestig word;
- (d) of enige ander stappe ten opsigte van sodanige grond gedoen is.
- (3) Indien enige van al die stappe in paragraaf (a), (b) of (c) van subregulasie (2) vermeld nie gedoen is nie, of waarskynlik nie voltooi sal wees voor die aansoek 'n goed-gekeurde aansoek word nie, of, na die oordeel van die dorpsdigter, nie gedoen kan word sonder dat dit 'n wesenlike vertraging in die ontwikkeling van die dorp sal veroorsaak nie, moet die dorpsdigter in sy aansoek in subregulasie (1) bedoel, vermeld of hy versoek dat die Minister die aansoek goedkeur soos in regulasie 16 (1) beoog, ondanks die feit dat sodanige stappe nog nie gedoen is nie of waarskynlik nie voor sodanige goedkeuring voltooi sal wees nie, en indien wel, moet die aansoek ook die voorwaardes, indien daar is, wat die dorpsdigter die Minister versoek om in hierdie verband op risiko van die dorpsdigter te stel, soos in regulasie 16 (1) bedoel, vermeld.

KENNISGEWING AAN SEKERE LIGGAMME

9. (1) So gou doenlik na indiening van sy aansoek by die gemagtigde beampte soos in regulasie 7 beoog, moet die dorpsdigter skriftelike kennis, wesenlik in die vorm van Aanhangsel C, versesel van twee afskrifte van die aansoek met meegaande dokumente wat by die gemagtigde beampte ingevolge regulasie 7 ingedien is, tesame met 'n afskrif van 'n erkenning van ontvangs in regulasie 7 (2) beoog, gee aan—
- (a) die plaaslike owerheid, indien daar een is, in wie se plaaslike owerheidsgebied die grond wat die onderwerp van die aansoek is, geleë is; en
- (b) 'n persoon of liggame aangevys kragtens subregulasie (2), wat, na die oordeel van die gemagtigde beampte, sodanige kennisgewing behoort te ontvang synde 'n party wat belang by die aansoek het.

- (b) the owner of the land on which the township applicant wished to establish a township has granted a lease of the rights to minerals or has entered into a prospecting contract, either or both of which is or are registered in terms of the Deeds Registries Act, 1937 (Act 47 of 1937), or has executed a notarial deed contemplated in section 8 of the Precious Stones Act, 1964 (Act 73 of 1964), or section 19 (1) of the Mining Rights Act, 1967, which notarial deed is registered or deemed to be registered; or
- (c) the land on which the township applicant wishes to establish a township is proclaimed land as contemplated in the Mining Rights Act, 1967.
- the township applicant shall include in the application contemplated in regulation 7 the information referred to in subregulations (2) and (3).
- (2) The township applicant shall in his application in the circumstances contemplated in subregulation (1) indicate whether—
- (a) the holder or lessee of the rights to the minerals or the holder of the rights in terms of the prospecting contract or notarial deed has consented to the establishment of the township, or cannot be traced, despite reasonable efforts to trace him;
- (b) the applicant has requested the relevant Administrator as contemplated in section 4 of the Expropriation of Mineral Rights (Townships) Act, 1969 (Act 96 of 1969), to appropriate the right to minerals;
- (c) the proclaimed and contemplated in regulation 8 (1) in terms of section 184 of the Mining Rights Act, 1967, or is not used for mining purposes or purposes incidental thereto and the owner of the land, with the written consent of the Government Mining Engineer referred to in section 1 of the Mining Rights Act, 1967, has been requested to consent to or has consented to a township being established on the land;
- (d) any other steps have been taken in respect of such land.

- (3) If any or all of the steps contemplated in paragraph (a), (b) or (c) of subregulation (2) have not been taken, are not likely to be completed prior to the application being coming an approved application or, in the opinion of the township applicant, cannot be taken without causing substantial delay to the development of the township, then the township applicant shall indicate in his application referred to in subregulation (1) whether he requests that the Minister approve the application as contemplated in regulation 16 (1) notwithstanding the fact that such steps have not yet been taken or are not likely to be completed prior to such approval, and, if so, the application shall also state the conditions, if any, that the township applicant requests the Minister to impose in this connection at the risk of the township applicant as contemplated in regulation 16 (1).

NOTICE TO CERTAIN BODIES

9. (1) As soon as possible after lodging his application with the authorised officer as contemplated in regulation 7, the township applicant shall give written notice substantially in the form of Annexure C, enclosing two copies of the application and accompanying documents lodged with the authorised officer in terms of regulation 7, together with a copy of an acknowledgment of receipt contemplated in regulation 7 (2), to—
- (a) the local authority, if any, in whose local authority area the land forming the subject to the application is situated; and
- (b) any person or body designated in terms of subregulation (2) who should in the opinion of the authorised officer receive such notice as a party interested in the application.

- (2) Die gemagtigde beampte moet die dorpsdigter in kennis stel van en moet die party aandui, aan wie die kennisgewing beoog in subregulasie (1) (b) beteken moet word en die gemagtigde beampte se aanduiding kan, hetsy in die algemeen of in 'n bepaalde geval—

- (a) enige provinsiale paaidepartement, enige ander departement of afdeling van die betrokke provinsiale administrasie, enige staatsdepartement of enige persoon wat, na die oordeel van die gemagtigde beampte, belang by die aansoek mag he;
- (b) enige plaaslike owerheid of plaaslike bestuursliggaam wie se plaaslike bestuursbevoegdheids-, plying of -funksies, na die oordeel van die gemagtigde beampte, indien die dorp goedgekeur sou word, daardeur geraak sal word;
- (c) enige plaaslike owerheid of plaaslike owerheidsliggaam, streeksdiensteraad of ander liggaam wat 'n ingenieursdiens, in Hoofstuk V beoog, op die grond ten opsigte waarvan die aansoek gedoen word, sal lewer;
- (d) die Registrateur, insluit.

- (3) Die dorpsdigter moet, so gou doenlik nadat hy die kennisgewings in subregulasie (1) bedoel, gegee het, by die gemagtigde beampte sodanige bewys van kennisgewings gegee aan die persone of liggame bedoel in daardie subregulasie en van die datum van ontvangs van sodanige kennisgewings deur sodanige persone of liggame, lewer as wat die gemagtigde beampte verlang en wanneer die gemagtigde beampte die dorpsdigter in kennis stel van die aangeleenthede in subregulasie (2) beoog, dui hy terselfdertyd die wyse aan waarop sodanige bewys aan hom verstrek moet word.

OPENBARE KENNISGEWING

10. (1) 'n Dorpsdigter moet so gou doenlik nadat hy sy aansoek by die gemagtigde beampte ingedien het soos in regulasie 7 beoog, kennis van die aansoek gee deur vir twee agtereenvolgende weke 'n kennisgewing, wesenlik in die vorm van Aanhangsel D, in 'n Afrikaanstalige en in 'n Engelstalige daaglikse koerant te publiseer wat gewoonlik geskik is vir die doeleinde van die aansoek is, geleë is.
- (2) Die dorpsdigter moet die kennisgewing in subregulasie (1) bedoel op die ampelike kennisgewingsbord van die plaaslike owerheid, indien daar een is, in wie se plaaslike owerheidsgebied die dorp gestig of waarskynlik gestig sal word, vir dieselfde tydperk van twee weke in subregulasie (1) beoog, laat aanbring.
- (3) Die dorpsdigter moet, so gou doenlik nadat die kennisgewings in subregulasie (1) bedoel, gepubliseer is, aanvaarbare bewys van die publikasie en die datums daarvan aan die gemagtigde beampte lewer.

BESWARE OF VERTOË

11. (1) 'n Persoon of liggame aan wie 'n kennisgewing en afskrifte van die aansoek gegee is soos in regulasie 9 beoog, kan, binne 'n tydperk van 30 dae vanaf die datum waarop sodanige kennisgewing aan sodanige persoon of liggame gegee is, 'n skriftelike beswaar indien by, of skriftelike verhoë rig aan die gemagtigde beampte ten opsigte van die aansoek. Mei dien verstande dat, indien sodanige persoon of liggame nie in staat is om sodanige beswaar in te dien of sodanige verhoë te rig binne die gemelde tydperk van 30 dae nie, of om die aansoek behoorlik binne die gemelde tydperk te ondersoek nie, by, binne daardie tydperk, die gemagtigde beampte skriftelik kan versoek om die gemelde tydperk te verleng, en so 'n versoek moet die tydskuld vermeld waartoe hy verlang dat die gemagtigde beampte gracie vir die

- (2) The authorised officer shall inform the township applicant of and shall determine the parties who shall be served with the notice contemplated in subregulation (1) (b) and the authorised officer's determination may either generally or in any particular case include—

- (a) any provincial road department, any other department or division of the relevant provincial administration, any Government department which or any person who, in the opinion of the authorised officer, may be interested in the application;
- (b) any local authority or local government body whose local authority powers, duties or functions will, in the opinion of the authorised officer, be affected by the township, if approved;
- (c) any local authority or local government body, regional services council or other body that will provide any engineering service contemplated in Chapter V to the land in respect of which the application will be made;
- (d) the Registrar.

- (3) The township applicant shall as soon as possible after having given the notices contemplated in subregulation (1) lodge with the authorised officer such proof of notices given to the persons or bodies contemplated in that subregulation and of the date of the receipt of such notices by such persons or bodies as the authorised officer may require, and the authorised officer shall indicate the manner of such proof required by him to the township applicant at the same time as he informs the township applicant of the matters contemplated in subregulation (2).

PUBLIC NOTICE

10. (1) A township applicant shall, as soon as possible after having lodged his application with the authorised officer as contemplated in regulation 7, give notice of the application by publishing for two consecutive weeks a notice substantially in the form of Annexure D in one Afrikaans and one English daily newspaper normally circulated in or near the development area in which the land that forms the subject of the application is situated.
- (2) The township applicant shall cause the notice referred to in subregulation (1) to be displayed on the official notice board of the local authority, if any, within whose local authority area the township will or is likely to be established for the same two-week period contemplated in subregulation (1).
- (3) The township applicant shall, as soon as possible after having published the notices referred to in subregulation (1), deliver to the authorised officer acceptable proof of the publication and the dates thereof.

OBJECTIONS OR REPRESENTATIONS

11. (1) A person or body given notice and copies of the application as contemplated in regulation 9 may, within a period of 30 days from the date on which such notice was given to such person or body, lodge a written objection with or make representations in writing to the authorised officer in respect of the application. Provided that, if such person or body is unable to lodge such objection or make such representations within the said 30-day period, or sufficiently to investigate the application within that period, it may, within that period, request the authorised officer in writing to extend the said period, and any such request shall set out the

indiening van die beswaar of vertoë moet verleë, sowel as die aard van die beswaar of vertoë wat sodanige persoon of liggaam van voorneme is om te maak of rig, of, na verdere ondersoek van die aansoek, sou kon of waarskynlik maak of rig.

(2) Enige persoon kan, binne 'n tydperk van 30 dae vanaf die datum van die eerste publikasie van die openbare kennisgewing in regulasie 10 beoog, 'n skriftelike beswaar of skriftelike vertoë ten opsigte van die aansoek indien by of rig aan die gemagtigde beampte.

(3) Nadat die 30-daerperk vir die indiening van beswaar, vertoë of versoeke soos in subregulasie (1) en (2) beoog, verstrik het, moet die gemagtigde beampte 'n afskrif van enige sodanige beswaar of vertoë wat by hom ingedien is, asook van elke versoek in subregulasie (1) beoog, wat deur hom ontvang is, aan die dorpsstgter stuur.

(4) Enige persoon of liggaam wat vertoë rig of 'n beswaar indien soos in subregulasie (1) beoog, moet, saam met sy vertoë of beswaar een van die afskrifte van die aansoek wat by die kennisgewing in regulasie 9 (1) bedoel, ingesluit was, aan die gemagtigde beampte lewer.

(5) Nadat die 30-daerperk vir die indiening van beswaar of vertoë beoog in subregulasie (1) en (2) verstrik het, en geen beswaar of vertoë van enige persoon of liggaam in subregulasies (1) en (2) beoog, deur die gemagtigde beampte ontvang is nie, word sodanige persoon of liggaam geag geen beswaar te hê teen of vertoë wens te rig ten opsigte van die aansoek nie. Met dien verstande dat—

(a) die gemagtigde beampte, indien by ooreweging van enige skriftelike versoek in subregulasie (1) bedoel, of op enige ander grond, tevrede is dat 'n persoon of liggaam aan wie kennis kragtens regulasie 9 gegee is, 'n beswaar wil indien of behoort in die dien van vertoë binne die 30-daerperk in subregulasie (1) te oëgelaa, te doen nie, en dat sodanige beswaar of vertoë, indien gehandhaaf, die stigting van die dorp wesenlik sal beïnvloed of effektiwief sal voorkom of waarskynlik, indien gehandhaaf, wesenlik sal beïnvloed of effektiwief sal voorkom, behoudens die bepalings van regulasie 12, die tydperk toegelaat vir die indiening van sodanige beswaar of die rig van sodanige vertoë kan verleng vir die periode of periodes wat by diensstig ag, en dat die gemagtigde beampte die dorpsstgter dienoreenkomsig in kennis moet stel;

(b) die gemagtigde beampte, indien by, behoudens die bepalings van regulasie 12, tevrede is dat die aansoek voortgesit mag word, hetsy in geheel of gedeeltelik, terwyl 'n beswaar of vertoë algevaar word, die toepassing van die bepalings van hierdie regulasies *mutatis mutandis* kan toelaat ten opsigte van die aansoek of enige gedeelte daarvan, op sodanige voorwaardes as wat hy bepaal;

(c) dit nie soos in hierdie subregulasie beoog, beskou word dat 'n persoon of liggaam in subregulasies (1) en (2) bedoel, geen beswaar het teen of vertoë het in verband met die aansoek nie, tensy die gemagtigde beampte die bewys ontvang het dat kennis aan sodanige persoon of liggaam gegee is soos in regulasie 9 (3) of in regulasie 10 (3) beoog, na gelang van die geval.

ANTWOORD DEUR DORPSTGTER

12. (1) Die dorpsstgter kan, binne 14 dae of sodanige langer tydperk as wat die gemagtigde beampte mag toelaat, na ontvangs deur die dorpsstgter van die afskrifte, van beswaar, vertoë en versoeke soos in regulasie 11 (3) beoog, of na die verstrikking van 'n verleningsperk soos in regulasie 11 (5) (a) beoog, na gelang van die geval, skriftelik aan die gemagtigde beampte—

(a) sy antwoord besorg op 'n beswaar of vertoë wat aan hom gelewer is soos in regulasie 11 (3) beoog, en

period within which it requests the authorised officer to allow it to lodge the objection or submission, as well as the nature of the objection or representations that such person or body intends to or, upon further investigation of the application, might or is likely to lodge or make.

(2) Any person may, within a period of 30 days from the date of the first publication of the public notice contemplated in regulation 10, lodge a written objection with or make representations in writing to the authorised officer in respect of the application.

(3) After the 30-day period for lodging objections, representations or requests as contemplated in subregulations (1) and (2) has expired, the authorised officer shall forward to the township applicant a copy of any such objection or representation lodged with him and also of every request contemplated in subregulation (1) that has been received by him.

(4) Any person or body lodging an objection or making representations as contemplated in subregulation (1) shall, together with his representations or objection, deliver to the authorised officer one of the copies of the application enclosed with the notice contemplated in regulation 9 (1).

(5) After the 30-day period for lodging objections or representations contemplated in subregulations (1) and (2) have expired, and if no objection or representations were received by the authorised officer from any person or body contemplated in subregulations (1) and (2), it shall be deemed that such person or body has no objection to or representations in respect of the application. Provided that—

(a) the authorised officer may, if, upon consideration of any written request referred to in subregulation (1), or on any other ground, he is satisfied that any person or body to whom notice was given in terms of regulation 9 wishes to or should lodge an objection or make representations but is unable to do so within the 30-day period allowed in subregulation (1) and that such objection or representations will, if upheld, materially affect or effectively preclude or are likely, if upheld, materially to affect or effectively to preclude establishment of the township, subject to the provisions of regulation 12, extend the period allowed for the lodging of such objection or the making of representations by such period or periods of time as he may deem appropriate, and the authorised officer shall inform the township applicant accordingly;

(b) the authorised officer may, if, subject to the provisions of regulation 12, he is satisfied that the application may proceed, either wholly or in part, while any objection or representation is awaited, allow the provisions of these regulations to be applied in respect of the application or any part thereof, *mutatis mutandis*, on such conditions as he may determine;

(c) it shall not be deemed as contemplated in this subregulation that a person or body contemplated in subregulations (1) and (2) has no objection to or representations in respect of the application, unless the authorised officer has received the proof that notice was given to such person or body as contemplated in regulation 9 (3) or in regulation 10 (3), as the case may be.

REPLY BY TOWNSHIP APPLICANT

12. (1) The township applicant may, within 14 days or such longer period as the authorised officer may allow, after the receipt by the township applicant of the copies of objections, representations and requests as contemplated in regulation 11 (3), or after the expiry of any period of extension as contemplated in regulation 11 (5) (a), as the case may be, deliver in writing to the authorised officer—

(a) his reply to any objection or representations delivered to him as contemplated in regulation 11 (3); and

(b) sy kommentaar verstrekk oor die gewensheid van die toepassing van regulasie 11 (5) (a) of (b) deur die gemagtigde beampte ten opsigte van die aansoek of enige gedeelte daarvan.

(2) Indien die dorpsstgter nie sy antwoord of kommentaar binne die tydperk deur of kragtens subregulasie (1) toegelaat, besorg nie, verbeur hy die reg om dit te doen.

(3) Ten einde te besluit of by 'n verlening van tyd vir die indiening van 'n beswaar of vertoë, soos beoog in regulasie 11 (5) (a), moet toelaat al dan nie, en of by die toepassing van die bepalings van hierdie regulasies ten opsigte van enige gedeelte van die aansoek terwyl 'n beswaar of vertoë afgewag word, soos beoog in regulasie 11 (5) (b), moet toelaat al dan nie kan die gemagtigde beampte enige inspeksie uitvoer, ondersoek instel of onderhou voet, *mutatis mutandis*, soos in regulasie 13 beoog.

OORWEGING DEUR GEMAGTIGDE BEAMPTTE

13. Nadat die tydperk wat by of kragtens regulasie 12 (1) aan die dorpsstgter verloop is om sy antwoord of kommentaar te lewer, verstrik het, moet die gemagtigde beampte die aansoek oorweeg, met inagneming van enige beswaar of vertoë ingedien en enige antwoord of kommentaar deur die dorpsstgter gelewer, en kan by vir daardie doel—

(a) enige inspeksie uitvoer of enige ondersoek instel (insluitende enige oorleëpleging met sodanige persoon as wat die gemagtigde beampte mag bepaal) wat hy diensstig ag; en

(b) met enige persoon of liggaam 'n onderhoud voer wat 'n beswaar ingedien of vertoë gerig of kommentaar gelewer het, insluitende die dorpsstgter, en die dorpsstgter is getregtig om by enige sodanige inspeksie, ondersoek of onderhoud teenwoordig te wees.

WYSIGING VOOR GOEDKEURING VAN AANSOEK

14. Te eniger tyd nadat sy aansoek by die gemagtigde beampte ingedien is, maar voordat sodanige aansoek 'n goedgekeurde aansoek geword het, kan die dorpsstgter—

(a) uit eie beweging en met die toestemming van die gemagtigde beampte, of

(b) op versoek van die gemagtigde beampte, die aansoek wysig. Met dien verstande dat waar die wysiging na die oordeel van die gemagtigde beampte wesenlik is, die gemagtigde beampte sodanige kennis van die wysiging moet gee of die wysiging met sodanige persone of liggame bespreek, as wat hy nodig ag, of waar die wysiging na die oordeel van die gemagtigde beampte so wesenlik is dat dit 'n nuwe aansoek uitmaak, die gemagtigde beampte sodanige verites aan die dorpsstgter in verband met die indiening van 'n nuwe aansoek en die gee van kennisgewings kan stel as wat hy diensstig ag.

AANBEVELING AAN MINISTER

15. Binne 60 dae nadat die tydperk wat die dorpsstgter gegun is om sy antwoord of kommentaar in te dien soos in regulasie 12 beoog, verstrik het, moet die gemagtigde beampte die aansoek aan die Minister voorleë, tesame met sy verslag waarin hy sy aanbevelings aan die Minister met betrekking tot die aansoek doen.

BESLUIT VAN MINISTER

16. (1) By ontvangs van 'n aansoek versesel van die gemagtigde beampte se verslag soos in regulasie 15 beoog, kan die Minister die aansoek of enige deel daarvan wat slags op 'n gedeelte van die betrokke grond betrekking het, goedkeur of die aansoek of enige deel daarvan weer, of 'n besluit daaroor in die geheel of gedeeltelik uitstel. Met dien

(b) his comments on the desirability of the authorised officer applying regulation 11 (5) (a) or (b) in respect of the application or any part thereof.

(2) If the township applicant does not deliver his reply or comments within the period allowed by or in terms of subregulation (1), he shall forfeit the right to do so.

(3) For the purposes of reaching a decision on whether or not to allow any extension of time for the lodging of an objection or the making of representations, or to allow the provisions of these regulations to be applied in respect of any part of the application, while any objection or representation is awaited, as contemplated in regulation 11 (5) (a) or (b), the authorised officer may conduct any inspection, investigation or interview, *mutatis mutandis* as contemplated in regulation 13.

CONSIDERATION BY AUTHORISED OFFICER

13. After the period afforded the township applicant for making his reply or comments by or in terms of regulation 12 (1) has expired, the authorised officer shall consider the application, having regard to every objection or representation lodged and to any reply or comments made by the township applicant, and he may for that purpose—

(a) conduct any inspection or institute any investigation (including any consultations with such persons as the authorised officer may determine) which he may deem expedient; and

(b) interview any person or body who or which lodged an objection or made representations or comments, including the township applicant, and the township applicant shall be entitled to be present at any such inspection, investigation or interview.

AMENDMENT BEFORE APPROVAL OF APPLICATION

14. At any time after his application has been lodged with the authorised officer but before such application has become an approved application, the township applicant may—

(a) of his own accord and with the consent of the authorised officer; or

(b) at the request of the authorised officer, amend the application. Provided that where the amendment is, in the opinion of the authorised officer, a substantial one, the authorised officer shall give such notice of the amendment or discuss the amendment with such persons or bodies as he may deem necessary, or, where the amendment is, in the opinion of the authorised officer, so substantial that it constitutes a new application, the authorised officer may give such directions to the township applicant relating to the lodging of a new application and the giving of notices as he may deem appropriate.

RECOMMENDATION TO MINISTER

15. Within 60 days after the period allowed the township applicant to lodge his reply or comments contemplated in regulation 12 has expired, the authorised officer shall submit the application to the Minister, together with his report in which he makes his recommendation to the Minister regarding the application.

DECISION OF MINISTER

16. (1) On receipt of an application accompanied by the authorised officer's report contemplated in regulation 15, the Minister may approve the application or any part thereof relating to a portion of the relevant land only, or refuse it or any part thereof, or postpone a decision thereon either wholly or in part. Provided that, where the land concerned

verstande dat waar die betrokke grond onderworpe is aan enige regte of geproklameerde grond is, soos in regulasie 8 (1) (a), (b) of (c) bedoel, die Minister die aansoek kan goedkeur, onderworpe aan sodanige voorwaardes, indien daar is, betreffende die regte van die houers van huurders van mynrege, die deproklamerings van die grond kragtens die Wet op Mynrege, 1967, of die afsondering van die betrokke grond vir dorpsdoeleindes soos in artikel 184 van daardie Wet beoog, as wat by na oortref, indien hy dit nodig ag, met die Minister van Mineral- en Energetiese, of sy bevoegdheid aangevare verteenwoordiger mag bepaal.

(2) Wanneer die Minister 'n aansoek goedkeur, kan hy, benevens 'n voorwaarde in subregulasie (1) beoog, enige voorwaarde wat by raadsaam ag ople, met inbegrip van die voorwaarde dat 'n bevestiging *in natura* of in konstant verreis word. Met dien verstande dat sodanige bevestiging slegs betrekking mag he op die oordrag aan of vestiging in 'n plaaslike owerheid of enige persoon of liggaam, of 'n administrateur, soos in regulasie 3 beoog, van grond wat bestem is vir gebruik as 'n openbare oop ruimte op die uitlegplan, of die betaling van 'n geldsom in plaas van sodanige oordrag of vestiging.

(3) Nadat die Minister 'n aansoek of enige gedeelte daarvan goedkeur het, moet die gemagtigde beampte die dorpsdigter, die Registrateur, die Landmeter-generaal en die plaaslike owerheid, indien daar een is, wie se plaaslike owerheidsgebied die goedgekeurde dorp sal insluit, skriftelik in kennis stel van sodanige goedkeuring en van enige voorwaarde deur die Minister opgele.

(4) Indien die Minister die aansoek geweier of 'n besluit daaroor uitgestel het, hetsy in die geheel of gedeeltek, of voorwaardes kragtens subregulasie (2) opgele het wat wesenlik verskil van die voorwaardes voorgede in die dorpsdigter se aansoek in regulasie 7 beoog, moet die gemagtigde beampte, op skriftelike versoek van die dorpsdigter, 'n afskrif van die Minister se skriftelike redes vir sy besluit of uitstel aan die dorpsdigter stuur.

(5) Nadat die dorpsdigter in kennis gestel is dat sy aansoek goedgekeur is, maar voordat 'n registrasie of endossement plaasgevind het soos in regulasie 21 (1) beoog, kan die Minister enige voorwaarde deur hom opgele, wysig, of skrap, of enige verdere voorwaarde byvoeg, en is die bepalings van subregulasie (4) ten opsigte van sodanige wysigting of skapping *mutatis mutandis* van toepassing.

WYSIGING NA GOEDGEKURING VAN AANSOEK

17. (1) 'n Dorpsdigter wat in kennis gestel is dat sy aansoek goedgekeur is soos in regulasie 16 beoog, kan te eniger tyd voordat die algemene plan met betrekking tot die voorgeselde dorp goedgekeur is soos in regulasie 19 beoog, op sodanige wysig as wat die gemagtigde beampte bepaal by die Minister aansoek doen om die wysiging van die uitlegplan met betrekking tot die voorgeselde dorp, of om die verdeling van die dorp in twee of meer afsonderlike dorpe.

(2) By ontvangs van 'n aansoek in subregulasie (1) bedoel, kan die Minister—

(a) waar die dokumente in regulasie 19 beoog, nie reeds by die Landmeter-generaal ingedien is nie; of

(b) waar die dokumente in regulasie 19 beoog, wel by die Landmeter-generaal ingedien is, maar nie reeds deur hom soos in daardie regulasie bedoel, goedgekeur is nie, na oorlegging met die Landmeter-generaal, toestem tot 'n wysiging van die uitlegplan of tot 'n verdeling van die dorp in subregulasie (1) bedoel, onderworpe aan enige voorwaardes wat die Minister dienstig mag ag.

(3) Waar die toestemming in subregulasie (2) beoog, verleen is, moet die gemagtigde beampte die dorpsdigter skriftelik daarvan en van enige voorwaarde opgele, in kennis stel.

is subject to any rights or is proclaimed land as contemplated in regulation 8 (1) (a), (b) or (c), the Minister may approve the application subject to such conditions, if any, regarding the rights of the holder or lessee of mining rights, the deproclamation of the land under the Mining Rights Act, 1967, or the reservation of the land in question for township purposes as contemplated in section 184 of that Act, as he may determine after consultation, if deemed necessary by him, with the Minister of Mineral and Energy Affairs or his duly appointed representative.

(2) When the Minister approves an application, he may, in addition to any condition contemplated in subregulation (1), impose any condition he may deem expedient, including a condition requiring the provision of an endowment in kind or in cash. Provided that such an endowment may relate only to the transfer to or vesting in the local authority or any other person or body, or an administrator, as contemplated in regulation 3, of land designated for use as a public open space on the layout plan, or the payment of an amount of money in lieu of such transfer or vesting.

(3) After the Minister has approved an application or any part thereof, the authorised officer shall in writing notify the township applicant, the Registrar, the Surveyor-General and the local authority, if any, whose local authority area will include the approved township of such approval, and of any condition imposed by the Minister.

(4) If the Minister has refused the application or postponed a decision thereon either wholly or in part, or has imposed conditions under subregulation (2) that are materially different from the conditions submitted in the township applicant's application contemplated in regulation 7, the authorised officer shall, on the township applicant's written request, forward a copy of the Minister's written reasons for his decision to the township applicant.

(5) After the township applicant has been notified that his application has been approved, but before a registration or endorsement has taken place as contemplated in regulation 21 (1), the Minister may amend or delete any condition imposed by him or add any further condition, and the provisions of subregulation (4) shall apply, *mutatis mutandis* in respect of such amendment or deletion.

AMENDMENT AFTER APPROVAL OF APPLICATION

17. (1) A township applicant who has been notified that his application has been approved as contemplated in regulation 16 may, at any time prior to the general plan relating to the proposed township having been approved as contemplated in regulation 19, apply to the Minister in such manner as the authorised officer may determine for the amendment of the layout plan relating to the proposed township, or for the division of the township into two or more separate townships.

(2) On receipt of an application referred to in subregulation (1) the Minister may—

(a) where the documents contemplated in regulation 19 have not yet been lodged with the Surveyor-General; or

(b) where the documents contemplated in regulation 19 have been lodged with the Surveyor-General but not yet approved by him as intended in that regulation, after consultation with the Surveyor-General, consent to an amendment of the layout plan or to a division of the township referred to in subregulation (1) subject to any conditions that the Minister may deem expedient.

(3) Where the consent contemplated in subregulation (2) has been granted, the authorised officer shall notify the township applicant in writing thereof and of any condition imposed.

(4) Die verleen van toestemming kragtens subregulasie (2), en die kennisgewing deur die gemagtigde beampte in subregulasie (3) bedoel, word geag 'n goedkeuring en 'n kennisgewing, na gelang van die geval, te wees ten opsigte van 'n aansoek vir die gewysigde dorp of van elke afsonderlike dorp, soos in regulasie 16 beoog.

HOOFSTUK IV PROSEDURE VIR VERKLARING TOT GOEDGE- KEURDE DORP

VERBOD OP STRYDIGE GEBRUIK

18. (1) Met ingang van die datum van die Minister se goedkeuring van 'n dorpsdigtingsaansoek soos in regulasie 16 beoog, verleen die eienaar van die betrokke grond, die betrokke administrateur, enige persoon of liggaam belas met die administrasie van sodanige grond, of die plaaslike owerheid, indien daar een is, wie se plaaslike owerheidsgebied die goedgekeurde dorp sal insluit, nie enige toestemming, goedkeuring of magtiging wat in stryd sal wees nie met die grondgebruiksvoorwaardes of enige ander gebruiksvoorwaardes wat op die dorp van toepassing sal wees soos in regulasie 37 bedoel.

(2) Indien 'n plaaslike owerheid, die betrokke administrateur, of enige persoon of liggaam belas met die administrasie van die betrokke grond, van oordeel is dat die bepalings van die voorwaardes in subregulasie (1) bedoel, oortree sou word indien—

(a) die oprigting of verandering van aanbouing aan enige gebou ondorneem of voortgesit word;

(b) die onderverdeling van enige grond ondorneem of voortgesit word;

(c) enige werk gedoen, ondorneem of voortgesit word; of

(d) enige bepaalde gebruik gemaak word van enige grond of gebou, kan die plaaslike owerheid, sodanige administrateur of sodanige persoon of liggaam by wyse van skriftelike kennisgewing sodanige oprigting, verandering, aanbouing, onderverdeling, werk of gebruik, verbied: Met dien verstande dat hierdie bepaling nie van toepassing is nie op die oprigting of verandering van of aanbouing aan 'n gebou ondorneem of voortgesit ooreenkomsig 'n goedgekeurde bouplan of 'n goedgekeurde kragtens enige ander wet verleen.

VOORLEGGING VAN PLANE AAN LANDMETER- GENERAAL

19. (1) 'n Dorpsdigter wat kragtens regulasies 16 in kennis gestel is dat sy aansoek deur die Minister goedgekeur is of dat 'n wysiging of verdeling goedgekeur is soos in regulasie 17 beoog, na gelang van die geval, moet, binne 'n tydperk van twaalf maande vanaf die datum van sodanige kennisgewing, of sodanige verdere tydperk as wat die gemagtigde beampte toelaat, sodanige plannet, diagramme of ander dokumente as wat die Landmeter-generaal vir goedgekuring indien, en indien die dorpsdigter versuim om dit te doen, vervel die aansoek: Met dien verstande dat die gemagtigde beampte, waar dit dienstig is, die dorpsdigter kan toelaat om sodanige plannet, diagramme of ander dokumente by die Landmeter-generaal in te dien op 'n stadium voordat die betrokke aansoek 'n goedgekeurde aansoek gevord het: Met dien verstande voorts dat, in sodanige geval, die uitlegplan met betrekking tot die dorp reeds deur die Minister goedgekeur moes gewees het soos in die Wet beoog, indien nodig afsonderlik van ander aspekte van die aansoek wat kragtens regulasie 16 deur die Minister oorweeg word.

(2) So gou doenlik na indiening van die plannet, diagramme of ander dokumente in subregulasie (1) bedoel, moet die dorpsdigter die gemagtigde beampte in kennis stel van die datum van sodanige indiening.

(4) The granting of a consent in terms of subregulation (2), and the notice by the authorised officer referred to in subregulation (3), shall be deemed to be an approval and a notice, as the case may be, in respect of an application for the amended township or of each separate township, as contemplated in regulation 16.

CHAPTER IV PROCEDURE FOR DECLARING AN APPROVED TOWNSHIP

PROHIBITION OF CONFLICTING USE

18. (1) With effect from the date of the Minister's approval of a township application as contemplated in regulation 16, the owner of the land concerned, the relevant administrator, any person or body charged with the administration of such land, or the local authority, if any, whose local authority area will include the approved township shall not grant any consent, approval or authority that would be in conflict with the land use conditions or any other use conditions that will apply to the township, as contemplated in regulation 37.

(2) If a local authority, the relevant administrator, or any person or body charged with the administration of the relevant land is of the opinion that the provisions of the conditions referred to in subregulation (1) would be contravened if—

(a) the erection or alteration of or addition to any building is undertaken or proceeded with;

(b) the subdivision of any land is undertaken or proceeded with;

(c) any work is performed, undertaken or proceeded with; or

(d) any particular use is made of any land or building, the local authority, such administrator or such person or body may by written notice prohibit such erection, alteration, addition, subdivision, work or use: Provided that this provision shall not apply to the erection or alteration of or addition to a building undertaken or proceeded with in accordance with an approved building plan or in terms of an approval granted in terms of any other law.

SUBMISSION OF PLANS TO SURVEYOR-GENERAL

19. (1) A township applicant who has been notified in terms of regulation 16 that his application has been approved by the Minister or that an amendment or division has been approved as contemplated in regulation 17, as the case may be, shall, within a period of 12 months from the date of such notice, or such further period as the authorised officer may allow, lodge for approval with the Surveyor-General such plans, diagrams or other documents as the Surveyor-General may require, and if the township applicant fails to do so, the application shall lapse: Provided that the authorised officer may, where appropriate, allow the township applicant to lodge such plans, diagrams or other documents with the Surveyor-General at a stage prior to the relevant application having become an approved application: Provided further that, in such event, the layout plan relating to the proposed township shall have been first approved by the Minister as contemplated in the Act, if necessary separately from other aspects of the application being considered by the Minister in terms of regulation 16.

(2) As soon as possible after lodging the plans, diagrams or other documents referred to in subregulation (1), the township applicant shall inform the authorised officer of the date of such lodging.

(3) Indien die dorpsdigter versum om binne 'n redelike tyd nadat by die planne, diagramme of ander dokumente bedoel in subregulasie (1) ingedien het, te voldoen aan enige vereistes wat die Landmeter-generaal regens kan stel, kan die Landmeter-generaal die gemagtigde beampte dienooreenkomstig in kennis stel, en indien die gemagtigde beampte lewende is, nadat hy die dorpsdigter aangehoor het, dat die dorpsdigter sonder grondige rede versum het om aan enige sodanige vereistes te voldoen, moet die gemagtigde beampte die dorpsdigter van sy bevinding in kennis stel, en daarop verval die aansoek. Met dien verstande dat, indien enige reg van huurpaga ten opsigte van onopgevoerde persone soos in artikel 52 (5) van die Wet en regulasie 20 beoog, geregtig is ten opsigte van grond in die voorgestelde dorp, die gemagtigde beampte kan verklaar dat die aansoek nie moet vervul of nie vervul het nie, en hy dan geregtig is om op koste van die dorpsdigter te laat voldoen aan die vereistes van die Landmeter-generaal.

(4) Nadat die planne, diagramme of dokumente wat die Landmeter-generaal vereis tot sy tevredenheid by hom ingedien is, handel hy met sodanige planne, diagramme of ander dokumente ooreenkomstig die Opnemingswet, 1927.

(5) 'n Algemene plan deur die Landmeter-generaal goedgekeur, handelende soos in subregulasie (4) beoog, of enige algemene plan wat voor die inwerkingtrading van die Wysingswet op die Ontwikkeling van Swart Gemeenskappe, 1986, kragtens die Wet goedgekeur is, kan deur die Landmeter-generaal gewysig word of gedeelteilik of in die geheel gekanselleer word of die grond wat op sodanige algemene plan aangetoon word kan gekonsolideer of onderverdeel word op sodanige beding en voorwaardes as wat die Minister mag goedgekeur of gelas.

(6) Die dorpsdigter is verantwoordelik vir die indiening by die Landmeter-generaal van enige aansoek om die wysiging of gedeelteilik of totale kansellering van 'n algemene plan in subregulasie (5) bedoel, tesame met enige goedkeuring of lasgewing in daardie subregulasie bedoel, en sodanige wysigings of gedeelteilik of totale kansellering van die Opnemingswet, 1927, voldoen.

(7) Enige beding of voorwaarde deur die Minister goedgekeur of gelas soos in subregulasie (5) beoog, kan enige voorwaarde betreffende die betaling van vergoeding, indien daar is, of die sluiting van 'n openbare plek insluit.

(8) Nadat die algemene plan met betrekking tot die dorp, of enige gedeelte daarvan, deur die Landmeter-generaal goedgekeur is, is die dorpsdigter daarvoor verantwoordelik om sodanige gevolglike wysigings aan die betrokke uitlegplan aan te bring as wat die vorm waarin die algemene plan goedgekeur is, mag vereis, en is dit nie nodig dat 'n nuwe of bykomende aansoek gedoen word of goedkeuring vertien word ten opsigte van 'n uitlegplan wat aldus gewysig is nie.

(9) Die dorpsdigter moet, binne 'n tydperk van drie maande na die datum waarop die planne en diagramme aan die Landmeter-generaal voorgeleë en deur hom goedgekeur is, 'n gesertifiseerde afskrif of nakrêsel van die algemene plan van die dorp, tesame met 'n afskrif van die uitlegplan soos in subregulasie (8) bedoel, by die gemagtigde beampte indien en, indien die goedgekeurde dorp binne die plaaslike owerheidsgebied van 'n plaaslike owerheid geleë sal wees, ook by daardie plaaslike owerheid.

HURPAG KRAGTENS ARTIKEL 52 (5) VAN DIE WET GEDURENDE DORPSTIGTING

20. (1) Ondanks enige andersluidende bepaling van hierdie regulasies, met inbegrip van, maar nie beperk nie tot—

(a) die vereiste dat die Registrateur normaalweg met die betrokke titelaktes met betrekking tot 'n voorgestelde dorp kragtens Hoofstuk IV van die Registrasie van Aktes Wet, 1937, handel soos in regulasie 21 (1) van die Wet.

(3) If the township applicant fails, within a reasonable time after he has lodged the plans, diagrams or other documents referred to in subregulation (1), to comply with any requirements the Surveyor-General may lawfully lay down, the Surveyor-General may notify the authorised officer accordingly, and if the authorised officer is satisfied, after hearing the township applicant, that the township applicant has failed to comply with any such requirement without sound reason, the authorised officer shall notify the applicant that he is so satisfied, and thereupon the application shall lapse: Provided that, if any right of leasehold in respect of unsurveyed premises as contemplated in section 52 (5) of the Act and regulation 20 has been registered in respect of land in the proposed township, the authorised officer may declare that the application shall not lapse, or has not lapsed, and he shall be entitled to cause the requirements of the Surveyor-General to be complied with at the expense of the township applicant.

(4) After the Surveyor-General shall have been satisfied that the required plans, diagrams or documents have been lodged with him, he shall deal with such plans, diagrams or documents in accordance with the Land Survey Act, 1927.

(5) A general plan approved by the Surveyor-General, acting as contemplated in subregulation (4), or any general plan approved under the Act prior to the coming into force of the Black Communities Development Amendment Act, 1986, may be amended or partially or totally cancelled by the Surveyor-General on the land shown on such general plan may be consolidated or subdivided, on such terms and conditions as the Minister may approve or direct.

(6) The township applicant shall be responsible for submitting any application for the amendment or partial or total cancellation of a general plan referred to in subregulation (5) to the Surveyor-General, together with any approval or direction referred to in that subregulation, and such amending general plan shall comply with the requirements of the Land Survey Act, 1927.

(7) Any term or condition approved or directed by the Minister as contemplated in subregulation (5) may include any condition as to the payment of compensation, if any, or the closing of any public place.

(8) After the general plan relating to the township, or any part thereof, has been approved by the Surveyor-General, the township applicant shall be responsible for making such consequential amendments to the relevant layout plan as may be dictated by the form in which the general plan was approved, and it shall not be necessary for any new or additional application to be made or approval to be granted in respect of a layout plan so amended.

(9) The township applicant shall, within a period of three months after the date on which the Surveyor-General has approved the plans and diagrams submitted to him, lodge a certified copy or tracing of the general plan of the township, together with a copy of the layout plan, amended as contemplated in subregulation (8), with the authorised officer and, if the approved township will be within the local authority area of any local authority, also with that local authority.

LEASEHOLD IN TERMS OF SECTION 52 (5) OF THE ACT DURING TOWNSHIP ESTABLISHMENT

20. (1) Notwithstanding anything to the contrary contained in these regulations, including, but not limited to—

(a) the requirement that the Registrar must in the ordinary course deal with the relevant title deeds relating to a proposed township in terms of Chapter IV of the Deeds Registries Act, 1937, as contemplated in regulation 21 (1);

(b) die vereiste dat die Registrateur normaalweg nie enige transaksie mag registreer ten opsigte van grond geleë in 'n voorgestelde dorp in omstandighede behalwe soos in regulasie 21 (3) beoog nie; en

(c) die feit dat aan sekere vereistes voldoen moet word alvorens die grond in 'n voorgestelde dorp in registrasiekantoor registreerbaar word soos in regulasie 25 (2) beoog.

moet 'n Registrateur 'n reg van huurpaga ten opsigte van 'n perseel wat nog nie op 'n algemene plan aangeleë is nie, registreer, soos in artikel 52 (5) en (9) van die Wet beoog. Met dien verstande dat die betrokke perseel geïdentifiseer is met verwysing na 'n ontwerpalmgemeente plan of ontwerpdiagram ingedien by die Landmeter-generaal, soos in regulasie 6 (4) van die Huurpageregulasies, 1985, beoog.

(2) Die persoon in regulasie 6 (3) (b) van die Huurpageregulasies, 1985, bedoel, ken nie 'n verwysingsnommer vir doeleindes van 'n registrasie soos in subregulasie (1) beoog aan 'n ontwerp- algemene plan toe nie, tensy hy tevrede is dat—

(a) 'n kontrak in regulasie 24 (4) beoog, behoorlik gesluit is ten opsigte van die betrokke grond, of gesluit kan word ten opsigte van sodanige grond, deurdat—

(i) die betrokke aansoek 'n goedgekeurde aansoek geword het soos in regulasie 24 (4) (a) beoog; en

(ii) indien die dorpsdigter nie 'n plaaslike owerheid is wat al die ingenieursdienste aan die dorp voorsien soos in regulasie 30 beoog nie, sodanige dorpsdigter en die betrokke gesag albei hulle diensteverpligtinge nagekom het of die ondernemings of waarborge soos bedoel in regulasie 24 (4) (b) geges het, of, indien die dorpsdigter wel 'n plaaslike owerheid is soos in regulasie 30 beoog, sodanige dorpsdigter alle ingenieursdienste met betrekking tot die betrokke grond genstalreer en voorsien het soos in regulasie 24 (4) (c) beoog; en

(b) die planne, diagramme en ander dokumente in regulasie 19 (1) bedoel, behoortlik by die Landmeter-generaal ingedien is soos in daardie regulasie bedoel, ten opsigte van die betrokke grond, maar nog nie soos in regulasie 19 beoog, goedgekeur is nie.

(3) Hierdie regulasie word nie so uitgeleë dat dit 'n vereiste is dat aan die bepaling van subregulasie (2) voldoen moet word, of dat die Registrateur verbied word om 'n reg van huurpaga soos in artikel 52 (5) van die Wet beoog, te registreer nie, in 'n geval waar 'n dorp nie kragtens hierdie regulasies gestig word nie, of waar die Minister 'n persoon of liggaam virgestel het van die bepaling van hierdie regulasies soos in subregulasie 2 (b) beoog. Met dien verstande dat, indien 'n dorpsdigter 'n aansoek by die gemagtigde beampte ingevolge regulasie 7 ingedien het, of 'n uitlegplan ingedien het of geag word 'n uitlegplan in te gedien het by die Minister soos in regulasie 5 (2) (a) beoog, 'n registrasie van huurpaga ingevolge artikel 52 (5) van die Wet, slegs op die wyse beoog in hierdie regulasie, geskied.

INDIENING VAN PLANNE, DIAGRAMME EN AKTES BY REGISTRATEUR

21. (1) Die dorpsdigter moet die betrokke planne en diagramme, tesame met die betrokke titelaktes by die Registrateur indien om daarmee te handel ingevolge Hoofstuk IV van die Registrasie van Aktes Wet, 1937. Met dien verstande dat die Registrateur nie enige registrasie of endorsement kragtens daardie hoofstuk toelaat nie tot tyd en wyl by

(b) the requirement that the Registrar shall in the ordinary course of events not register any transactions in respect of the land situated in a proposed township in circumstances other than those contemplated in regulation 21 (3); and

(c) the fact that certain requirements must be met before the land in a proposed township becomes registrable in a registration office as contemplated in regulation 25 (2).

The Registrar shall register a right of leasehold in respect of premises not yet shown on a general plan, as contemplated in section 52 (5) and (9) of the Act: Provided that the site concerned shall have been identified by reference to a draft general plan or draft diagram submitted to the Surveyor-General as contemplated in regulation 6 (4).

(2) The person contemplated in regulation 6 (3) (b) of the Leasehold Regulations, 1985 shall not allocate a reference number to a draft general plan for the purposes of a registration as contemplated in subregulation (1) unless he is satisfied that—

(a) a contract as contemplated in regulation 24 (4) has been duly entered into in respect of the land concerned, or may be entered into in respect of such land, in that—

(i) the relevant application has become an approved application as contemplated in regulation 24 (4) (a); and

(ii) if the township applicant is not a local authority providing all engineering services to the township as contemplated in regulation 30, such township applicant and the relevant authority have both fulfilled their service responsibilities or have both delivered their service responsibilities as contemplated in regulation 24 (4) (b), or, if the township applicant is a local authority as contemplated in regulation 30, such township applicant has installed and provided all engineering services in respect of the relevant land as contemplated in regulation 24 (4) (c); and

(b) the plans, diagrams and other documents referred to in regulation 19 (1) have been duly lodged with the Surveyor-General as contemplated in that regulation, in respect of the land concerned; but have not yet been approved as contemplated in regulation 19.

(3) This regulation shall not be construed as requiring the provisions of subregulation (2) to be complied with, or prohibiting the Registrar from registering a right of leasehold as contemplated in section 52 (5) of the Act, in a case where a township is not being established under these regulations or where the Minister has exempted any person or body from the provisions of these regulations as contemplated in regulation 2 (b): Provided that, if a township applicant has lodged an application with the authorised officer in terms of regulation 7 or has lodged or is deemed to have lodged a layout plan with the Minister as contemplated in regulation 5 (2) (a), any registration of a leasehold in terms of section 52 (5) of the Act shall take place only in the manner contemplated in this regulation.

LODGING OF PLANS, DIAGRAMS AND DEEDS WITH REGISTRAR

21. (1) The township applicant shall lodge the relevant plans and diagrams, together with the relevant title deeds, with the Registrar, to be dealt with in terms of Chapter IV of the Deeds Registries Act, 1937: Provided that the Registrar shall not allow any registration or endorsement to take place in terms of that chapter until such time as he is informed in

skriflik deur die gemagtigde beampte in kennis gestel is, dat die volgende veristes tot tevredenheid van die gemagtigde beampte nagekomen is, bely ten opsigte van die geskeel of ten opsigte van 'n gedeelte van die dorp:

- (a) Die aansoek om die stigting van 'n dorp 'n goedgekeurde aansoek geword het vir sover dit op die betrokke grond betrekking het.
- (b) Indien die dorpsdigter nie 'n plaaslike owerheid is wat alle ingenieursdienste aan die dorp voorsien soos in regulasie 30 bedoel nie, sodanige dorpsdigter en die betrokke gesag 'n diensvooreenkomst gesluit het, of, alternatiewelik, die diensvooreenkomstlikhede van die partye deur 'n diensvooreenkomst bepaal is in die omstandighede in regulasie 26 (3) beoog.
- (c) Die dorpsdigter voldoen het aan sodanige stigtingsvoorwaardes as wat die Minister ingevolge regulasie 16 (2) vereis het vervul moet word voordat hy die dorp tot 'n goedgekeurde dorp verklaar.

(2) Die betrokke plann, diagramme en titelaktes moet deur die dorpsdigter ingedien word soos in subregulasie (1) beoog binne drie maande vanaf die datum van die goedkeuring van die plann en diagramme soos in regulasie 19 beoog, of binne sodanige langere tydperk as wat die gemagtigde beampte toe laat, by gebreke waarvan die aansoek vervul is. Met dien verstande dat indien 'n reg van huurpact ten opsigte van 'n onopgemete perseel soos in artikel 52 (5) van die Wet en regulasie 20 beoog, geregistreer is ten opsigte van grond in die voorgestelde dorp, die gemagtigde beampte kan verklaar dat die aansoek nie verval of nie verval het nie, en hy verder die nodige plann, diagramme en titelaktes kan laat voorberei en aan hom laat lewer en dit by die Registrateur laat indien op koste van die dorpsdigter.

(3) Sodra die Registrateur met die titelaktes gehandel het soos in subregulasie (1) bedoel, moet hy die gemagtigde beampte in kennis stel van die betrokke endossement of registrasies, en daarna mag die Registrateur, buite en behalwe die oordrag van 'n openbare oop ruimte soos in regulasie 25 (1) (a) beoog, geen verdere transaksies registreer ten opsigte van enige grond geleë in die voorgestelde dorp nie, tot tyd en wyl die Registrateur die skriftelike kennisgewing van die gemagtigde beampte in regulasie 25 (2) bedoel, ontvang het. Met dien verstande dat hierdie subregulasie nie uitgelê word nie as sou dit die Registrateur stel om 'n reg van huurpact ten opsigte van 'n onopgemete perseel in die voorgestelde dorp te registreer soos in artikel 52 (5) van die Wet en regulasie 20 beoog.

VOORTSETTING VAN AANSOEK DEUR NUWE DORPSDIGTER

22. (1) Indien die eiendomstreg van grond ten opsigte waarvan aansoek om die stigting van 'n dorp gedoen is, verander het, of die betrokke grond beskikbaar gestel is aan 'n ander persoon of liggam ingevolge artikel 34 (9) van die Wet, as die persoon of liggam aan wie die grond oorspronklik beskikbaar gestel was, of 'n ander persoon as die oorspronklike dorpsdigter die agent geword het van die eienaar of sy toestemming verkry het om 'n dorp op die grond te stig, en die nuwe eienaar van die grond of nuwe persoon of liggam aan wie die grond beskikbaar gestel is, of die nuwe agent of die nuwe houder van die toestemming, die gemagtigde beampte skriflik in kennis stel dat hy beging is om met die aansoek voort te gaan, kan die gemagtigde beampte, indien die aansoek nie verval het nie, toestem tot die voortsetting van die aansoek deur sodanige nuwe persoon op enige voorwaarde wat by diensreg mag ag.

(2) 'n Dorpsdigter wat kragtens subregulasie (1) voortgaan met 'n aansoek, word vir die doeleindes van hierdie regulasies geag die dorpsdigter te wees wat oorspronklik die aansoek gebring het.

KENNISGEWING WAT DIE DORP TOT GOEDGEKEURDE DORP VERKLAAR

23. (1) Nadat die Registrateur met die betrokke titelaktes gehandel het soos in regulasie 21 (1) beoog, en indien die Minister tevrede is dat die dorp binne 'n plaaslike owerheidsgebied geleë is of dat regulasie 3 (a) of (b) op die betrokke grond van toepassing is, verklaar die Minister die dorp tot goedgekeurde dorp by wyse van kennisgewing in die Staatskoerant. Met dien verstande dat die Minister, indien die veristes in regulasie 21 (1) en in hierdie subregulasie beoog, nagekom is ten opsigte van slegs een of meer gedeeltes van die grond wat deur die aansoek gemaak word, 'n goedgekeurde dorp kan verklaar ten opsigte van slegs sodanige gedeelte of gedeeltes, en hy te eniger tyd daarna, sodra aan sodanige veristes ten opsigte van die oorblywende gedeeltes grond voldoen is, sodanige gedeeltes kan verklaar as in die goedgekeurde dorp ingesluit te wees.

(2) Met ingang van die datum van die publikasie van die kennisgewing in subregulasie (1) bedoel, vestig die eiendomstreg van enige openbare plekke in die betrokke dorp, uitgesonderd enige openbare oop ruimte wat as 'n begrip, ingesondert moet word soos beoog in regulasie 25 (1), *ipso facto*, behoudens die bepalinge van regulasie 3 (b), in die plaaslike owerheid in wye se plaaslike owerheidsgebied die dorp geleë is, en sodanige vestiging moet deur die Registrateur op 'n wyse as wat by diensreg ag, geneoer word in ooreenstemming met enige wet wat die praktyk in sy kantoor reël.

KONTRAKTE EN OPSIES

24. (1) Behoudens die bepalinge van subregulasie (4), mag geen persoon, nadat 'n dorpsdigter stappe gedoen het om 'n dorp te stig—

- (a) enige kontrak sluit vir die verkoop, ruil, vervreemding of beskikking, op enige wyse, van of oor grond in die voorgestelde dorp nie; of
 - (b) 'n opsie verleen om grond in die voorgestelde dorp te koop nie,
- totdat die gemagtigde beampte die Registrateur ingevolge regulasie 25 (2) in kennis gestel het dat die grond in die dorp of in die betrokke gedeelte daarvan registreerbaar geword het uit hoofte van die feit dat aan die veristes van daardie regulasie voldoen is. Met dien verstande dat die bepalinge van hierdie subregulasie nie uitgelê word nie as sou dit betel dat—

- (i) enige persoon grond waarop hy wens 'n dorp te stig, kan koop, behoudens die voorwaarde dat, sodra die grond in die dorp of enige gedeelte daarvan in 'n registrasiekantoor registreerbaar word, soos in regulasie 25 (2) beoog, een of meer van die erwe in sodanige dorp of gedeelte daarvan aan die verkoper oorge-dra sal word;
- (ii) enige persoon 'n grondbeskikbaarheidsvooreenkomst sluit, of
- (iii) enige dorpsdigter die reg en verpligting om grond wat aan sodanige dorpsdigter behoort, te ontwikkel, aan 'n dorpsontwikkelaar, sedeer of deleger, of, in die geval van grond wat deur sodanige dorpsdigter as die behoorlik gemagtigde agent of met die toestemming van die eienaar ontwikkel word, aan enige persoon of liggam aan wie sodanige sessie of delegasie kragtens sodanige magtiging of toestemming verleen mag word, of, in die geval van grond wat aan sodanige dorpsdigter beskikbaar gestel is soos in artikel 34 (9) van die Wet beoog, aan enige persoon of liggam aan wie sodanige sessie of delegasie gegee kan word ingevolge 'n grondbeskikbaarheidsvooreenkomst.

(2) Enige persoon wat in stryd met subregulasie (1) grond vervreem, began 'n misdryf.

NOTICE DECLARING TOWNSHIP AN APPROVED TOWNSHIP

23. (1) After the Registrar has dealt with the relevant title deeds as contemplated in regulation 21 (1), and if the Minister is satisfied that the township is situated within a local authority area or that regulation 3 (a) or (b) applies to the land in question, the Minister shall declare the township an approved township by notice in the Gazette. Provided that the Minister may, in this subregulation have been completed with in respect of one or more portions of the land affected by the application only, declare an approved township in respect of such portion or portions only, and he may at any time or times thereafter, when such requirements have been complied with in respect of the remaining portions of the land, declare such portions to be included in the approved township.

(2) With effect from the date of publication of the notice referred to in subregulation (1), the ownership of any public places, excluding any public open space to be transferred as an endowment as contemplated in regulation 25 (1) in the township concerned shall, subject to the provisions of regulation 3 (b), *ipso facto* vest in the local authority within whose local authority area the township is situated, and such vesting shall be recorded by the Registrar subject to any law governing the practice of his office in such manner as he may deem appropriate.

CONTRACTS AND OPTIONS

24. (1) Subject to the provisions of subregulation (4), no person shall, after a township applicant has taken steps to establish a township—

- (a) enter into a contract for the sale, exchange, alienation or disposal in any other manner of land in the proposed township; or
 - (b) grant an option to purchase land in the proposed township,
- until such time as the authorised officer has notified the Registrar in terms of regulation 25 (2) that the land in the township or in the relevant portion thereof has become registrable by virtue of the fact that the requirements contemplated in that regulation have been met. Provided that the provisions of this subregulation shall not be construed as prohibiting—

- (i) any person from purchasing land on which he wishes to establish a township subject to a condition that upon the land in the township or any part thereof becoming registrable in a registration office, as contemplated in regulation 25 (2), one or more of the erwe in such township or part thereof will be transferred to the seller;
- (ii) any person from concluding a land availability agreement; or
- (iii) any township applicant from ceding or delegating the right and obligation to develop any land owned by such township applicant to a township developer, or in the case of any land being developed by such township applicant as the duly authorised agent or with the consent of the owner, to any person or body to whom such cession or delegation may take place in terms of such authority or consent, or, in the case of land made available to such township applicant as contemplated in section 34 (9) of the Act, to any person or body to whom such cession or delegation may take place in terms of a land availability agreement.

(2) Any person who disposes of land in contravention of subregulation (1) shall be guilty of an offence.

CONTINUATION OF APPLICATION BY NEW APPLICANT

22. (1) If the ownership of land in respect of which an application for the establishment of a township has been made has changed or the land concerned has been made available to a person or body as contemplated in section 34 (9) of the Act, other than the one to whom the land was originally made available, or a person other than the original township applicant has become the agent of the owner or has been granted his consent to establish a township on the land, and the new owner of the land or new person or body to whom the land was made available, or the new agent or consent holder notifies the authorised officer in writing that he wishes to continue with the application, the authorised officer may, if the application has not lapsed, consent to the continuation of the application by such new person on any condition he may deem expedient.

(2) A township applicant who continues with an application in terms of subregulation (1) shall, for the purposes of these regulations, be deemed to be the township applicant who originally made the application.

(3) Vir die doeleindes van subregulasie (1) beteken—

- (a) "stappe" ook stappe wat 'n aansoek in regulasie 7 beoog, voorafgaan;
- (b) "enige kontrak" ook 'n kontrak wat onderworpe is aan enige voorwaarde, met inbegrip van 'n opskortende voorwaarde.
- (4) Ondanks die bepalings van subregulasie (1), kan 'n dorpsdigter of ander persoon of liggaam wat geregtig sou gewees het om oor grond in die voorgeselde dorpe te beskik, as dit nie was vir die bepalings van subregulasie (1) nie, 'n kontrak soos beoog in daardie subregulasie sluit, insluitende 'n kontrak vir die toekennig van 'n reg van huurpagg ten opsigte van 'n perseel wat nog nie opgemeet is nie, soos in artikel 52 (5) van die Wet en regulasie 20 beoog, indien—
- (a) die aansoek om die stigting van 'n dorpe 'n goedgekeurde aansoek geword het vir sover dit betrekking het op grond waarop die kontrak in subregulasie (1) beoog, betrekking het; en
- (b) in die geval van 'n dorpsdigter wat nie 'n plaaslike owerheid is wat alle ingenieursdienste aan die dorpe verskaf soos in regulasie 30 beoog nie, sodanige dorpsdigter en die betrokke gesag, albei hulle diensverpligtinge nagekom het ingevolge 'n diensverpligtinge of 'n bepaling van 'n diensverpligtinge raad soos in regulasie 31 beoog, ten opsigte van die grond waarop die kontrak in subregulasie (1) beoog, betrekking het, of, alternatiewelik—

- (i) die dorpsdigter, ten opsigte van sodanige grond, aan die gemagtigde beampte 'n waarborg deur 'n bank, bouvereniging of ander finansiële instelling of enige ander waarborg aanvaarbaar vir die gemagtigde beampte gelewer het, wat uitgedruk word betaalbaar te wees aan die betrokke gesag, vir 'n bedrag wat voldoende is om die koste verbonde aan die voltooiing van die diens te waarvoor die dorpsdigter verantwoordelik is soos in hierdie paragraaf beoog, te dek, ingeval die dorpsdigter nie sy verpligtinge ten opsigte van sodanige diens teen 'n datum vermeld in die waarborg nagekom het nie; en
- (ii) die betrokke gesag, ten opsigte van sodanige grond aan die gemagtigde beampte 'n onderrigting deur die Staat of enige stamre liggaam, of 'n waarborg deur 'n bank, bouvereniging of ander finansiële instelling, of enige ander waarborg aanvaarbaar vir die gemagtigde beampte, gelewer het, wat uitgedruk word betaalbaar te wees aan die dorpsdigter ten opsigte van die betrokke gesag se diensverpligtinge in hierdie paragraaf beoog, *mutatis mutandis* in die vorm in subparagraaf (i) bedoel.

- (c) in die geval van 'n plaaslike owerheid wat al die ingenieursdienste aan die dorpe verskaf soos in regulasie 30 beoog, sodanige dorpsdigter alle ingenieursdienste geïnstalleer en voorstien het met betrekking tot die grond waarop die kontrak in subregulasie (1) beoog, betrekking het, en 'n sertifikaat deur die gemagtigde beampte uitgereik met die strekking dat aan paragrafe (a) en (b), of (a) en (c), na gelang van die geval, voldoende is ten opsigte van die betrokke grond, dien as prima facie bewys vir alle doeleindes ingevolge hierdie regulasies, dat die vereistes uiteengesit in paragrafe (a) en (b), of (a) en (c), na gelang van die geval, nagekom is. Met dien verstande dat niks in hierdie regulasie vervat, afbreek doen aan die bepalings van regulasies 21 (3) en 25 (2) nie.

(3) For the purposes of subregulation (1)—

- (a) "steps" includes steps preceding an application contemplated in regulation 7;
- (b) "any contract" includes a contract that is subject to any condition, including a suspensive condition.
- (4) Notwithstanding the provisions of subregulation (1), a township applicant or any other person or body who or which would have been entitled to dispose of land in the proposed township were it not for the provisions of subregulation (1) may enter into a contract as contemplated in that subregulation, including a contract for a grant of a right of leasehold in respect of premises that have not yet been surveyed, as contemplated in section 52 (5) of the Act and regulation 20, if—
- (a) the application for the establishment of a township has become an approved application in so far as it relates to the land to which the contract contemplated in subregulation (1) relates; and
- (b) in the case of a township applicant who is not a local authority providing all engineering services to the township as contemplated in regulation 30, such township applicant and the relevant authority have both fulfilled their service responsibilities in terms of a services agreement or the determination by a services arbitration board as contemplated in regulation 31 in respect of the land to which the contract contemplated in subregulation (1) relates, or, alternatively—
- (i) the township applicant has, in respect of such land, delivered to the authorised officer a guarantee by a bank, building society or other financial institution, or any other guarantee acceptable to the authorised officer, which shall be expressed to be payable to the relevant authority, in an amount sufficient to cover the costs of completion of the services for which the township applicant is responsible as contemplated in this paragraph, in the event of the township applicant not having fulfilled his obligations in respect of such services by a date stated in the guarantee; and
- (ii) the relevant authority has, in respect of such land, delivered to the authorised officer an undertaking by the State or any statutory body, or a guarantee by a bank, building society or other financial institution, or any other guarantee acceptable to the authorised officer, which shall be expressed to be payable to the township applicant, in respect of the relevant authority's service responsibilities contemplated in this paragraph, *mutatis mutandis* in the form intended in subparagraph (i).

- (c) in the case of a local authority providing all engineering services to the township as contemplated in regulation 30, such township applicant has installed and provided all engineering services in respect of the land to which the contract contemplated in subregulation (1) relates,

and a certificate issued by the authorised officer to the effect that paragraphs (a) and (b) or (a) and (c), as the case may be, have been complied with in respect of the relevant land shall serve as prima facie proof for all purposes in terms of these regulations that the requirements set out in paragraphs (a) and (b) or (a) and (c), as the case may be, have been met. Provided that nothing contained in this regulation shall detract from the provisions of regulations 21 (3) and 25 (2).

(5) Ondanks die bepalings van subregulasie (4), word niks in hierdie regulasies so uitgedruk dat aan regulasie (4) voldoen moet word in geval van, of 'n verbod plaas op die toekennig van 'n reg van huurpagg ten opsigte van 'n perseel wat nog nie opgemeet is nie, soos in artikel 52 (5) van die Wet beoog, waar 'n dorpe nie ingevolge hierdie regulasie gestig word nie, of waar die Minister 'n persoon of liggaam van die bepalings van hierdie regulasies vrygestel het soos in regulasie 2 (b) beoog.

BEGIFTIGINGS EN REGISTRASIE IN REGISTRASIE-KANTOOR

25. (1) Waar van 'n dorpsdigter verlang word om—
- (a) grond wat op die uitlegplan bestem is vir gebruik as 'n openbare oop ruimte aan 'n plaaslike owerheid oor te dra; of
- (b) 'n begiftiging in kontant te betaal aan die plaaslike owerheid in plaas van die oordrag van sodanige grond,
- uit hoofde van 'n stigtingsvoorwaarde in regulasie 16 bedoel, moet die grond aldus oorgedra word op die koste van die dorpsdigter of moet die begiftiging aldus betaal word, na gelang van die geval, binne 'n tydperk van 6 maande vanaf die datum van publikasie van die kennisgewing in regulasie 23 beoog of binne sodanige langer tydperk as wat die gemagtigde beampte mag toelaat.

(2) Sodat—

- (a) die grond of enige gedeelte daarvan kragtens regulasie 23 (1) tot goedgekeurde dorpe verklaar is;
- (b) behoudens subregulasie 2 (c) of (d), alle stigtingsvoorwaardes deur die Minister kragtens regulasie 16 opgele, nagekom is, met inbegrip van die oordrag van openbare oop ruimtes, of die betaling van 'n kontantbedrag in plaas van sodanige oordrag, by wyse van 'n begiftiging; en
- (c) in die geval van 'n dorpsdigter wat nie 'n plaaslike owerheid is wat alle ingenieursdienste aan die dorpe verskaf soos in regulasie 30 beoog nie, sodanige dorpsdigter en die betrokke gesag, albei hulle diensverpligtinge nagekom het, of, in die alternatiewelik, waarborgte of onderneemings gelewer het, *mutatis mutandis* soos in regulasie 24 (4) (b) beoog; of
- (d) in die geval van 'n dorpsdigter wat 'n plaaslike owerheid is wat alle ingenieursdienste aan die dorpe verskaf soos in regulasie 30 beoog, sodanige dorpsdigter al sodanige ingenieursdienste geïnstalleer en verskaf het, moet die gemagtigde beampte die Registrateur in kennis stel dat die betrokke grond geregistreer kan word deurdat die vereistes van paragrafe (a), (b) en (c), of (a), (b) en (d), na gelang van die geval, nagekom is, en moet hy ook die grond in die dorpe ten opsigte waarvan sodanige vereistes nagekom is, identifiseer, en kan die Registrateur, met inbegrip van die datum van sodanige kennisgewing, begin om transaksies ten opsigte van die betrokke grond te registreer. Met dien verstande dat, indien die grond wat in die gemagtigde beampte se kennisgewing aan die Registrateur, soos in hierdie subregulasie beoog, geïdentifiseer is, verband hou met slegs 'n gedeelte van die voorgeselde dorpe, die gemagtigde beampte, van tyd tot tyd, nadat hy sodanige kennis aan die Registrateur gegee het, die Registrateur in kennis kan stel wanneer grond in die oorblywende gedeeltes van die dorpe registreerbaar word.

(5) Notwithstanding the provisions of subregulation (4), nothing contained in these regulations shall be construed as requiring subregulation (4) to be complied with in the case of or prohibiting a grant of a right of leasehold in respect of premises which have not yet been surveyed, as contemplated in section 52 (5) of the Act, where a township is not being established under these regulations or where the Minister has exempted any person or body from the provisions of these regulations as contemplated in regulation 2 (b).

ENDOWMENTS AND REGISTRATION IN REGISTRATION OFFICE

25. (1) Where a township applicant is required to—
- (a) transfer land designated on the layout plan for use as a public open space to a local authority; or
- (b) pay an endowment in cash to the local authority in lieu of the transfer of such land,
- by virtue of a condition of establishment referred to in regulation 16, the land shall be so transferred at the cost of the township applicant or the endowment shall be so paid, as the case may be, within a period of six months from the date of publication of the notice contemplated in regulation 23 or within such further period as the authorised officer may allow.

(2) As soon as—

- (a) the land or any portion thereof has been declared an approved township in terms of regulation 23 (1);
- (b) subject to subregulation (2) (c) or (d), all conditions of establishment imposed by the Minister in terms of regulation 16 have been complied with, including the transfer of public open spaces, or the payment of an amount in cash in lieu of such transfer, by way of an endowment; and
- (c) in the case of a township applicant who is not a local authority providing all engineering services to the township as contemplated in regulation 30, such township applicant and the relevant authority have both fulfilled their service responsibilities or, alternatively, have delivered guarantees or undertakings, *mutatis mutandis* as contemplated in regulation 24 (4) (b); or
- (d) in the case of a township applicant who is a local authority providing all engineering services in respect of the township as contemplated in regulation 30, such township applicant has installed and provided all such engineering services,
- the authorised officer shall notify the Registrar that the relevant land has become registrable in that the requirements of paragraphs (a), (b) and (c) or (a), (b) and (d), as the case may be, have been met, and shall also identify the land in the township in respect of which such requirements have been met, and the Registrar may, with effect from the date of such notice, proceed to register transactions in respect of the relevant land. Provided that, if the land identified in the authorised officer's notice to the Registrar as contemplated in this subregulation relates to a portion only of the proposed township, the authorised officer may, from time to time after having given such notice to the Registrar, notify the Registrar when land in the remaining portions of the township becomes registrable.

HOOFSTUK V INGENIEURSDIENSTE

VOORSTENING VAN INGENIEURSDIENSTE

26. (1) Behoudens die bepalings van regulasie 30, moet elke dorp wat ingevolge hierdie regulasies gestig is, voorsien word van sodanige ingenieursdienste as wat in 'n diensteooreenkoms, tussen die dorpsdigter en die plaaslike owerheid, indien daar een is, ooreengekom is, binne wie se plaaslike owerheidsgebied die goedgekeurde dorp ingesluit sal word, of, in die afwesigheid van sodanige plaaslike owerheid, die gemagtigde beampte handelende as die verteenwoordiger van die Minister, die betrokke administrateur, of die persoon of liggaam deur die Minister aangewys soos in regulasie 3 (b) (i) bedoel (sodanige persoon, owerheid of beampte word die "betrokke gesag" genoem).

(2) 'n Diensteooreenkoms in subregulasie (1) beoog, moet—

- (a) wesenlik voldoen aan die riglyne in Aanhangsel E uitengesluit, of sodanige ander of bykomende riglyne as wat die gemagtigde beampte van tyd tot tyd mag uitrek of in 'n bepaalde geval bepaal, en
- (b) voorgeel aan en goedgekeur word deur die gemagtigde beampte. Met dien verstande dat, indien die gemagtigde beampte die betrokke gesag is, sodanige voorlegging of goedkeuring nie verlang word nie.

(3) Indien die partye van wie verreis word om 'n diensteooreenkoms te sluit, nie tot 'n ooreenkoms kan geraak oor 'n aangeleentheid wat by die ooreenkoms ingesluit moet word nie, of hoegenaam nie tot 'n ooreenkoms kan kom nie, moet sodanige aangeleentheid waarvoor die partye nie tot 'n vergelyk kan kom nie, deur die gemagtigde beampte aan 'n diensteoarbitrasieraad voorgelê word soos in regulasie 31 beoog.

KLASSIFIKASIE EN VLAK VAN INGENIEURS-DIENSTE

27. (1) Ledere ingenieursdiens wat vir 'n dorp voorsien word, moet, in die geval van 'n dorpsdigter wat nie 'n plaaslike owerheid is nie—

- (a) in 'n diensteooreenkoms geklassifiseer word, of
- (b) by ontstentenis van sodanige ooreenkoms, deur 'n diensteoarbitrasieraad geklassifiseer word,

as 'n interne of eksternie ingenieursdiens, ooreenkomsig die riglyne in Aanhangsel E uitengesluit, welke dienste wat al-dus geklassifiseer word, in hierdie hoofstuk onderskeidelik "interne ingenieursdienste" en "eksternie ingenieursdienste", genoem word.

(2) Ledere ingenieursdiens wat vir 'n dorp voorsien moet word, moet van 'n standaard wees wat toepaslik is vir die voorsiening van ingenieursdienste in die dorp aan die betrokke gemeenskap. Met dien verstande dat indien 'n geskied met betrekking tot die ingenieursontwerpstandaarde tussen die partye wat verantwoordelik is vir die voorsiening van sodanige dienste sou ontstaan, sodanige geskied deur die gemagtigde beampte na 'n diensteoarbitrasieraad vir 'n uitsluitelike verwyysing kan word.

VERANTWOORDELIKHED VIR INSTALLERING EN VOORSTENING VAN INGENIEURSDIENSTE

28. (1) Behoudens die bepalings van regulasie 30—

(a) is die dorpsdigter verantwoordelik vir die installering en voorsiening van interne ingenieursdienste, en

(b) is die betrokke gesag verantwoordelik vir die installering en voorsiening van eksternie ingenieursdienste.

CHAPTER V ENGINEERING SERVICES

PROVISION OF ENGINEERING SERVICES

26. (1) Subject to the provisions of regulation 30, every township established under these regulations shall be provided with such engineering services as may be agreed in a services agreement between the township applicant and the local authority, if any, within whose local authority area the approved township will be included or, in the absence of such local authority, the authorised officer acting as the representative of the Minister, the relevant administrator, or the person or body designated by the Minister as contemplated in regulation 3 (b) (i) (such person, authority or officer being referred to as "the relevant authority").

(2) Any services agreement contemplated in subregulation (1) shall—

- (a) comply substantially with the guide-lines set out in Annexure E, or such other or additional guide-lines as may be issued by the authorised officer from time to time, or determined by him in any particular case; and
- (b) be submitted to and approved by the authorised officer. Provided that, if the authorised officer is the relevant authority, no such submission or approval shall be required.

(3) If the parties required to conclude the services agreement are unable to reach agreement on any matter to be included in the agreement, or at all, such matters as the parties are unable to agree shall be referred to a services arbitration board by the authorised officer, as contemplated in regulation 31.

CLASSIFICATION AND LEVEL OF ENGINEERING SERVICES

27. (1) Every engineering service to be provided for a township shall, in the case of a township applicant who is not a local authority—

- (a) be classified in a services agreement; or
- (b) in the absence of such an agreement, be classified by a services arbitration board,

as an internal or external engineering service in accordance with the guide-lines set out in Annexure E, such services so classified being referred to in this Chapter as "internal engineering services" and "external engineering services" respectively.

(2) Every engineering service to be provided for a township shall be of such a standard as is appropriate for the provision of engineering services in the township for the community concerned. Provided that, if a dispute regarding the engineering design standards should arise between the parties responsible for the provision of such services, then such dispute may be referred by the authorised officer to a services arbitration board for decision.

RESPONSIBILITY FOR INSTALLATION AND PROVISION OF ENGINEERING SERVICES

28. (1) Subject to the provisions of regulation 30—

(a) the township applicant shall be responsible for the installation and provision of internal engineering services; and

(b) the relevant authority shall be responsible for the installation and provision of external engineering services.

(2) Ondanks die bepalings van subregulasie (1)—

(a) kan die betrokke gesag, op versoek en op die koste van die dorpsdigter, enige interne ingenieursdiens installeer en voorsien of sodanige diens laat installeer en voorsien;

(b) kan die dorpsdigter, op versoek en op die koste van die betrokke gesag, enige eksternie ingenieursdiens installeer en voorsien of sodanige diens laat installeer en voorsien; of

(c) kan die dorpsdigter enige eksternie ingenieursdiens installeer en voorsien waarvan die betrokke gesag nie die verskaffer is nie, en word die koste van sodanige installering en voorsiening nie deur die betrokke gesag gedra nie.

INGENIEURSDIENSTE MOET TOT TEVREDENHEID VAN BETROKKE GESAG WEES

29. Behoudens die bepalings van regulasie 30, moet die interne en enige eksternie ingenieursdiens geïnstalleer of voorsien deur die dorpsdigter, geïnstalleer en voorsien word ooreenkomsig die diensteooreenkoms of die besluit van die diensteoarbitrasieraad, na gelang van die geval, tot tevredeheid van die betrokke gesag, en vir dié doel moet die dorpsdigter by die betrokke gesag sodanige verslae, tekeninge, en spesifikasies indien as wat die betrokke gesag mag verlang.

INDIEN DORPSDIGTER 'N PLAASLIKE OWERHEID IS

30. Indien die dorpsdigter 'n plaaslike owerheid is, is hy verantwoordelik vir die installering en voorsiening van alle ingenieursdienste wat aan die dorp voorsien moet word.

DIENTEARBITRASIERADE

31. (1) Die minister kan, van tyd tot tyd, by skriftelike aansiening, een of meer diensteoarbitrasieraad instel om enige aangeleentheid te ondersoek wat na hulle verwyys word, en die gemagtigde beampte kan enige bepaalde vraag of algemene aangeleentheid wat by diensig ag of wat kragtens hierdie regulasies deur so 'n raad bepaal kan word, na so 'n raad verwyys vir uitsluitelike.

(2) 'n Diensteoarbitrasieraad bestaan uit die volgende lede deur die Minister aangestel op sodanige bedinge en voorwaardes as wat hy mag bepaal:

- (a) 'n President, wat 'n advokaat of prokureur of afgetrede regter of landdros moet wees;
- (b) Een persoon wat as 'n professionele ingenieur geregistreer is ingevolge die Wet op Professionele Ingenieurs, 1968 (Wet 81 van 1968).
- (c) Een persoon wat as 'n rekenmeester en ouditeur geregistreer is ingevolge die Wet op Openbare Rekenmeesters en Ouditeure, 1951 (Wet 51 van 1951).

(d) Een persoon met ondervinding in plaaslike owerheidsaangeleenthede.

(3) 'n Diensteoarbitrasieraad maak sy eie reëls betreffende sy prosedure en vertigtinge.

(4) Aan 'n lid van 'n diensteoarbitrasieraad word sodanige gelde en toelae betaal as wat die Tesourie van tyd tot tyd mag bepaal, hetsy in die algemeen of in die besonder.

(5) Enige party by 'n aangeleentheid wat voor 'n diensteoarbitrasieraad dien, kan persoonlik verslyng of deur iemand anders verteenwoordig word.

(6) 'n Diensteoarbitrasieraad kan sodanige besluit met betrekking tot koste van die vertigtinge neem as wat hy regverdig ag, en waar hy besluit dat koste teen 'n party toegeken moet word, moet hy die bedrag daarvan in sy diskresie bepaal.

(2) Notwithstanding the provisions of subregulation (1)—

(a) the relevant authority may, at the request and at the expense of the township applicant, install and provide any internal engineering service or cause such service to be installed and provided;

(b) the township applicant may, at the request and at the expense of the relevant authority, install and provide any external engineering service or cause such service to be installed and provided; or

(c) the township applicant may install and provide any external engineering service of which the relevant authority is not the supplier, and the costs of such installation and provision shall not be borne by the relevant authority.

ENGINEERING SERVICES TO BE TO SATISFACTION OF RELEVANT AUTHORITY

29. Subject to the provisions of regulation 30, the internal and any external engineering services installed or provided by the township applicant shall be installed and provided in accordance with the services agreement or the decision of the services arbitration board, as the case may be, to the satisfaction of the relevant authority, and for that purpose the township applicant shall lodge with the relevant authority such reports, drawings and specifications as the relevant authority may require.

IF TOWNSHIP APPLICANT IS LOCAL AUTHORITY

30. If the township applicant is a local authority, it shall be responsible for the installation and provision of all engineering services to be provided in respect of the township.

SERVICES ARBITRATION BOARDS

31. (1) The Minister may, from time to time, by appointment in writing, establish one or more services arbitration boards to investigate any matter referred to them, and the authorised officer may refer any particular question or general matter which he considers appropriate or which in terms of these regulations may be determined by such a board to such a board for decision.

(2) A services arbitration board shall consist of the following members appointed by the Minister on such terms and conditions as he may determine:

- (a) A president, who shall be an advocate or an attorney or a retired judge or magistrate.
- (b) One person registered as a professional engineer in terms of the Professional Engineers' Act, 1968 (Act 81 of 1968).
- (c) One person registered as an accountant and auditor in terms of the Public Accountants' and Auditors' Act, 1951 (Act 51 of 1951).

(d) One person with experience in local government affairs.

(3) A services arbitration board may make its own rules regarding its procedure and proceedings.

(4) A member of a services arbitration board shall be paid such fees and allowances as the Treasury may from time to time determine, either generally or specifically.

(5) Any party to a matter being considered by a services arbitration board may appear before the board in person or may be represented by any other person.

(6) A services arbitration board may make such decision regarding costs of proceedings as it may deem just, and where it decides that costs shall be awarded against any party it shall, in its discretion, also determine the amount thereof.

(7) Sodra 'n dienstebetrassiering tot 'n besluit geraak het oor 'n aangeleentheid wat kragtens hierdie regulasie na hom verwys is, moet hy sonder vertraging die gemagtigde beampte en die partye van sodanige besluit in kennis stel, en daarna word sodanige besluit afdoenende en bindend vir die partye by die geski.

(8) 'n Dienstebetrassiering moet, op skriftelike versoek van enige party by die aangeleentheid ten opsigte waarvan sodanige raad uitsluitend gegee het soos in subregulasie (7) beoog, sy skriftelike redes aan sodanige party verstrekk, en ook aan enige ander party by die geski.

HOOFSTUK VI

GRONDGEBRUIK

GRONDGEBRUIKSVORWAARDES

32. (1) Die titeelvoorwaardes of dorpsvoorwaardes wat deur die Staat, 'n administrateur, 'n plaaslike owerheid of dorpsregering opgelê en geregistreer kan word soos in artikel 57B van die Wet beoog, is soos in Aanhangsel F uiteengesit, hetsy 'n dorp ingevolge hierdie regulasies gestig is al dan nie.

(2) Die grondgebruiksvorwaardes in subregulasie (1) bedoel, word sover doenlik by verwysing in 'n grondbrief, 'n eerste transportakte van eiendomstreg of 'n sertifikaat in artikel 57B van die Wet bedoel, ingelyf, en 'n verwysing na sodanige voorwaardes in sodanige grondbrief, transportakte of sertifikaat word gedoen wesenlik op die wyse voorgeskrif in paragraaf 7 van die aansoekvorm bedoel in regulasie 7, wat in Aanhangsel B uiteengesit is, en soos bedoel in Aanhangsel E van die Houtregulasies, 1985.

(3) Ondanks die bepalinge van subregulasies (1) en (2) is die Staat, 'n administrateur, plaaslike owerheid of dorps-ontwikkelaar nie verplig om die grondgebruiksvorwaardes in die bedoelde subregulasies beoog, op te lê en te registreer nie, maar kan, in plaas daarvan, sodanige gewysigde of vervangende voorwaardes op lê en registreer met betrekking tot die gebruik van die betrokke grond, wesenlik in die alternatiewe vorms in paragraaf 7 van Aanhangsel B uiteengesit.

TITTEL

33. Hierdie regulasies heet die Dorpsstigting- en Grondgebruikregulasies, 1986.

AANHANGSEL A

RIGLYNE VIR GRONDBESKIKBAARHEIDS- OOREENKOMS

'n Grondbeskikbaarheids-ooreenkoms in regulasie 4 bedoel, moet onder andere aan die volgende riglyne voldoen:

1. PARTYE

Die name van die partye by die ooreenkoms en hulle besigheidsadresse moet vermeld word.

2. DIE GROND

Daar behoort 'n voldoende omskrywing van die grond waarop die ooreenkoms betrekking het, te wees, met verwysing na byvoorbeeld enige tielake waaronder die grond gehou word, 'n diagram voorbetre deur 'n geregisterde landmeter, of enige algemene plan wat ten opsigte van daardie grond voorberei is.

3. VOORWAARDES

3.1 Indien die ooreenkoms onderworpe is aan die nakoming van enige voorwaardes, moet sodanige voorwaardes duidelik vermeld word. Die voorwaardes kan byvoorbeeld voorwaardes insluit met betrekking tot—

3.1.1 die Minister se goedkeuring van die bedinge waarop die grond beskikbaar gestel word,

(7) As soon as a services arbitration board has reached its decision on any matter referred to it in terms of this regulation, it shall forthwith inform the authorised officer and the parties to the dispute of such decision, and thereupon such decision shall become final and binding on the parties to the dispute.

(8) A services arbitration board shall, at the written request of any party to any matter in respect of which such board has made a decision as contemplated in subregulation (7), furnish its reasons for such decision in writing to such party and also to any other party to the dispute.

CHAPTER VI

LAND USE

LAND USE CONDITIONS

32. (1) Whether or not a township has been registered in terms of these regulations, the conditions of title or township conditions that may be imposed by the State, an administrator, a local authority or a township developer and registered as contemplated in section 57B of the Act shall be as set out in Annexure F.

(2) The land use conditions contemplated in subregulation (1) shall as far as possible be incorporated by reference into a deed of grant, a first deed of transfer of ownership or a certificate referred to in section 57B of the Act, and reference to such conditions in such deed of grant, deed of transfer or certificate shall be made substantially in the manner prescribed in paragraph 7 of the application form contemplated in regulation 7, which is set out in Annexure B, and as contemplated in Annexure E to the Lessehold Regulations, 1985.

(3) Notwithstanding the provisions of subregulations (1) and (2), the State, an administrator, a local authority or a township developer shall not be obliged to impose and register the land use conditions contemplated in the said subregulations, but may, instead, impose and register amended or substituting conditions relating to the use of the land in question, substantially in the alternative forms set out in paragraph 7 of Annexure B.

TITTEL

33. These regulations may be cited for all purposes as the Township Establishment and Land Use Regulations, 1986.

ANNEXURE A

GUIDELINES FOR LAND AVAILABILITY AGREEMENT

A land availability agreement as contemplated in regulation 4 shall comply *inter alia* with the following guidelines:

1. PARTIES

The names of the parties to the agreement and their business addresses must be stated.

2. THE LAND

There should be an adequate definition of the land to which the agreement relates, with reference to, for example, any title deed under which the land is held, a diagram prepared by a registered land surveyor or any general plan that has been prepared in respect of that land.

3. CONDITIONS

3.1 If the agreement is made subject to the fulfilment of any conditions, these conditions must be clearly stated. They may include, for instance, conditions relating to—

3.1.1 the Minister's approval on the terms on which the land is made available.

3.1.2 die Minister se goedkeuring van die feit dat die bedinge waarop die grond beskikbaar gestel word, is soos in die grondbeskikbaarheids-ooreenkoms uiteengesit.

3.1.3 die Minister se goedkeuring van die reg van die persoon of liggaam aan wie die grond beskikbaar gestel word, om enige van sy regte en verpligtinge uit hoofde van die ooreenkoms te sedeer of te deleger (indien van toepassing).

3.1.4 die stigting van 'n dorp op die grond,

3.1.5 die inlywing van die grond in die jurisdiksiegebied van enige liggaam of owerheid.

3.2 Indien enige voorwaardes soos in paragraaf 3.1 bedoel, gestel is, moet die ooreenkoms duidelik meld wat die gevolg sal wees indien sodanige voorwaardes nie nagekom word nie.

4. DORPSBEPLANNINGSANGELEENTHEDE EN AANSOEK OM STIGTING VAN DORP

4.1 Indien 'n dorp nie alreeds op die betrokke grond gestig is nie, of die toepaslike dorpsbeplanning- en opmetingswerk nog nie voltooi is nie, moet die ooreenkoms melding van die partye verantwoordelik sal wees om dit te laat doen en ook binne watter tydperk.

4.2 Indien die partye alreeds ooreenkoms, kan die persoon of liggaam aan wie die grond beskikbaar gestel word, deur die liggaam wat die grond beskikbaar stel, aangewys word om die nodige dorpsbeplanning- en opmetingswerk te laat doen en om aansoek te doen om die stigting van 'n dorp op die grond.

4.3 Die ooreenkoms behoort aangeleenthede wat betrekking het op die wyse waarop die dorp gestig sal word, byvoorbeeld die voorgestelde stigtingsvoorwaardes wat nagekom moet word, te reël.

5. DIENSTE

5.1 Indien die betrokke grond nog nie van dienste voorsien is nie, en indien die persoon of liggaam wat die grond beskikbaar stel ook die betrokke gesag is waarna in regulasie 26 (1) verwys word, moet die ooreenkoms die onderskeie verantwoordelikhede van die partye om voorsiening vir dienste te maak ten opsigte van die grond, *mutatis mutandis*, in ooreenstemming met die riglyne ten opsigte van dienste-ooreenkoms te vervat in Aanhangsel E van hierdie regulasies, asook die tydperk waarbinnen sodanige dienste voltooi moet wees, meld.

5.2 Indien die betrokke grond beskikbaar gestel word deur 'n ander persoon of liggaam as 'n betrokke gesag soos in paragraaf 5.1 bedoel, is dit nie nodig om die dienste in besonderhede te omskryf nie, en 'n opsomming van die vlak of vlakke van sodanige dienste sal voldoende wees.

6. OPRIGTING VAN VERBETERINGE

6.1 Die onderskeie verantwoordelikhede van die partye om verbeteringe op die betrokke grond op te rig, moet duidelik uit die ooreenkoms blyk.

6.2 Met inagning van die bepalinge van regulasie 24, behoort dit uit die ooreenkoms duidelik te blyk wanneer kontrakte vir die verryemding van die grond gesluit kan word.

6.3 Die standaard van enige verbeteringe wat aangeblyng moet word, moet duidelik uit die ooreenkoms blyk.

6.4 Daar moet bepaal word wanneer die oprigting van verbeteringe 'n aanvang sal neem en wanneer sodanige verbeteringe voltooi sal wees.

6.5 Die ooreenkoms moet sover as moontlik 'n buigsame raamwerk daarsel, wat aan die persoon of liggaam aan wie die grond beskikbaar gestel is, 'n diskresie sal verleen om die fases, indien daar is, waarbinnen die ontwikkeling sal plaasvind, te bepaal.

3.1.2 the Minister's approval of the fact that the terms on which the land is made available are as set out in the land availability agreement,

3.1.3 the approval by the Minister of the right of the person or body to whom the land is made available to cede or delegate any of its rights and obligations in terms of the agreement (if appropriate).

3.1.4 the establishment of a township on the land,

3.1.5 the incorporation of the land into the area of jurisdiction of any body or authority.

3.2 If any conditions as contemplated in paragraph 3.1 were imposed, the agreement must state clearly what the effect would be if any such conditions are not fulfilled.

4. TOWN PLANNING MATTERS AND APPLICATION FOR TOWNSHIP ESTABLISHMENT

4.1 If a township has not yet been established on the land concerned, or if the relevant town planning and land survey work has not yet been completed, the agreement must state which of the parties will be responsible for having this done and also within what period of time.

4.2 If the parties so agree, the person or body to whom the land is made available may be appointed by the body making the land available to it to have the necessary town planning and land survey work done and to make application for the establishment of a township on the land.

4.3 The agreement should regulate matters relating to the manner in which the township will be established, e.g. the proposed conditions of establishment that must be fulfilled.

5. SERVICES

5.1 If the land concerned has not yet been provided with services, and if the person or body making the land available is also the relevant authority referred to in regulation 26 (1), the agreement must address the relative responsibilities of the parties to provide services to the land, *mutatis mutandis* in accordance with the guidelines in respect of services agreements contained in Annexure E to these regulations, and also the time period within which services must be completed.

5.2 If the land concerned is being made available by a person or body other than the relevant authority referred to in paragraph 5.1, it is not necessary for the services to be described in detail, and a summary indicating the level or levels of such services will be sufficient.

6. ERECTION OF IMPROVEMENTS

6.1 The relative responsibilities of the parties to erect improvements on the land concerned must be clear from the agreement.

6.2 Having regard to the provisions of regulation 24, it should be clear from the agreement when contracts for the disposal of the land may be concluded.

6.3 The standard of any improvements to be constructed must be clear from the agreement.

6.4 It must be stated when the construction of improvements will commence and when such improvements shall have been completed.

6.5 The agreement should as far as possible provide a flexible time framework, allowing the person or body to whom the land is made available the discretion to determine the phases, if any, in which the development will take place.

7. BESKIKKING

7.1 Dit moet duidelik uit die ooreenkoms blyk watter erwe of watter getal of kategorie erwe, indien daar is, die persoon of liggaam aan wie die grond beskikbaar gestel word, verplig of geregtig is om oor te beskik.

7.2 Die ooreenkoms behoort die wyse te omskryf waarop die partye beoog om aan sekere regsverreistes te voldoen, byvoorbeeld—

7.2.1 die hoedanigheid van die persoon of liggaam aan wie die grond beskikbaar gestel is by die verlening van 'n reg van huurpaga of by die oordrag van enige van die grond aan kopers;

7.2.2 die wyse waarop die partye beoog om te handel met die omskeppling van huurpaga in eiendomstru sos in artikel 57A van die Wet bedeel.

7.3 Die partye kan die wyse waarop dorpsontwikkelaars (met inbegrip van werkgewers wat behuising aan hulle werknemers wil verskaf), uitgesonderd die persoon of liggaam aan wie die grond beskikbaar gestel is, betrokke kan maak in die ontwikkeling, byvoorbeeld, die toepasselike persoon of liggaam kan toegelaat word om sy regte en verpligtinge te seker of te deleger ten opsigte van die grondbeskikbaarheids-ooreenkoms aan sodanige sessionarisse of kategorie sessionarisse as wat in die ooreenkoms beskryf word. Indien sodanige sessie of delegasie of 'n soortgelyke transaksie gaan plaasvind, behoort die ooreenkoms eger duidelik te bepaal dat die persoon of liggaam aan wie die grond beskikbaar gestel is, self ten minste die eersvolgende stap in die ontwikkeling van die grond behoort te neem, afhaindende van die stadium van ontwikkeling waarop die grond beskikbaar gestel is, byvoorbeeld—

7.3.1 die dorpsbeplanning en opmetingswerk is voltooi;

7.3.2 die aansoek om dorpsrigting het 'n goedgekeurde aansoek geword;

7.3.3 die voorgenome dorp het 'n goedgekeurde dorp geword;

7.3.4 die installering en vooriening van dienste is afgehandel;

7.3.5 verbeterings in die vorm van wonings is opgerig.

7.4 Bepalings met betrekking tot verskeie kategorie kopers aan wie erwe van die hand gesit sal word, kan ingesluit word, byvoorbeeld—

7.4.1 persone wat hulle wonings wil laat oprig deur die persoon of liggaam aan wie die grond beskikbaar gestel is;

7.4.2 persone wat hulle erwe van die toepasselike persoon of liggaam sal verkry, maar wat hulle wonings deur ander kontrakteurs sal laat oprig;

7.4.3 persone wat hulle wonings ingevolge 'n selfhulpbehuisingsekema of enige ander skema, bedryf deur die betrokke persoon of liggaam, sal oprig.

7.5 Waar toepasselik, kan die ooreenkoms handel oor die vraag of voorrang aan kopers wat op 'n amptelike behuisingswaags geregister is, verleen sal word, asook die wyse waarop die voorrang gereel sal word.

7.6 Die ooreenkoms behoort so duidelik as moontlik 'n datum te bepaal waarop die persoon of liggaam aan wie die grond beskikbaar gestel is, die erwe waarna in paragraaf 7.1 verwys word, van die hand gesit sal hê, en behoort die regie van die partye te reel in die geval waar sodanige persoon of liggaam nie in staat is om belyds sodanige erwe van die hand te sit nie, soos om byvoorbeeld te bepaal dat so 'n persoon of liggaam die reg sal hê om sodanige erwe te verhuur.

7. DISPOSAL

7.1 It must be clear from the agreement which erven or what number or categories of erven, if any, the person or body to whom the land is made available, is obliged or entitled to dispose.

7.2 The agreement should define the manner in which the parties propose to deal with certain legal requirements, for example—

7.2.1 the capacity of the person or body to whom the land is made available in granting a right of leasehold or transferring any of the land to purchasers;

7.2.2 the manner in which the parties propose to deal with the conversion of rights of leasehold to ownership as contemplated in section 57A of the Act.

7.3 The parties may describe the manner in which township developers (including employers who wish to house their staff other than the person or body to whom the land is made available may become involved in the development, for example the relevant person or body may be allowed to cede or delegate its rights and obligations in terms of the land availability agreement to such sessionaries or categories of sessionaries as are described in the agreement. However, if such a cession or delegation or a similar transaction is to take place, the agreement should clearly provide that the person or body to whom the land is made available should itself take at least the next succeeding step in the development of the land, depending on the stage of development at which the land is made available to it, e.g.—

7.3.1 the town planning and land survey work have been completed;

7.3.2 the application for township establishment has become an approved application;

7.3.3 the proposed township has become an approved township;

7.3.4 the installation and provision of services have been completed;

7.3.5 improvements in the form of dwellings have been constructed.

7.4 Provisions may be included relating to various categories of purchasers to whom erven will be disposed of, for example—

7.4.1 person who will have their dwellings constructed by the person or body to whom the land is made available;

7.4.2 persons who will acquire erven from the relevant person or body but will have their dwellings constructed by other contractors;

7.4.3 persons who will erect their dwellings under a self-help housing scheme or any other scheme conducted by the relevant person or body.

7.5 Where appropriate, the agreement can deal with the question whether preference will be given to purchasers who are registered on any official housing waiting-list and the manner in which such preference will be regulated.

7.6 The agreement should as clearly as possible provide a date by which the person or body to whom the land is made available shall have disposed of the erven referred to in paragraph 7.1 and should regulate the rights of the parties in the event of such person or body being unable to dispose of such erven in time, such as providing that such person or body shall have the right to let such erven.

8. AANSPREKLIKHEID VIR PLAASLIKE OWER-HEIDS- EN DIENSTEGELDE

Vooriening behoort gemaak te word vir die betaling aan die betrokke plaaslike owerheid van plaaslike owerheidsgelede, dienstegelede en ander belasting, deur kopers of deur die persoon of liggaam aan wie die grond beskikbaar gestel is, indien toepasselik.

9. BEDINGE VAN VERKOOPAKTES

(Alle persone uitgesonderd besighheids- en industriële persone)

9.1 Vooriening behoort gemaak te word dat die persoon of liggaam aan wie die grond beskikbaar gestel is, 'n skriftelike verkoopakte kan aangaan wat voldoen aan die bepaling van enige toepasselike wetgewing, met enige persoon aan wie hy 'n perseel vervreem (uitgesonderd 'n besighheids- of industriële perseel) ingevolge die grondbeskikbaarheids-ooreenkoms, voor of by die toewysing aan daardie persoon, van 'n voorlopige toekenning van huurpaga ten opsigte van die erf, of voor die registrasie van die oordrag van die erf op die naam van sodanige persoon.

9.2 Daar behoort vooriening vir 'n verkoopprys gemaak te word in die verkoopakte in paragraaf 9.1 bedoel.

9.3 Dit behoort duidelik te wees op watter gedeelte van die verkoopprys in paragraaf 9.2 bedoel, die persoon of liggaam aan wie die grond beskikbaar gestel is, geregtig is om vir sy eie rekening te behou of op welke wyse sodanige gedeelte vasgestel moet word.

9.4 Dit behoort duidelik te wees welke gedeelte van die verkoopprys in paragraaf 9.2 bedoel deur die persoon of liggaam aan wie die grond beskikbaar gestel is, betaalbaar sal wees aan die persoon of liggaam wat die grond aldus beskikbaar gestel het, hoe so 'n gedeelte bepaal moet word, en op welke wyse en wanneer die balans betaal moet word. So 'n gedeelte mag nie minder wees nie as die gedeelte in regulasie 3(1) van die Openbare Grond: Prysregulasies, 1986, bedoel, tesame met die oorsake, indien enige, aangegaan deur die persoon of liggaam wat die grond beskikbaar gestel ten opsigte van onder andere dorpsrigting en die vooriening van dienste aan die betrokke perseel.

9.5 Vooriening kan gemaak word vir die insluiting van 'n klousule in elke verkoopakte wat die aard van elke persoon wat 'n erf uit hoofde van daardie ooreenkoms verkry, vestig op die feit dat hy aanspreklik sal wees vir plaaslike owerheidsgelede, gemeentelike en ongemeentelike dienstegelede en dienstinspeksiegelede, vasgestel in ooreenstemming met die toepasselike verordeninge en/of regulasies wat van tyd tot tyd geld.

9.6 Voorwaardes kan in die grondbeskikbaarheids-ooreenkoms ingesluit word betreffende die bepaling van enige verkoopakte wat gebruik behoort te word ten opsigte van enige spesiale behuisingsekema wat bedryf sal word deur 'n persoon of liggaam aan wie die grond beskikbaar gestel is (insluitende 'n selfhulpbehuisingsekema), wat onder andere oor die volgende handel:

9.6.1 Die voorbereiding en voorlegging van bouplanne aan die betrokke plaaslike owerheid.

9.6.2 Die finansiering van bouwerke.

9.6.3 Die aanstelling van argitekte, boukenners, ingenieurs, boukontrakteurs en subkontrakteurs.

9.6.4 Die toesig oor en administrasie van bouwerke deur die persoon of liggaam aan wie die grond beskikbaar gestel is.

9.6.5 Maatstawe om die tydlige voltooiing van bouwerk te verseker.

9.6.6 Die oprigting van tydelike strukture terwyl die bouwerk aan die gang is.

8. LIABILITY FOR LOCAL AUTHORITY AND SERVICE CHARGES

Provision should be made for the payment to the relevant local authority of local authority charges, service charges and other imposts by the person or body to whom the land is made available, if appropriate, and by purchasers.

9. TERMS OF DEEDS OF DISPOSAL

(All sites other than sites intended for business or industrial purposes)

9.1 Provision should be made for the person or body to whom the land is made available to enter into a written deed of disposal complying with any relevant law with any person to whom it alienates a site (other than a business or industrial site) pursuant to the land availability agreement, prior to or upon the allocation to that person of a provisional grant of leasehold in respect of the erf, or prior to the registration of transfer of that erf into the name of such person.

9.2 Provision should be made for a disposal price in any deed of disposal referred to in paragraph 9.1.

9.3 It should be clear what portion of the disposal price referred to in paragraph 9.2 the person or body to whom the land is made available shall be entitled to retain for its own account, or how such portion is to be determined.

9.4 It should be clear what portion of the disposal price referred to in paragraph 9.2 shall be payable by the person or body to whom the land is made available to the person or body making the land available to it, or how such portion is to be determined, and it shall also be stated in what manner and when such balance shall be payable. Such portion shall not be less than the portion contemplated in regulation 3(1) of the Public Land Price Regulations, 1986, together with the costs incurred by the person or body making the land available, if any, in respect of *inter alia* township establishment and the provision of services relating to the site in question.

9.5 Provision may be made for inclusion of a clause in every deed of disposal drawing the attention of any person acquiring an erf in terms of that deed to the fact that he shall be liable for the local authority charges, metered and unmetered service charges and service inspection fees determined in accordance with the relevant by-laws and/or regulations in force from time to time.

9.6 Provisions may be included in the land availability agreement regarding the terms of any deed of disposal that should be used in respect of any special housing scheme to be conducted by the person or body to whom the land is made available (including a self-help housing scheme) dealing *inter alia* with the following:

9.6.1 The preparation and submission to the relevant local authority of building plans.

9.6.2 The financing of the building works.

9.6.3 The appointment of architects, quantity surveyors, engineers, building contractors and subcontractors.

9.6.4 The supervision and administration by the person or body to whom the land is made available of building works.

9.6.5 Measures to ensure that the building works are completed in good time.

9.6.6 The erection of temporary structures while construction is in progress.

10. VERVREEMDING VAN BESIGHEIDS- EN INDUS-
TRIELE PERSELE

Voorziening behoort gemaak te word vir die wyse en bedinge waarop enige van die partye, erwe bedeel vir besigheids- of industriële doeleindes, kan verveen. Die volgende moet in gedagte gehou word:

10.1 Daar behoort 'n skriftelike verkoopakte soos in paragraaf 9.1 bedeel, te wees, en die riglyne in paragrafe 9.2 en 9.3 behoort ook gevolg te word. Die minister sou eger nie 'n grondprys ten opsigte van 'n besigheids- of industriële perseel soos in regulasie 3 van die Openbare Grond: Prysregulasies, 1986, bedeel, bepaal het nie.

10.2 Dit is nie nodig dat oor die grond by wyse van openbare tender, soos in die Openbare Grond: Prysregulasies, 1986, beoog, beskik word nie. Die metode van openbare tender is eger nie uitgesluit nie en kan gebruik word.

11. KONTRAKBREUK

Die ooreenkoms kan sodanige bedinge en voorwaardes met betrekking tot kontrakbreuk of -beëindiging bevat as waarop die partye mag ooreenkom en wat nie onbestaanbaar met die bepaling van artikel 34 (9) van die Wet is nie. Met dien verstande dat die ooreenkoms uitdruklik moet bepaal dat versuim deur enige persoon om dorpsbeplanning en opnuwingswerk binne die tydperk in paragraaf 4.1 bedeel, te voltooi, die installering en voorsiening van dienste binne die tydperk in paragraaf 5.1 bedeel, te voltooi, en die oprigting van verbetering binne die tydperk in paragraaf 6.4 bedeel, te voltooi, gesê sal word 'n vertrekking te wees van die voorwaardes waarop die grond beskikbaar gestel is, soos in artikel 34 (9) (c) (i) van die Wet bedeel, en dat die grond wat aldus beskikbaar gestel is, daarop teruggegaan kan word en daarmee gehandel kan word volgens daardie artikel.

12. ALGEMEEN

Daar kan sodanige ander bedinge en voorwaardes wees wat nie met hierdie riglyne onbestaanbaar is nie, waarop die partye mag ooreenkom.

10. DISPOSAL OF BUSINESS AND INDUSTRIAL SITES

Provision should be made for the manner and terms of disposal by any of the parties of any erven intended for business or industrial purposes. The following should be borne in mind:

10.1 There should be a written deed of disposal as contemplated in paragraph 9.1, and the guide-lines in paragraphs 9.2 and 9.3 should also be followed. However, the Minister would not have determined a land price in respect of a business or industrial site, as contemplated in regulation 3 of the Public Land Price Regulations, 1986.

10.2 It is not necessary for the land to be disposed of by way of public tender as contemplated in the Public Land Price Regulations, 1986. However, the method of public tender is not excluded, and may be used.

11. BREACH OF CONTRACT

The agreement may contain such terms and conditions relating to breach of contract or termination as the parties may agree and as are not inconsistent with the provisions of section 34 (9) of the Act: Provided that the agreement shall expressly provide that a failure by any person to complete town planning and land survey work within the time period contemplated in paragraph 4.1, the installation and provision of services within the time period contemplated in paragraph 5.1, and the erection of improvements within the period contemplated in paragraph 6.4 shall be regarded as a breach of the terms on which the land was made available as contemplated in section 34 (9) (c) (i) of the Act and that thereupon the land thus made available may be withdrawn and dealt with in terms of that section.

12. GENERAL

There may be such other terms and conditions not inconsistent with these guide-lines as the parties may agree.

AANHANGSEL B

AANSOEK OM DORPSTIGTING

(Aansoek kragtens regulasie 7 van die Dorpsstigting- en Grondgebruiksregulasies, 1986)

DEEL I: ERKENNING VAN ONTVANGS

AAN:

(dorpstigter moet sy naam en adres invoeg).

Ek erken hierby ontvangs van die oorspronklike en twee afskrifte van Dele II en III van hierdie vorm asook die dokumente hieronder vermeld (dorpstigter moet omskrywing van dokumente invoeg) en ek ken hierby ver wysingsnommer:

- 1.....
2.....
3.....
4.....
5.....
6.....
7.....
8.....
9.....
10.....

Gemagtigde beampte

Daatum van ontvangs

Die Gemagtigde Beampte

DEEL II: AANSOEK

(Vol adres in)

Dorpstigter se adres

Tel. No.:
Dorpstigter se verwysing:

VOORGESTELDE DORP.

GEHELE TE:

Ek, die ondergetekende,

synde—

* die geregistreerde eienaar van die grond soos hierin beskryf

OF

* die behoorlik gevollmagtigde agens van die geregistreerde eienaar van die grond hierin beskryf.

OF

* die persoon of liggaam met toestemming van die geregistreerde eienaar van die grond hierin beskryf, om 'n dorp op die grond in wy eie naam te stig.

OF

* die persoon of liggaam aan wie die grond hierin beskryf, beskikbaar gestel is soos in artikel 34 (9) van die Wet op die Ontwikkeling van Swart Gemeenskappe, 1984, beoog.

doen hierby aansoek om toestemming om 'n dorp te stig op die hierinvermelde grond en versprek die besonderhede wat hierna verskyn.

Datum:

Handtekening

* Skrap wat nie van toepassing is nie.

1. DOKUMENTE INGESLUIT BY AANSOEK

(Maak seker dat 'n kruisje in die toepaslike kolom)

Table with 3 columns: Description, JA, NEE, NVT. Rows include items like 'Twee afskrifte van vollooiende aansoekvorm', 'Afskrif van die voorgestelde dorpsuitleg', etc.

123 [Signature]

PART II: APPLICATION

The Authorised Officer

.....
.....
.....
.....

(insert address)

Township applicant's address:
.....
.....

Tel. No.:
Township applicant's reference:

Sir

PROPOSED TOWNSHIP:

SITUATED ON:

I, the undersigned,
being—

*the registered owner of the land described herein,

OR

*the duly authorised agent of the registered owner of the land described herein,

OR

*the person or body with the consent of the registered owner of the land described herein to establish a township on such land in my own name,

OR

*the person or body to whom the land described herein has been made available as contemplated in section 34 (9) of the Black Communities Development Act, 1984,

hereby apply for permission to establish a township on the land described herein and submit the particulars that appear hereafter.

Date
.....
Signature

* Delete that which is not applicable.

| | YES | NO | N/A |
|---|-------|-------|-------|
| 1. DOCUMENTS INCLUDED IN APPLICATION (Please make a cross in the appropriate columns) | | | |
| 1.1 Two copies of completed application form, each accompanied by the documents as indicated below | | | |
| 1.2 A print of the proposed township layout | | | |
| 1.3 A copy of the memorandum in support of the application | | | |
| 1.4 A copy of the title deed(s) | | | |
| 1.5 A copy of any deed of servitude that applies to the land | | | |
| 1.6 A copy of any mortgage bond(s) relating to the land | | | |
| 1.7 A copy of the mineral rights certificate or mineral rights cession | | | |
| 1.8 A copy of the owner's consent or power(s) of attorney, if applicable | | | |
| 1.9 A copy of the township applicant's company resolution, if applicable | | | |
| 1.10 A floodline certificate indicating whether the land is or is not subject to a 1 in 50 year flood | | | |
| 1.11 A copy of the mortgagee's consent, if applicable | | | |
| 1.12 A copy of the mineral right holder's consent, if applicable | | | |
| 1.13 Proof of reservation for township purposes in terms of section 184 of the Mining Rights Act, 1967, if applicable | | | |
| 1.14 A copy of a geotechnical report | | | |
| 1.15 A certificate from a land surveyor, town planner or attorney stating that the conditions of title or servitude(s) recorded in the title deed(s) do not affect the proposed township, or stating the manner in which each servitude is to be cancelled or amended | | | |
| 1.16 A copy of the land availability agreement, if any | | | |
| 1.17 A copy of the services agreement, if already concluded | | | |
| 1.18 An application for designation as a development area in terms of section 33 of the Black Communities Development Act, 1984, if required | | | |
| 1.19 If the answer is "no" or "not applicable" in respect of any of the foregoing documents, give reasons (lengthy explanations can be attached as annexures) | | | |

.....

1.20 Other documents attached

2. SPECIFIC INFORMATION REGARDING PROPOSED TOWNSHIP

2.1 Name of proposed township (also indicate whether name has been approved by the appropriate authority and, if so, by whom):

2.2 Name of township applicant:

2.3 Property:

Title deed description of every portion of the farm/holdings* on which the proposed township is to be established:

(i) Title Deed No.:

(ii) Title Deed No.:

(iii) Title Deed No.:

2.4 Full name of registered owner of the land:

2.5 The land is/is not* mortgaged and particulars of the relevant mortgage bonds are as follows:

2.5.1 Property:

(i) Bond No.:

(ii) Bond No.:

2.5.2 Property:

(i) Bond No.:

(ii) Bond No.:

2.6 Mineral rights have/have not* been severed from the ownership of the land and are held by:

2.7 A lease of the rights to minerals has/has not* been granted/A prospecting contract has/has not* been entered into, the particulars of which are as follows*:

2.8 Status of land in terms of the provisions of the Mining Rights Act, 1967:

2.8.1 The land has/has not* been proclaimed in terms of the Act (furnish details):

2.8.2 The land has/has not* been reserved for township purposes in terms of section 184 of the Act (furnish details):

2.8.3 The land has/has not* been mined for precious metals or base metals as defined in section 1 of the Act (furnish details):

2.9 The township applicant proposes still to take the following steps in respect of the position set out in paragraphs 2.6, 2.7, 2.8.1, 2.8.2 and 2.8.3 above [indicate full particulars of the steps that the township applicant proposes to take and when they are likely to be completed, as contemplated in regulation 8 (2)]:

2.10 The township applicant requests that the Minister approve the application notwithstanding the fact that the steps referred to in paragraph 2.9 above have not yet been taken, and further requests that the Minister impose the following conditions in this regard, as contemplated in regulation 16 (1):

2.11 The proposed township—

2.11.1 is situated within the municipal or local authority area of

2.11.2 adjoins the following municipal or local authority areas:

2.11.3 will be established on land that has been designated or that is deemed to have been designated as a development area as contemplated in section 33 (1) or (4) of the Black Communities Development Act, 1984, under (state relevant Gazette reference):

2.12 The proposed township falls within the area of the town planning scheme/does not fall within the area of any town planning scheme*:

2.13 Proposed land use(s) and total number of acres intended for each use:

| Proposed use | Number of acres |
|--------------------|-----------------|
| Residential | |
| Business | |
| Industrial | |
| Community facility | |
| Municipal | |
| Undermined | |
| Public open space | |
| Other | |

2.14 Indicate in detail how each of the conditions and servitudes contained in the deed(s) of transfer of the properties affects the proposed township and how these conditions and servitudes are to be dealt with:

2.15 (Where it is indicated that any condition of title or servitude does not affect the proposed township, a certificate to this effect from a registered land surveyor or town planner or attorney shall be submitted.)

The land on which the township will be established—

*has been made available to the township applicant by.....

*will be developed by the township applicant on behalf of.....

OR

*will be developed by the township applicant on behalf of..... (insert full name of owner) by virtue of a power of attorney, a copy of which is attached to this application

OR

*will be developed by the township applicant on the land of..... (insert full name of owner) by virtue of a power of attorney, a copy of which is attached to this application

PART III: CONDITIONS OF ESTABLISHMENT

3. SUMMARY OF TOWNSHIP PARTICULARS

(Paragraph 3 serves as a summary and check sheet. With the exception of paragraph 3.8 below, the township applicant must provide details.)

3.1 Proposed name of township.....

3.2 Comprising (number of erven and uses).....

3.3 As shown on layout plan No.

3.4 Situate on.....

3.5 In the area of jurisdiction of (local authority).....

3.6 Deed(s) of Transfer No.

3.7 Dated (state date of this application).....

3.8 Amendments, if any (to be completed by authorised officer).....



4. PROPOSED CONDITIONS TO BE COMPLIED WITH PRIOR TO THE TOWNSHIP BEING DECLARED AN APPROVED TOWNSHIP UNDER REGULATION 23

4.1 CANCELLATION OF EXISTING CONDITIONS OF TITLE

The applicant shall at his own expense cause the following conditions and servitudes to be cancelled or otherwise dealt with as follows:

4.2 CONSOLIDATION OF COMPONENT PORTIONS

The township applicant shall at his own expense cause the component portions comprising the township to be consolidated where necessary.

4.3 MINERAL RIGHTS

Propose the conditions relating to mineral rights as contemplated in regulations 8 (3) and 16 (1) 1

4.4 GENERAL

.....

5. CONDITIONS TO BE COMPLIED WITH BEFORE LAND BECOMES REGISTRABLE IN TERMS OF REGULATION 25 (2)

(The conditions stated in paragraph 5 are guide-lines only and the township applicant may suggest amended or different conditions in appropriate cases.)

5.1 NAME

The name of the township shall be

5.2 DESIGN

The township shall consist of erven and streets as indicated on plan

5.3 DISPOSAL OF EXISTING CONDITIONS OF TITLE

All erven except the following erven shall be made subject to existing conditions and servitudes not cancelled or otherwise dealt with in terms of paragraph 4.1 above, if any, including the reservation of rights to minerals:

5.4 DEMOLITION OF BUILDINGS AND STRUCTURES

The township applicant shall at his own expense cause all existing buildings and structures situated within the side space and rear space or over common boundaries to be demolished to the satisfaction of the authorised officer when required by the authorised officer to do so.

5.5 REPOSITIONING OF ELECTRICAL CIRCUITS

If, by reason of the establishment of the township, it should become necessary to reposition any existing circuits of the Electricity Supply Commission, the cost thereof shall be borne by the township applicant.

5.6 PROVISION AND INSTALLATION OF SERVICES

5.6.1 The township applicant shall provide and install all internal services in the township, as provided for in the services agreement or by a decision of a services arbitration board, as the case may be.

5.6.2 The relevant authority referred to in regulation 26 shall provide and install all external services in the township, as provided for in the services agreement or by a decision of a services arbitration board, as the case may be.

5.7 OTHER CONDITIONS

(Insert other conditions to be complied with before the land becomes registrable, for example conditions relating to endowments or conditions in respect of mineral rights to be met after approval of the township.)

6. SUGGESTED LAND USES TO BE APPROVED BY MINISTER

(Insert the erf numbers as they appear on the layout plan. If the same erven occasionally bear different numbers on a general plan approved by the Surveyor-General in terms of regulation 19, after the Minister has approved this application in terms of regulation 16, transfer may be given of such erven with reference to the numbers as they appear on the general plan.)

- 6.1 Residential: Erven Numbers.....
- 6.2 Business: Erven Numbers.....
- 6.3 Industrial: Erven Numbers.....
- 6.4 Community facility: Erven Numbers.....
- 6.5 Municipal: Erven Numbers.....
- 6.6 Public open space: Erven Numbers.....
- 6.7 Undetermined: Erven Numbers.....

7. DRAFT CONDITIONS OF TITLE

(Refer to Land Use Conditions published in Annexure F to the Township Establishment and Land Use Regulations. If different conditions will apply to various categories of erven, the township applicant must indicate to which erven such conditions will apply.)

7.1 *The following conditions shall be included in the title deed of each erf (applicable only where township applicant wishes to apply the land use conditions without amendment):

The use of the aforesaid site shall be (insert the use for the relevant site approved by the Minister—see paragraph 6 above), as defined and subject to such conditions as are contained in the Land Use Conditions in Annexure F to the Township Establishment and Land Use Regulations, 1986, made in terms of section 66 (1) of the Black Communities Development Act, 1984. Provided that on the date on which a town planning scheme relating to the site comes into force the rights and obligations contained in such scheme shall supersede those contained in the aforesaid Land Use Conditions, as contemplated in section 57B of the said Act.

OR

*The following conditions shall be included in the title deed of each erf (applicable only where the township applicant wishes to apply the land use conditions subject to certain amendments):

The use of the aforesaid site shall be (insert approved use), as defined and subject to such conditions as are contained in the Land Use Conditions in Annexure F to the Township Establishment and Land Use Regulations made in terms of section 66 (1) of the Black Communities Development Act, 1984. Provided that the following special conditions shall apply in addition to/instead of* the said Land Use Conditions:

- 1.
- 2.
- 3.

OR

*The following conditions shall be included in the title deed of each site (complete if the Land Use Conditions in Annexure F to the Township Establishment and Land Use Regulations, 1986 will not be used):

7.2.1 Provided that on the date on which a town planning scheme relating to the site comes into force the rights and obligations contained in such scheme shall supersede those contained in these conditions, which shall thereafter be of no force or effect.

7.2.2 The erf is subject to a servitude, 1 metre wide, in favour of the local authority, for sewerage and other municipal purposes, along any two boundaries other than a street boundary and in the case of a panhandle erf, an additional servitude for municipal purposes 1 metre wide across the access portion of the erf, if and where required by the local authority. Provided that the local authority may waive compliance with the requirements of this servitude.

7.2.2 No building or other structure shall be erected within the aforesaid servitude area and no large-rooted trees shall be planted within the area of such servitude or within 1 metre thereof.

7.2.3 The local authority shall be entitled to deposit temporarily on the land adjoining the aforesaid servitude such material as may be excavated by it during the course of the construction, maintenance or removal of such sewerage mains and other works as it, in its discretion, may deem necessary and shall further be entitled to reasonable access to the said land for the aforesaid purpose, subject to any damage done during the process of the construction, maintenance or removal of such sewerage mains and other works being made good by the local authority.

* Delete that which is not applicable.

ANNEXURE C

FROM OF NOTICE TO BE GIVEN TO CERTAIN PERSONS OR BODIES

[Regulation 9 (1)]

PLEASE TAKE NOTICE THAT.....

..... (the township applicant) has lodged an application for township establishment in the form of the enclosed two copies of the application with the authorised officer as contemplated in the Township Establishment and Land Use Regulations, 1986, made in terms of section 66 (1) of the Black Communities Development Act, 1984.

PLEASE TAKE NOTICE FURTHER THAT you may within a period of 30 (Thirty) days from the date of this notice, lodge an objection with or make representations in respect of the application to the said authorised officer as contemplated in regulation 11 of the above-mentioned regulations or, if you are unable to lodge such objection or make such representations within such period, or sufficiently to investigate the application within that period, you may, within that period, request the said authorised officer in writing to extend the said period, stating the period within which you will be able to lodge an objection or make representations as well as the nature of the objection or representations that you intend to or, upon further investigation, might or are likely to lodge or make.

PLEASE TAKE NOTICE FURTHER THAT any objection, representation or request for extension must be delivered to the office of the authorised officer at.....

Township Applicant
Date.....

ANNEXURE D

FORM OF NOTICE TO BE PUBLISHED IN NEWSPAPER

[Regulation 10 (1)]

PLEASE TAKE NOTICE THAT the township applicant mentioned below has lodged an application for the establishment of the township described below with the authorised officer as contemplated in the Township Establishment and Land Use Regulations, 1986, made in terms of section 66 (1) of the Black Communities Development Act, 1984.

PLEASE TAKE NOTICE FURTHER THAT the relevant plan(s), document(s) and information are available for inspection at the office of the township applicant (indicated below) for a period of 30 (Thirty) days from (insert date of first publication of this notice). PLEASE TAKE NOTICE FURTHER THAT any person who desires to object to or make representations in respect of the granting of the application must deliver such objection or representation together with the reasons therefor to the authorised officer at his address set out below within the said period of 30 (Thirty) days.

Name of township.....

Name of township applicant.....

Address of township applicant where documents can be inspected.....

Address of authorised officer.....

Number and zoning of erven.....

Locality and description of land.....

ANNEXURE E

*GUIDE-LINES FOR SERVICES AGREEMENT

(*This agreement can also form part of the land availability agreement, where appropriate—see paragraph 5 of Annexure A.) Any services agreement as contemplated in regulation 26 shall comply *inter alia* with the following guide-lines:

1. PARTIES

The names of the parties to the agreement and their business addresses must be stated.

2. THE LAND

There should be an adequate definition of the land to which the agreement relates, with reference to, for example, any title deed under which the land is held, a diagram prepared by a registered land surveyor and any general plan that has been prepared in respect of the land. In addition, it should be recorded whether the township applicant is the owner or the agent of the owner of the land or acting in his own name with the consent of such owner or whether the land has been made available to him in terms of section 34 (9) of the Act.

3. CONDITIONS

If the agreement is made subject to the fulfilment of any conditions, these conditions must be clearly stated. They may include, for instance, conditions relating to—

- 3.1.1 the inclusion of the land to be developed in a local authority area by an Administrator acting under the Black Local Authorities Act, 1982 (Act 102 of 1982), as read with the Promotion of Local Government Affairs Act, 1983 (Act 91 of 1983); or
- 3.1.2 the application for township establishment becoming an approved application.

If any conditions as contemplated in paragraph 3.1 are imposed, the agreement must state clearly what the effect would be if any such conditions were not fulfilled.

4. CLASSIFICATION OF ENGINEERING SERVICES

The engineering services to be provided for the township should be classified as internal or external engineering services, as contemplated in regulation 27, on the basis that—

- 4.1 "external engineering services" consist of both "bulk services" and "link services";
- 4.2 "bulk services" means all the primary water, sewerage, electricity and stormwater services, as well as the road network in the system to which the internal services are to be linked;
- 4.3 "link services" means all new services necessary to link the internal services to the bulk services;
- 4.4 "internal services" means all services within the boundaries of the new township that are necessary for the establishment of serviced erven in accordance with the level of services agreed between the township applicant and the relevant authority contemplated in regulation 26 (1);
- 4.5 if a service within the boundaries of the new township also serves any other township within the area of jurisdiction of the relevant authority referred to in regulation 26 (1), such service and the costs of its provision shall be treated as an internal engineering service to the extent that it serves the new township and as an external engineering service to the extent that it serves any such other township or development.

5. DEVELOPMENT RESPONSIBILITIES

5.1 Town planning and land surveying

As a general rule, the township applicant should be responsible for all land surveying, town planning and related work required for the purposes of registering the general plan relating to the new township, and he should recover all costs so incurred through the sale of serviced erven.

5.2 Responsibility for engineering services

There must be clear provisions recording the responsibilities of the relative parties to the services agreement for the installation and provision of internal and external engineering services as contemplated in regulation 28 (1). Provided that if any one of the parties is to provide and install an engineering service at the request and at the expense of the other, as contemplated in regulation 28 (2), the services to be so installed and provided shall be clearly identified and the amount or the manner of determining the amount of any expense referred to in that subregulation shall be clearly set out.

5.3 Additional bulk services

It must be clear whether additional bulk services are to be installed and provided by the relevant authority contemplated in regulation 26 (1), and if so, such services should be identified.

5.4 Contribution to costs of services

The agreement should not provide for the township applicant to contribute to the costs of the installation and provision of external engineering services and conversely the agreement should also not provide for the relevant authority referred to in regulation 26 (1) to contribute to the costs of the installation and provision of internal engineering services. The only exception to this guideline will be a case where the township applicant installs and provides external engineering services of which the relevant authority is not the supplier and elects to bear his own costs in this regard as contemplated in regulation 28 (2) (c).

5.5 Service connections

It must be stated which party shall be responsible for the installation and provision of service connections to residential, business, industrial, community, facility and municipal erven, or to any of such erven, as contemplated in the Land Use Conditions which form Annexure F to these regulations, and how the costs of such service connections shall be recovered. The service connections to be made shall be adequately defined in the services agreement, and may include all connections between the internal services concerned and the individual erf concerned, consisting of, for example—

- 5.5.1 a water-borne sewerage pipe terminating at a sewer connection;
- 5.5.2 a water pipe terminating at a water meter;
- 5.5.3 an electricity house connection cable terminating on the relevant erf.

5.6 Level and standard of internal services

The level and standard of the internal services to be installed and provided by the township applicant should be clearly identified with reference to *inter alia*—

- 5.6.1 water reticulation;
- 5.6.2 sewerage reticulation;
- 5.6.3 roads and stormwater drainage;
- 5.6.4 electricity reticulation (high and low tension); and
- 5.6.5 street lighting, subject to the considerations referred to in regulation 27 (2).

5.7 Completion of services

It must be clear or determinable when the township applicant and the relevant authority referred to in regulation 26 (1) shall have commenced construction of internal and external engineering services, at what rate the construction of such services should proceed and when such services shall have been completed.

5.7.2 Provision must be made for the inspection and handing over of internal engineering services to the relevant authority and for the date on which all risk and ownership in respect of such services shall pass to such relevant authority.

5.8 Maintenance of services

Provision should be made for the following responsibilities after the internal services have been handed over to the relevant authority contemplated in regulation 26 (1):

- 5.8.1 When normal maintenance by that relevant authority shall commence.
- 5.8.2 The responsibility of the township applicant for the rectification of defects in material and workmanship, other than normal wear and tear.
- 5.8.3 The rights of such relevant authority where the township applicant has failed to rectify any defects within a reasonable period after having been requested to do so.

6. INSURANCE

Provision should be made for each of the parties to take out adequate insurance cover in respect of such risks as are insurable for the duration of the development of the new township.

7. GUARANTEES

If it is contemplated that the township applicant will enter into contracts for the disposal of erven in the new township prior to the land in the township becoming registrable in a deeds registry as contemplated in regulation 25 (2) and also before the completion of either external or internal engineering services as contemplated in regulation 24 (4) (b), provision should be made to regulate the relationship between the parties and their responsibilities for the provision of guarantees and undertakings as intended in regulation 24 (4) (b) (i) and (ii), and such provisions may, in addition to the requirements set out in that subregulation, also state that any such guarantee or undertaking shall—

- 7.1 be irrevocable during its period of validity by the institution or body that issued the guarantee or undertaking;
- 7.2 be transferable by the person or body to whom such guarantee or undertaking is expressed to be payable.

8. SOURCES OF FINANCING

Provision may be made for the manner in which the parties undertake to finance their relative responsibilities in terms of the services agreement, and, where appropriate, the township applicant may undertake to provide any bridging finance to the relevant authority contemplated in regulation 26 (1), on such terms and conditions as may be agreed between the parties and as may be normal and usual in commercial practice.

9. BREACH OF CONTRACT AND ARBITRATION

The agreement should clearly provide the manner in which any of the parties may terminate the services agreement (as a general rule, on adequate notice by the aggrieved party to the defaulting party) and the agreement may specifically record such terms as the parties may agree relating to *inter alia*—

- 9.1 the expenditure, finance and interest charges and other loss or damage that any one party shall be entitled to recover from the other in the event of a breach of the agreement by any party or the termination of the agreement for any other reason;
- 9.2 matters that may be referred to arbitration in the event of any dispute between the parties, and the details of the referral to arbitration as contemplated in the Arbitration Act, 1965 (Act 42 of 1965).

10. GENERAL

There may be such other terms and conditions not inconsistent with these guide-lines as the parties may agree.

ANNEXURE F

LAND USE CONDITIONS

(Conditions of title or township conditions contemplated in section 57B of the Black Communities Development Act, 1984)

CONTENTS

PART I—GENERAL

- Definitions
- Application of document
- Responsible authority

PART 2—SIDE AND REAR SPACE

Side and rear space
Relaxation of side and rear space

PART 3—BUILDING RESTRICTIONS AND USE OF LAND

Erection and use of buildings or use of land
Conditions applicable to all properties
Additional uses permitted in respect of residential properties
Special conditions applying to public garages
Consent use or approval by the responsible authority
Applications for consent use and objections
Lapsing of approval or consent
Subdivision and consolidation of properties
Provision of parking
Restrictions on height of buildings
Restrictions on coverage of buildings

PART 4—GENERAL AMENITY AND CONVENIENCE

General amenity and convenience

PART 5—MISCELLANEOUS

Serving of notices
Offences
Title

**PART 1
LAND USE CONDITIONS**

**GENERAL
1. DEFINITIONS**

In these conditions, unless the context otherwise indicates—

- "building" includes a construction or structure of any nature;
- "business purposes" means a use of a building and/or land for offices, showrooms, restaurants or any other business or commercial purposes other than for a place of instruction, a shop, a public garage, an industry, a noxious industry, a builder's yard or a scrapyard;
- "coverage" means the area of a property covered by buildings measured over the external walls as seen vertically from above and expressed as a percentage of the area of the property;
- "dwelling unit" means an interconnected suite of rooms, designed for human habitation that may contain a kitchen or scullery;
- "floor area" means the sum of the areas covered by the building at the floor level of each storey;
- "industry" means an activity on any premises amounting to the use of such premises as a factory as contemplated in the definition of that word in the General Administrative Regulations made in terms of section 35 of the Machinery and Occupational Safety Act, 1983 (Act 6 of 1983), under Government Notice R. 2206 of 5 October 1984;
- "institution" means a building designed or primarily used as a charitable institution, hospital, nursing home, sanatorium, clinic or any other institution, whether public or private;
- "noxious industry" includes any industry or trade that by virtue of noise or effluents is dangerous or harmful to the health and welfare of the general public, such as but not limited to smelting ores and minerals, works for the production of sulphur dyes, or the smelting of sulphur-bearing materials;
- "occupant" in relation to any building, structure or land, includes any person occupying such building, structure or land or legally entitled to occupy it, or anybody having the charge or management thereof, and includes the agent of such a person who is absent from the area or whose whereabouts are unknown;
- "owner" in relation to a building or land, means—
 - (a) the registered owner;
 - (b) the registered holder of a right of leasehold as contemplated in the Black Communities Development Act, 1984;
 - (c) a person who administers the estate of any person mentioned in (a) or (b) above, whether as executor, administrator or guardian or in any other capacity;
 - (d) a person who receives payment from any occupant, or a person who would receive payment should such building or land be let, whether for his own account or as agent for any person who is entitled thereto or who has an interest therein; and
 - (e) the duly authorized agent of a person contemplated in (a) to (d) above;

- "place of instruction" means land used or a building designed or primarily used as a school, technical college, lecture hall, institute or other educational centre, and includes a creche, a convent or monastery, a public library, a museum and a gymnasium;
- "place of public worship" means a building designed for use or primarily used as a church, chapel, oratory, house of worship, synagogue, mosque or other place of public devotion, and includes a building designed for use and used as a place of religious instruction and an institution on the same property as and associated with any of the foregoing buildings that is intended to be used for social intercourse and recreation, but does not include a funeral chapel, which shall be deemed to be a "special purpose";
- "property" means any portion of land or a leasehold site that is registered as a separate unit in a deeds registry, and includes unsurveyed premises contemplated in section 52 (5) of the Black Communities Development Act, 1984;
- "public garage" means a building designed for or land used primarily for the maintenance, repair or fuelling of vehicles and purposes ancillary thereto;

- "residential building" means a building designed or used primarily for human habitation and the uses permitted in terms of paragraph 8, which may include one or more dwelling units;
- "responsible authority" means the authority referred to in paragraph 3;
- "shop" means land used or a building designed or used primarily for the purposes of carrying on retail trade and the necessary accompanying storage and packaging, and includes any accompanying use on the same site that is incidental and subordinate to the conduct of the retail trade;
- "social hall" means a building designed for use or used primarily for social assemblies, gatherings, meetings or recreational purposes;
- "special purposes" means purposes for which land or buildings may be used that are not specified in these conditions;
- "storey" means the space in a building between one floor level and the following floor level or between one floor level and the ceiling or roof above;
- "use zone" means a zone that is subject to the restrictions imposed on the erection and use of buildings or the use of land contained in Table A.

- 2. APPLICATION OF DOCUMENT
- 2.1 These conditions shall apply to any property with a condition of title that refers to it in the manner contemplated in regulation 32 of the Township Establishment and Land Use Regulations, 1986.
- 2.2 The provisions of these conditions shall not render unlawful any existing building that has been lawfully erected in accordance with approved building plans. Provided that alterations, other than minor alterations, or a change of use of such building shall be effected in accordance with these conditions.
- 3. RESPONSIBLE AUTHORITY
The local authority, or, if there is no such local authority, the person or body responsible for the control of the relevant land shall be the authority responsible for enforcing and administering the provisions of these conditions.

**PART 2
SIDE AND REAR SPACE**

- 4. SIDE AND REAR SPACE
- 4.1 No building other than boundary walls, fences or temporary buildings that are required in connection with building operations being conducted on the property shall be erected without a space, free of any building or structure, between it and one of the side boundaries and also between the building and the rear boundary of the property.
- 4.2 The space at the side of the building shall be a minimum of one metre wide.
- 4.3 The space at the rear of the building shall be a minimum of one metre wide.
- 5. RELAXATION OF SIDE AND REAR SPACE
- 5.1 On receipt of a written application, the responsible authority may permit the erection of a building within the side or rear space.
- 5.2 Any permission granted in terms of paragraph 5.1 shall be valid for the life of the building concerned.

**PART 3
BUILDING RESTRICTIONS AND USE OF LAND**

- 6. ERECTION AND USE OF BUILDING OR USE OF LAND
The purposes for which buildings and land in each of the use zones specified in column 1 of Table A may—
 - 6.1 be erected and/or used;
 - 6.2 be erected and/or used only with the consent of the responsible authority; or
 - 6.3 not be erected and/or used,
 are shown in the second, third and fourth columns of Table A respectively.

TABLE A

| Use zone | Permitted uses | Uses permitted only with the consent of the responsible authority | Prohibited uses |
|--------------------|--|---|-----------------------------------|
| (1) | (2) | (3) | (4) |
| Residential | Residential buildings | Places of public worship, places of instruction, social halls, sports and recreational purposes, institutions, medical suites, special purposes | Uses not under column (2) or (3). |
| Business | Shops, business purposes, residential buildings, places of public worship, places of instruction, social halls, sports and recreational purposes, institutions | Uses not under column (2) or (4). | Noxious industries. |
| Industrial | Industry, business purposes, shops, public garages, scrapyards, parking areas | Noxious industries, special purposes. | Uses not under column (2) or (3). |
| Community facility | Places of public worship, places of instruction, social halls, sports and recreational purposes, institutions | Residential buildings, special purposes. | Uses not under column (2) or (3). |
| Municipal | Municipal purposes | Residential buildings, special purposes. | Uses not under column (2) or (3). |
| Undetermined | Nothing | Uses not under column (4). | Noxious industries. |
| Public open space | Parks, sports and recreational facilities and buildings used in connection therewith | Residential buildings, special purposes. | Uses not under column (2) or (3). |

- 7. CONDITIONS APPLICABLE TO ALL PROPERTIES
- 7.1 Except with the written consent of the responsible authority, and subject to such conditions as it may impose neither the owner nor any other person shall—
 - 7.1.1 have the right, except to prepare the erf for building purposes, to excavate any material therefrom;
 - 7.1.2 have the right to sink any wells or boreholes thereon or abstract any subterranean water therefrom.
- 7.2 Where it is impracticable for stormwater to be drained from higher-lying properties direct to a public street, the owners of the lower-lying properties shall be obliged to accept and permit the passage over their properties of such stormwater. Provided that the owner of any higher-lying property shall be liable to pay a proportionate share of the cost of any pipeline or drain that the owner of such a lower-lying property may find necessary to lay or construct for the purpose of conducting the water so discharged over the property.
- 7.3 The siting of buildings, including outbuildings, on any property and of entrances to and exits from a public street system shall be to the satisfaction of the responsible authority.
- 7.4 The owner shall be responsible for the maintenance of the entire development on the property.

8. ADDITIONAL USES PERMITTED IN RESPECT OF RESIDENTIAL PROPERTIES
- 8.1 The number of dwelling units and the size of a residential building that may be erected on a property shall be limited only by the height and coverage provisions of these conditions and by any applicable health and building regulations.
- 8.2 The occupants of a residential building may practise, *inter alia*, their social and religious activities and their occupations, professions, or trades, including retail trade, or the property on which such residential building is erected. Provided that—
 - 8.2.1 the dominant use of the property shall remain residential;
 - 8.2.2 the occupation, trade or profession or other activity shall not be noxious; and
 - 8.2.3 the occupation, trade or profession shall not interfere with the amenity of the neighbourhood.
9. SPECIAL CONDITIONS APPLYING TO PUBLIC GARAGES
- 9.1 Nothing shall be stored and no repairs of any nature to vehicles or equipment shall be undertaken in a public garage, except in an area that is screened to the satisfaction of the responsible authority for such purposes.
- 9.2 The responsible authority may relax the restriction contained in paragraph 9.1 in a case where the property is adjacent to or surrounded by industrial uses.
10. CONSENT USE OR APPROVAL BY THE RESPONSIBLE AUTHORITY
- 10.1 Any application to the responsible authority for the approval of a consent use in respect of the relevant property that is listed in column 3 of Table A, shall be made by the owner of the land or building to which the application relates. Provided that the provisions of this paragraph 10 and of paragraphs 11 and 12 shall not apply to any application to or approval or consent by the responsible authority for any purposes in terms of these conditions other than those contemplated in column 3 of Table A.
- 10.2 The power of the responsible authority to grant its consent or its approval in terms of paragraph 10.1 shall include the power to refuse consent or approval and, if consent or approval has been granted, the power to impose any conditions that it may deem fit.
- 10.3 If the owner of the relevant property is in breach of a condition upon which any consent or approval was granted by a responsible authority as contemplated in paragraph 10.2, the responsible authority may serve a notice upon such owner or the occupant of the property concerned calling on him to remedy such breach, and if the relevant breach is not remedied as required in such notice such consent or approval may be terminated by the responsible authority concerned.
- 10.4 The notice referred to in paragraph 10.3 shall require that the breach be remedied within a specified period.
- 10.5 Any applicant who feels aggrieved by any decision of the responsible authority as contemplated in this paragraph may appeal to the authorised officer within twenty-eight days of the decision. Provided that, if the responsible authority refuses to give a decision on any application or delays unreasonably in giving a decision, the applicant may appeal to the authorised officer as if he were appealing against a decision of the responsible authority.
11. APPLICATIONS FOR CONSENT USE AND OBJECTIONS
- 11.1 Any owner intending to apply to the responsible authority for its consent as contemplated in paragraph 10.1 shall, prior to the submission of such application—
 - 11.1.1 affix, display and maintain a notice of such application on the land or building to which it applies for a period of fourteen days; and
 - 11.1.2 give fourteen days written notice to the owners of adjacent properties and of the properties directly across the street from the property that forms the subject of the application.
- 11.2 A notice referred to in paragraph 11.1 shall state that any person having any objection to the application may lodge such objection in writing with the responsible authority and with the applicant within fourteen days after the date of the last day on which the notice was displayed.
- 11.3 Proof of the display of the notice contemplated in paragraph 11.1.1 and a list of the owners contemplated in paragraph 11.1.2 and their address shall accompany the application to the responsible authority.
- 11.4 The responsible authority shall consider any objections received within the fourteen-day notice periods contemplated in paragraph 11.1 and shall, within 60 days after the expiry of such notice periods, notify the applicant and the objectors, if any, of its decision by delivering a copy of such decision to the persons concerned.
- 11.5 A decision by the responsible authority contemplated in paragraph 11.4 shall not take effect until the letters of notification to the applicant and objectors have been received by such persons as contemplated in paragraph 11.4 or, if an appeal is lodged in terms of paragraph 10.5, until a decision has been reached in respect of such appeal.
12. LAPSING OF APPROVAL OR CONSENT
- 12.1 If the rights obtained by virtue of the grant by the responsible authority of an approval or consent in terms of paragraph 10 are not exercised within twenty-four months of the grant of such approval or consent, or if the rights have been exercised but the use permitted thereunder is interrupted for a continuous period of eighteen months, the relevant approval or consent shall lapse, unless any condition upon which such approval or consent was granted specifically provides otherwise or the owner proves to the satisfaction of the responsible authority that he intends to resume the exercise of his rights.
13. SUBDIVISION AND CONSOLIDATION OF PROPERTIES
- 13.1 No property shall be subdivided or consolidated except in accordance with regulation 19 (5) and (6) of the Township Establishment and Land Use Regulations, 1986, and any relevant provision of the Black Communities Development Act, 1984.
14. PROVISION OF PARKING
- 14.1 Sufficient parking space shall be provided in respect of the uses listed in Table B. Provided that such parking space shall be laid out to the satisfaction of the responsible authority.
- 14.2 The responsible authority may, on application by the owner of the relevant property, grant permission for a relaxation of the parking requirements set out in Table B.

TABLE B

| Use | Site Area | Minimum parking requirements |
|--------------------------------|--|--|
| Residential buildings | Less than 2 000 m ² 2 000 m ² and over | Nil. 1 Space per dwelling unit. |
| Shops | Less than 2 000 m ² 2 000 to 2 999 m ² 3 000 m ² and over | Nil. 3 spaces per 100 m ² of shopping floor area. 4 spaces per 100 m ² of shopping floor area. |
| Offices | Less than 2 000 m ² 2 000 m ² and over | Nil. 2 spaces per 100 m ² of office floor area. |
| Industry and business purposes | Less than 2 000 m ² 2 000 m ² and over | Nil. 1 space per 100 m ² of floor area. |

15. RESTRICTIONS ON HEIGHT OF BUILDINGS
- 15.1 Buildings erected on properties in residential use zones shall not exceed two storeys without the consent of the responsible authority.
- 15.2 Buildings erected on properties in use zones other than residential use zones shall not exceed three storeys without the consent of the responsible authority.
- 15.3 The number of storeys contemplated in this paragraph shall include the storey at ground level but shall not include basement storeys that are below ground level.
16. RESTRICTIONS ON COVERAGE OF BUILDINGS
- 16.1 Buildings shall not exceed the coverage specified in Table C. Provided that on written application the responsible authority may grant consent for a maximum of 10 % additional coverage.

TABLE C

| Use zone | Permissible coverage |
|---|--|
| Residential | 60 % |
| Business | 70 % |
| Industrial | 70 % |
| Community facility | 70 % |
| Municipal Public open space Underutilised | To the satisfaction of the responsible authority |

PART 4

GENERAL AMENITY AND CONVENIENCE

19. GENERAL AMENITY AND CONVENIENCE
- 19.1 Notwithstanding anything to the contrary contained in these conditions, no person shall use or develop a property in such a way as will detract from the amenity or convenience of the area within which it is located.
- 19.2 The provisions of this paragraph shall be enforceable by the responsible authority or any other party against any lessee or registered owner of the relevant property as contemplated in paragraph 19.1.

PART 5

MISCELLANEOUS

20. SERVING OF NOTICES
- 20.1 Any notice required or authorised to be served in terms of these conditions may be served—
 - 20.1.1 by delivering the notice to any person or to his duly authorised agent personally; or
 - 20.1.2 by registered post.
21. OFFENCES
- 21.1 Any person who contravenes or fails to comply with any provision of these conditions shall be guilty of an offence.
22. TITLE
- 22.1 These conditions may be referred to for all purposes as the Land Use Conditions.

No. R. 1898

12 September 1986

HURPAGREGULASIES, 1985.—WYSIGING VAN GOEWERMENTSKENNISGEWING R. 2451 VAN 1 NOVEMBER 1985

Ek, Jan Christiaan Heunis, Minister van Staatkundige Ontwikkeling en Beplanning, wysig hierby, kragtens die bevoegdheid my verleen by artikel 66 (1) van die Wet op die Ontwikkeling van Swart Gemeenskappe, 1984 (Wet 4 van 1984), die regulasies afgeleë deur die Goewermentskennisgewing R. 2451 van 1 November 1985, ooreenkomstig die Bygaande Bylae, welke regulasies in werking tree op 15 September 1986.

J. C. HEUNIS,

Minister van Staatkundige Ontwikkeling en Beplanning.

BYLAE

1. Regulasie 1 word hierby gewysig—
 - (a) deur die volgende woorddomskeuring na die omskrywing van "aansoek om toekenning van huurpagg" in te voeg:

" 'administrateur' n administrateur in wie die bates, laste, regte, pligte en verpligtinge van n raad vestig soos beoog in artikel 3 (1) (a) van die Wet op die Afskaffing van Ontwikkelingsliggame, 1986 (Wet 75 van 1986), en ook n owerheidsbeslag op wie sodanige bates, laste, regte, pligte en verpligtinge oorgegaan het soos beoog in artikel 3 (2) van daardie Wet;";

No. R. 1898

12 September 1986

LEASEHOLD REGULATIONS, 1985.—AMENDMENT OF GOVERNMENT NOTICE R. 2451 OF 1 NOVEMBER 1985

I, Jan Christiaan Heunis, Minister of Constitutional Development and Planning, do hereby, by virtue of the powers vested in me by section 66 (1) of the Black Communities Development Act, 1984, (Act 4 of 1984), amend the regulations promulgated by Government Notice R. 2451 of 1 November 1985 in accordance with the accompanying Schedule, which regulations shall come into operation on 15 September 1986.

J. C. HEUNIS,

Minister of Constitutional Development and Planning.

SCHEDULE

1. Regulation 1 is hereby amended—
 - (a) by the insertion before the definition of "application for grant of leasehold" of the following definition:

" 'administrator' means an administrator in whom the assets, liabilities, rights, duties and obligations of a board vest as contemplated in section 3 (1) (a) of the Abolition of Development Bodies Act, 1986, (Act 75 of 1986), and includes a public authority to which such assets, liabilities, rights, duties and obligations have passed as contemplated in section 3 (2) of that Act;";

(b) deur die woordomskrywing van "huurpaggewer" deur die volgende woordomskrywing te vervang:

"huurpaggewer" die Staat of enige persoon of liggaam wat 'n reg van huurpagg kan verleen soos bedoel in artikel 52 (1) van die Wet.

(c) deur die woordomskrywing van "identifikasie" te skrap.

(d) deur die woordomskrywing van "raad" te skrap.

(e) deur die woordomskrywing van "reg van huurpagg" te skrap.

(f) deur die woordomskrywing van "sertifikaat van geregisreerde toekenning van huurpagg" deur die volgende woordomskrywing te vervang:

"sertifikaat van geregisreerde toekenning van huurpagg" die in regulasie 13 (1) bedoelde sertifikaat.

(g) deur die woordomskrywing van "sertifikaat van voorlopige toekenning van huurpagg" deur die volgende woordomskrywing te vervang:

"sertifikaat van voorlopige toekenning van huurpagg" die in regulasie 10 (3) bedoelde sertifikaat.

2. HOOFSTUK II word hierby geskrap.

3. Die opskrif van HOOFSTUK III word hierby deur die volgende opskrif vervang:

"IDENTIFIKASIE VAN PERSELE".

4. Regulasie 6 word hierby deur die volgende regulasie vervang:

"IDENTIFIKASIE VAN PERSELE"

6. (1) 'n Perseel wat op 'n plan of lugfoto soos bedoel in artikel 52 (5) van die Wet verskyn, word geïdentifiseer by wyse van 'n sertifikaat deur 'n landmeter nadat opdrag vir die opmeting daarvan as 'n losstaande perseel of as 'n erf in 'n dorp gegee is en sodanige sertifikaat moet—

(a) verwyys na sodanige plan of lugfoto, wat—

(i) die grense van die betrokke perseel, die afmetings van sodanige grense uitgegedruk tot een desimal van 'n meter en die bendende oppervlakte van die perseel in vierkante meter aandui;

(ii) die nommer van die perseel en die nommers van al die aangrensende persele wat aangedui word, weergee;

(iii) voorsien is van 'n verwyysingsnommer toegeken deur 'n beampte in die Departement van Staatkundige Ontwikkeling en Beplanning in artikel 52 (5) van die Wet, bedoel;

(iv) in bewaring gehou word deur die Landmeter-generaal of die betrokke registrateur soos onderling deur hulle gereël; en

(b) 'n duidelike, beknopte en ondubbelzinnige beskrywing van elke fisiese kenmerk en ander wyses van afbakening bevat wat die grense van die perseel op so 'n wyse afbaken dat dit duidelik uitgesien kan word deur 'n landmeter wat die perseel binne die tydperk van vier jaar soos bedoel in artikel 52 (5) (b) van die Wet, opmeet.

(2) 'n Plan of lugfoto bedoel in subregulasie (1) word opgesel of gereproduseer op 'n wyse wat vir die landmeter in daardie subregulasie bedoel, aanvaarbaar is.

(b) by the deletion of the definition of "board".

(c) by the substitution for the definition of "certificate of provisional grant of leasehold" of the following definition:

"certificate of provisional grant of leasehold" means the certificate referred to in regulation 10 (3)."

(d) by the substitution for the definition of "certificate of registered grant of leasehold" of the following definition:

"certificate of registered grant of leasehold" means the certificate referred to in regulation 13 (1)."

(e) by the deletion of the definition of "identity number".

(f) by the substitution for the definition of "leasehold grantor" of the following definition:

"leasehold grantor" means the State or any person or body who or that may grant a right of leasehold as contemplated in section 52 (1) of the Act."

(g) by the deletion of the definition of "right of leasehold".

2. CHAPTER II is hereby deleted.

3. The following heading is hereby substituted for the heading to CHAPTER III:

"IDENTIFICATION OF SITES".

4. The following regulation is hereby substituted for regulation 6:

"IDENTIFICATION OF SITES"

6. (1) A site appearing on a plan or aerial photograph contemplated in section 52 (5) of the Act shall be identified by way of a certificate by a land surveyor after instructions for the survey of such site as a single site or as an erf in a township have been issued, and such certificate shall—

(a) refer to such plan or photograph, which shall—

(i) indicate the boundaries of the relevant site, the dimensions of such boundaries expressed to one decimal of a metre and the approximate area in square metres of the site;

(ii) reflect the number of the site and the numbers of all the adjoining sites shown;

(iii) bear a reference number allocated by the officer in the Department of Constitutional Development and Planning referred to in section 52 (5) of the Act;

(iv) be kept in the custody of the Surveyor-General or the relevant registrar as arranged between them; and

(b) contain a clear, concise and unambiguous description of each physical feature and other means of demarcation defining the boundaries of the site in such a manner that they may be clearly identified by a land surveyor who surveys the site within the period of four years contemplated in section 52 (5) (b) of the Act.

(2) A plan or aerial photograph referred to in subregulation (1) shall be drawn or reproduced in a manner acceptable to the land surveyor referred to in that subregulation.

(3) Die vereistes vervat in subregulasie (1) vind nie toepassing nie in 'n geval waar 'n landmeter namens 'n dorps-raansoeker 'n ontwerp-algemene plan of diagram aan die Landmeter-generaal vir goedkeuring voorgelê het. Met dien verstande dat—

(a) een of meer persele bedoel in subregulasie (1) vir die doelindes van regulasie 20 van die Dorpsregering en Grondgebruiksregulasies, 1986, deur 'n landmeter geïdentifiseer word met verwyysing na sodanige algemene plan of diagram, ondanks die feit dat die betrokke algemene plan of diagram nog nie deur die betrokke Landmeter-generaal goedgekeur is nie; en

(b) 'n verwyysingsnommer aan sodanige algemene plan of diagram toegeken is soos in subregulasie (1) (a) (iii) beoog.

(4) 'n Plan of lugfoto bedoel in subregulasie (1) word geag geregisreer te wees ten effekte dat dit verband hou met die betrokke grond deur die beampte bedoel in artikel 52 (5) van die Wet, nadat daardie beampte 'n verwyysingsnommer aan 'n plan of lugfoto soos beoog in subregulasie (1) (a) (iii) of subregulasie (3) (b), na gelang van die geval, toegeken het en nadat sodanige perseel ingevolge subregulasie (1) (3) (a), na gelang van die geval, deur 'n landmeter geïdentifiseer is.

5. Regulasie 7 word hierby geskrap.

6. Die volgende regulasie word hierby na regulasie 7 ingevoeg:

"OPMETINGSKOSTE BETAALBAAR DEUR HURPAGGEWER"

7A. Indien die huurpaggewer versuim om die perseel op te meet binne die tydperk neergeleë in artikel 52 (5) (b) van die Wet, en die huurpaggewer die perseel laat opmeet soos beoog in artikel 52 (7) van die Wet, is die huurpaggewer aanspreeklik teenoor die huurpaggewer vir die volle koste van daardie opmeting.

7. Regulasie 8 word hierby geskrap.

8. Regulasie 10 word hierby gewysig—

(a) deur subregulasie (2) deur die volgende subregulasie te vervang:

"(2) 'n Huurpaggewer, behalwe die Staat of 'n dorpsontwikkelaar, wat, met betrekking tot grond waarvan hy die geregisreerde eienaar is, weier om 'n reg van huurpagg te verleen, moet, op skriftelike versoek van die huurpaggewer, 'n karteel, die redes vir sy beslissing verstrek."

(b) deur paragraaf (b) van subregulasie (3) deur die volgende paragraaf te vervang:

"(b) wat onderhawig gemaak kan word aan sodanige bykomende bedinge en voorwaardes as wat in 'n ooreenkoms vervat is. Met dien verstande dat geen sodanige beding of voorwaarde in stryd met enige bepaling van die Wet of hierdie regulasies is nie."

(c) deur die uitdrukking "vier" deur die uitdrukking "ses" waar dit in subregulasie (4) verskyn, te vervang;

(d) deur subregulasie (5) deur die volgende subregulasie te vervang:

"(5) 'n Sertifikaat van voorlopige toekenning van huurpagg en die ooreenkoms in subregulasie (3) bedoel, indien daar een is, is 'n ooreenkoms op die bedinge daarin uitgegedruk."

9. Regulasie 11 word hierby geskrap.

10. Regulasie 12 word hierby gewysig deur die skraping van subregulasie (2) daarvan.

(3) The requirements contained in subregulation (1) shall not apply in the case where a land surveyor has submitted a draft general plan or diagram on behalf of a township applicant to the Surveyor-General for approval: Provided that—

(a) any one or more sites referred to in subregulation (1) shall be identified by a land surveyor for the purposes contemplated in regulation 20 of the Township Establishment and Land Use Regulations, 1986 by reference to such general plan or diagram, notwithstanding the fact that the general plan or diagram, in question has not yet been approved by the Surveyor-General; and

(b) a reference number shall have been allocated to such general plan or diagram as contemplated in subregulation (1) (a) (iii).

(4) A plan or aerial photograph referred to in subregulation (1) shall be deemed to have been certified as relating to the land concerned by the officer referred to in section 52 (5) of the Act, upon that officer having allocated a reference number to a plan or aerial photograph as contemplated in subregulation (1) (a) (iii) or subregulation (3) (b), as the case may be, and upon the relevant land surveyor having identified such site as contemplated in subregulation (1) or (3) (a), as the case may be."

5. Regulation 7 is hereby deleted.

6. The following regulation is hereby inserted after regulation 7:

"SURVEY COSTS PAYABLE BY LEASEHOLD GRANTOR"

7A. If the leasehold grantor fails to survey the premises within the period determined in section 52 (5) (b) of the Act, and the leaseholder causes the premises to be surveyed as contemplated in section 52 (7) of the Act, the leasehold grantor shall be liable to the leaseholder for the full costs of that survey."

7. Regulation 8 is hereby deleted.

8. Regulation 10 is hereby amended—

(a) by the substitution for subregulation (2) of the following subregulation:

"(2) A leasehold grantor, other than the State or a township developer in respect of land of which it is the registered owner, who declines to grant a right of leasehold shall, on written request by the leasehold applicant, furnish the reasons for its decision."

(b) by the substitution for paragraph (b) of subregulation (3) of the following paragraph:

"(b) may be made subject to such additional terms and conditions as are contained in an agreement: Provided that no such term or condition is in conflict with any provision of the Act or these regulations."

(c) by the substitution for the expression "four" wherever it appears in subregulation (4) of the expression "six";

(d) by the substitution for subregulation (5) of the following subregulation:

"(5) A certificate of provisional grant of leasehold and the agreement referred to in subregulation (3), if any, shall constitute an agreement in the terms expressed therein."

9. Regulation 11 is hereby deleted.

10. Regulation 12 is hereby amended by the deletion of subregulation (2) thereof.

11. Regulasie 13 word hierby deur die volgende regulasie vervang:

TOEKENNING VAN HUURPAG

13. (1) Die toekenning van 'n reg van huurpag ten opsigte van 'n huurpagpersoneel of ten opsigte van 'n personeel beoog in artikel 52 (5) van die Wet, geskied by registrasie deur 'n registrator van 'n sertifikaat van geregtigde toekenning van huurpag, wesenlik in die vorm van Aanhangsel E.

(2) Indien 'n toekenning van huurpag geregtigter word ten opsigte van 'n personeel wat nog nie deur 'n landmeter opgemette is nie, soos beoog in artikel 52 (5) van die Wet, moet die registrator die sertifikaat in subregulasie (1) be- doel, endosseer—

(a) ten effekte dat die betrokke personeel 'n onopgemete personeel is soos getoon op 'n plan of lugfoto in be- wa- ring by die Landmeter-Generaal of betrokke regis- trateur beoog in regulasie 6 (1) (a) (iv) of by die Land- meter-Generaal ingedien soos beoog in regulasie 6 (3); en

(b) met die verwysingsnommer beoog in regulasie 6 (1) (a) (iii) of 6 (3) (b), na gelang van die geval.

(3) Te enige tyd nadat die personeel geregtigter is soos beoog in subregulasie (2) opgemette is soos beoog in artikel 52 (5) van die Wet, en 'n diagram of algemene plan met betrekking tot sodanige personeel deur die Landmeter-ge- neraal goedgekeur is, moet 'n registrator, die endossement beoog in subregulasie (2) rofjaar in die betrokke diagram by die sertifikaat van titel aanheg. Met dien verstande dat—

(a) indien die personeel as 'n erf op 'n algemene plan aan- gedui word, 'n paslike verwysing na die algemene plan op die sertifikaat gedosseer moet word;

(b) 'n registrator kan vereis dat 'n sertifikaat deur 'n landmeter onderteken, met vermelding dat die personeel wat op sodanige diagram of algemene plan getoon word, oorteenstem met die personeel soos geregtigter, voor sodanige rofjering voorgelê moet word;

(c) 'n registrator sodanige verdere endossement met betrekking tot die opgemete grootte of nommer van die betrokke personeel kan aanbring as wat hy nodig ag.

12. Regulasie 14 word hierby geskrap.

13. Die volgende regulasie word hierby na regulasie 14 ingevoeg:

BEWYS VAN BEVOEGDHED

14A. 'n T.ekening of oordrag van 'n reg van huurpag word nie deur 'n registrator geregtigter nie tensy 'n eedsverklaring deur die huurpagappikant of oordragener aan hom voorgelê word ten effekte dat hy 'n bevoegde persoon is. Met dien verstande dat hierdie regulasie nie van toepassing is op 'n verbandsouer wat oordrag ingevolge artikel 54 (1) van die Wet neem nie.

14. Regulasie 15 word hierby geskrap.

15. Die volgende hoofstuk word hierby na HOOFSTUK V ingevoeg:

HOOFSTUK V A

OMSKEPPING VAN HUURPAG IN EIENDOMSREG

OOREENKOMS EN SPESIALE VOORWAARDE

17A. (1) Die ooreenkoms beoog in artikel 57A (1) (a) van die Wet wat die huurpaggever magtig om 'n spesiale voor- waarde in die sertifikaat van geregtigterde toekenning van huurpag ten effekte dat die huurpagappikant afstand doen van sy reg om huurpag in eiendomstreg te omskep sonder die toestemming van die huurpaggever en sonder betaling van 'n omskeppingsprys, te registreer, moet verval wees in 'n bepaling in die ooreenkoms beoog in regulasie 10 (3) (b).

11. The following regulation is hereby substituted for regulation 13:

GRANT OF LEASEHOLD

13. (1) The grant of a right of leasehold in respect of a leasehold site or in respect of premises contemplated in section 52 (5) of the Act shall take effect on registration by a registrar of a certificate of registered grant of leasehold substantially in the form of Annexure E.

(2) If a grant of leasehold is being registered in the re- spect of premises that have not yet been surveyed by a land surveyor as contemplated in section 52 (5) of the Act, the certificate referred to in subregulation (1) shall be endorsed by the registrar—

(a) to the effect that the premises concerned are unsur- veyed premises as shown on a plan or aerial photo- graph held by the Surveyor-General or the relevant registrar as contemplated in regulation 6 (1) (a) (iv) or lodged with the Surveyor-General as contemplated in regulation 6 (3); and

(b) with the reference number referred to in regulation 6 (1) (a) (iii) or 6 (3) (b), as the case may be.

(3) At any time after the premises have been registered as contemplated in subregulation (2), have been surveyed as contemplated in section 52 (5) (b) of the Act and a diagram or general plan relating to such premises has been approved by the Surveyor-General, a registrar shall cancel the en- dorsement contemplated in subregulation (2) and attach to the relevant diagram to the certificate of title: Provided that—

(a) if the premises is shown as an erf on a general plan, an appropriate reference to the general plan shall be endorsed on the certificate;

(b) a registrar may require a certificate to be submitted prior to such cancellation, signed by a land surveyor, stating that the site represented on such general plan or diagram corresponds with the premises as regis- tered;

(c) a registrar may make such further endorsements as he may deem necessary with regard to the surveyed area or number of such site.

12. Regulation 14 is hereby deleted.

13. The following regulation is hereby inserted after regu- lation 14:

PROOF OF COMPETENCE

14A. A registrar shall not register a grant or transfer of a right of leasehold unless a sworn declaration by the lease- hold applicant or transferee to the effect that he is a compe- tent person has been submitted to him: Provided that this regulation shall not apply to a mortgagee taking transfer in terms of section 54 (1) of the Act.

14. Regulation 15 is hereby deleted.

15. The following chapter is hereby inserted after CHAP- TER V:

CHAPTER V A

CONVERSION OF LEASEHOLD TO OWNERSHIP

AGREEMENT AND SPECIAL CONDITION

17A. (1) The agreement contemplated in section 57A (1)(a) of the Act entitling the leasehold grantor to register in the certificate of registered grant of leasehold a special con- dition that the leasehold applicant waives his right to obtain conversion of leasehold to ownership without the consent of the leasehold grantor and without payment of a conversion price shall be contained in a provision in the agreement contemplated in regulation 10 (3) (b).

(2) Indien die huurpaggever die Staat, 'n administrateur of 'n plaaslike owerheid is, mag die ooreenkoms in subre- gulasie (1) vermeld, nie bepaal dat die geregtigterde eie- naar geregtig is om die huurpagappikant te verplig om die huurpag in eiendomstreg te omskep nie, en enige sodanige bepaling is van nul en gener waarde.

(3) 'n Ooreenkoms en 'n spesiale voorwaarde bedoel in subregulasie (1) moet uitdruklik—

(a) die identiteit van die eienaar van die betrokke grond soos in artikel 57A van die Wet beoog, of die identi- teit van die persoon van wie die eienaar se toeseem- ming verkry moet word, vermeld; en

(b) die identiteit van die begunstigde vermeld indien die omskeppingsprys nie aan die eienaar bedoel in para- graaf (a) betaal word nie.

OMSKEPPINGSPRYS

17B. (1) Behoudens die bepalings van subregulasie (2) kan 'n ooreenkoms en spesiale voorwaarde bedoel in regu- lasie 17A bepaal dat die omskeppingsprys in partieme- nte betaal word.

(2) Geen partiemente bedoel in subregulasie (1) is betaal- baar—

(a) alvorens die huurpaghouer sy keuse om sy reg om 'n omskepping te verkry, uitgeoefen het nie; of

(b) in 'n geval waar die eienaar van die betrokke grond nie 'n huurpaggever soos bedoel in regulasie 17A (2) is nie, alvorens die eienaar 'n reg om die huurpag- houer te verplig om daardie reg van huurpag in eiendomstreg te omskep, afgedwing het nie.

(3) Geen rente op enige omskeppingsprys of partiemente in subregulasies (1) en (2) bedoel, is deur die huurpaghouer aan die eienaar verskuldig of betaalbaar voor die datum waarop die omskeppingsprys, of die eerste partiemente ten opsigte van die omskeppingsprys, na gelang van die geval, betaalbaar geword het nie.

(4) Ten einde te bepaal of die prys van vervreemding met betrekking tot 'n reg van huurpag, tesame met die omskep- pingsprys aangedui in 'n ooreenkoms of spesiale voor- waarde bedoel in regulasie 17A, op die datum waarop die betrokke ooreenkoms gesluit is, die prys van vervreemding wat betaalbaar sou gewees het indien die eienaar die grond in eiendom oorgegedra het soos beoog in artikel 57A (1) (b) van die Wet, oorskry, moet sodanige prys van vervreem- ding ten opsigte van die grond—

(a) in die geval waar die huurpaggever die Staat, 'n plaaslike owerheid of 'n administrateur is, die bedrag wees van die prys van vervreemding aangebied deur sodanige huurpaggever vir die oordrag van daardie personeel in eiendomstreg, met inagneming van die huurpagappikant se reg om te kies of hy huurpag of eiendomstreg wil verkry, soos beoog in artikel 57D van die Wet;

(b) in die geval waar die huurpaggever 'n dorpsontwik- kelaar is, die bedrag wees van die prys van ver- vreemding aangebied deur sodanige dorpsontwikke- laar, vir die oordrag van daardie personeel in eiendomstreg of, in geval sodanige dorpsontwikkeelaar nie bereid is om die personeel aldus aan die huurpag- pikant oor te dra nie, die bedrag bepaal deur sodanige dorpsontwikkeelaar.

(5) 'n Ooreenkoms en spesiale voorwaarde bedoel in regulasie 17A, kan bepaal dat die ooreenkomme omskep- pingsprys van tyd tot tyd mag verander na die sluiting van sodanige ooreenkoms: Met dien verstande dat—

(a) die bedrag van sodanige omskeppingsprys duidelik vasstelbaar moet wees op enige stadium na die slui- ting van sodanige ooreenkoms;

(2) If the leasehold grantor is the State, an administrator or a local authority, the agreement referred to in subregu- lation (1) may not provide that the registered owner is entitled to compel the leasehold applicant to convert the leasehold to ownership, and any such provision shall be null and void.

(a) state the identity of the owner of the relevant land as contemplated in section 57A of the Act, or the identi- ty of the person from whom the owner's consent shall be obtained; and

(b) state the identity of the payee, if the conversion price is not to be paid to the owner referred to in paragraph (a).

CONVERSION PRICE

17B. (1) Subject to the provisions of subregulation (2), and agreement and special condition referred to in regu- lation 17A may provide that the conversion price is to be paid in instalments.

(2) No instalments referred to in subregulation (1) shall be payable—

(a) before the leaseholder has elected to exercise his right to obtain a conversion; or

(b) in a case where the owner of the relevant land is not a leasehold grantor referred to in regulation 17A (2), before the owner has enforced any right to compel the leaseholder to convert that right of leaseholder into ownership.

(3) No interest on any conversion price or instalment referred to in subregulations (1) and (2) shall be owing or payable by the leaseholder to the owner before the date on which the conversion price or the first instalment in respect of the conversion price, as the case may be, has become payable.

(4) For the purposes of determining whether the disposal price in respect of a right of leasehold, together with the conversion price stipulated in an agreement or special con- dition referred to in regulation 17A, on the date on which the relevant agreement is concluded exceeds the disposal price that would have been payable in respect of the land had the owner transferred ownership of the land and con- templated in section 57A (1) (b) of the Act, such disposal price in respect of the land shall—

(a) in the case where the leasehold grantor is the State, a local authority or an administrator, be the amount of the disposal price offered by such leasehold grantor for the transfer of that site in ownership, pursuant to the leasehold applicant's right to elect whether it wishes to be acquired leasehold or ownership as con- templated in section 57D of the Act;

(b) in the case where the leasehold grantor is a township developer, be the amount of the disposal price offered by such township developer for the transfer in ownership of that site or, in the event of such township developer not being prepared so to transfer the site to the leasehold applicant, be an amount de- termined by such township developer.

(5) An agreement and special condition referred to in regulation 17A may provide that the agreed conversion price may vary from time to time after the conclusion of such agreement: Provided that—

(a) the amount of such conversion price shall be clearly determinable at any stage after the conclusion of such agreement;

(b) die bedrag waarmee die omskeppingsprys verander...

17C. Indien 'n reg van huurpagg onderworpe is aan 'n voorwaarde...

TOESTEMMING

16. Regulasie 18 word hierby deur die volgende regulasie vervang...

REG VAN OKKUPASIE

18. Geen perseelpermit, woonpermit, of sertifikaat van bewoning...

REGTE VAN VERBANDHOUER

19A. Waar 'n verbandhouer 'n reg van huurpagg kragtens artikel 52 (11) (a) van die Wet gekoop het...

(b) the amount of the variation in the conversion price measured against the amount of the conversion price...

(i) the amount of interest calculated for the purposes intended in this paragraph may exceed the principal sum of the original conversion price...

CONSENT

17C. If a right of leasehold is subject to a condition that the leaseholder waived his right to obtain a conversion without the consent of the owner...

RIGHT OF OCCUPANCY

18. No site permit, residential permit or certificate of occupation referred to in any other law shall be required in respect of a leasehold site or of premises contemplated in section 52 (5) of the Act...

RIGHTS OF MORTGAGEE

19A. Where a mortgagee has purchased a right of leasehold in terms of section 52 (11) (a) of the Act he may, subject to the provisions of the Act and these regulations, sell or let it to a competent person during a period not exceeding 12 months...

19. Regulasies 20 en 21 word hierby geskrap.

20. Regulasie 22 word hierby gewysig deur die volgende subregulasies na subregulasie (2) in te voeg:

21. Aanhangsel A word hierby geskrap. 22. Aanhangsel B word hierby gewysig deur die besonderhede onder die opskrif "Besonderhede van perseel" deur die volgende te vervang:

Volledige beskrywing van die perseel ten opsigte waarvan hierdie aansoek gedoen word.

23. Aanhangsel C word hierby deur die volgende Aanhangsel vervang:

SERTIFIKAAT VAN VOORLOPIGE TOEKENNING VAN HURPAG

Form with fields: Hierby word bewysing dat van die huurpaggewer ten volle 'n reg van huurpagg toeken...

19. Regulations 20 and 21 are hereby deleted.

20. Regulation 22 is hereby amended by the insertion after subregulation (2) of the following subregulations:

21. Annexure A is hereby deleted. 22. Annexure B is hereby amended by the substitution for the particulars under the heading "Particulars of site" of the following:

Full description of the site in respect of which this application is made.

23. The following Annexure is hereby substituted for Annexure C:

CERTIFICATE OF PROVISIONAL GRANT OF LEASEHOLD

Form with fields: This is to confirm that... name in full, grants a right of leasehold...

Form with fields: Identifikasienommer, Geboretedatum, Woonadres, Besigheidsadres, Handtekening, Man se handtekening, Datum, Genus, Persel No.

Form with fields: Full name, Identity number, Date of birth, Residential address, Business address, Signature, Husband's signature, Date, Witnesses, Site No., Township or development area, Area in square metres, Indicated on Plan No., Against payment of or security for the sum of R, Subject to the following registrable conditions, Subject to the further terms and conditions contained in an agreement dated, Subject to the condition that the use of the aforesaid site shall be, Business, Industrial.

(iv) gemeenskapfasiliteit;

(v) munisipaal;

(vi) onbepaald; of

(vii) openbare oop ruimte.

is soos beoog in die Grondgebruikvoorwaardes vervat in Aanhangsel F van die Dorpsgrug- en Grondgebruikregulasies?

Die geldigheidsduur van hierdie sertifikaat en omdeneming vervat op onderstaande endossement.

Gedateer: (Huurgeswer)

Vir: (Huurgeswer)

Datum: (Huurgeswer)

Geldigheidsduur van hierdie sertifikaat word verleng tot

1.

2.

3.

4.

Notes:

(1) Indien die applikant 'n natuurlike persoon/ingelyfde higgam is, vermeld die volle naam soos dit in applikaat se identifikasiedokument/sertifikaat van nuwe verskyn. Indien die applikant 'n vennootskaps/onderhandelings higgam van persone is, vermeld die volle name.

(2) Nê van toepassing waar applikant 'n vennootskap of oningelyfde higgam van persone is n.c. behalwe waar 'n verwysings- of registrasie-nommer onderdaan toegeken is. In die geval van 'n burger van 'n staat waarvan die grondgebied vrees deel van die Republiek uitgemaak het, soos in paragraaf (a) van die woorboekswaardes van bevoegde persoon in artikel 1 van die Wet beoog, wat nie 'n Suid-Afrikaanse identifikasie-nommer betref nie, moet hierdie paragraaf nie ingevoeg te word nie of, alternatiewelik, kan die nommer in 'n identifikasiedokument of 'n paspoort of ander reisdokument, uitgereik kragtens 'n wet van sodanige staat, ingevoeg word.

(3) Is slegs op 'n natuurlike persoon van toepassing.

(4) Is slegs op 'n natuurlike persoon van toepassing.

(5) Slegs van toepassing indien die huurgeswer 'n getroude vrou is wat ondertrou is aan die manlike mede- en haar man.

(6) Indien huurgag toegeken word aan twee of meer applikante gesamentlik, verkyr die besonderhede van die tweede en verdere persone hier. Indien die huurgeswer 'n vennootskap of oningelyfde higgam van persone is, vermeld besonderhede van elke vennoot of elke lid daarvan hier. Die besonderhede moet getyklusierd wees met die in paragraaf (a) van die vorm vermeld, en notas (1) tot (5) is van toepassing.

(7) Voeg die voorwaardes wat in 'n registrasiekantoor registrasie is, met indigrip van 'n spesiale voorwaarde in artikel 57A bedoel, in.

(8) Voeg die datum van die ooreenkoms, indien daar een is, bedeel in regulasie 10 (3) (b) in. Sodanige ooreenkoms moet nie aan die sertifikaat gebring te word nie.

(9) Dit aan die grondgebruik van die perseel wat sal geld ooreenkomsdig die Grondgebruikvoorwaardes soos in Aanhangsel F van die Dorpsgrug- en Grondgebruikregulasies uiteengeleg is. Indien die gemaakte Grondgebruikvoorwaardes nie op die perseel van toepassing sal wees nie, vermerk volke besonderhede van die beoogde grondgebruik van die perseel.

24. Aanhangsel D word hierby deur die volgende aanhangsel vervang:

"AANHANGSEL D TOESTEMMING [Regulasie 17C]

Ek, die geregisterde eienaar van perseel nommer dorps deur my getroude kragtens 'n ooreenkoms met die geregisterde huurgeswer is wat sodanige reg van huurgag kragtens alre van huurgag nommer hoo, bevestig hierby dat ek toestemming verleen tot die onskryping deur die gemaakte huurgeswer van die gemaakte reg van huurgag van opsigte van die gemaakte perseel in standhouding soos beoog in artikel 57A van die Wet op die Ontwikkeling van Swart Gemeenskappe, 1984.

Gedateer te op beide die dag van 19.....

Gemies: Eienaar

25. Aanhangsel E word hierby deur die volgende aanhangsel vervang:

"AANHANGSEL E SERTIFKAAT VAN GEREISTEERDE TOEKENNING VAN HUURPAG [Regulasie 13]

1. Hierby word gesertifiseer dat die reg van huurgag ten opsigte van perseel nommer groot en getoon op alre-metse plan/plaunlugfoto * nommer en getoon op alre-identifikasie- /registrasienommer * is aan en dat die gemaakte reg van huurgag verval 99 jaar na die registrasie hier van.

2. Die gebruik van die voormelde perseel sal wees: [Voeg die gebruik van die betrokke perseel kragtens die Dorpsgrug- en Grondgebruikregulasies uitgewaardig kragtens artikel 66 (1) van die Wet], soos omskryf en onderwerp aan sodanige voorwaardes as wat vervat is in die Grondgebruikvoorwaardes in Aanhangsel F van die Dorpsgrug- en Grondgebruikregulasies uitgewaardig kragtens artikel 66 (1) van die Wet op die Ontwikkeling van Swart Gemeenskappe, 1984. Met dien verstande dat op die datum van inwerkingtreding van 'n dorpsplanningsskema wat op die perseel van toepassing is, die regte en verpligtinge in sodanige skema vervat, die in voormelde Grondgebruikvoorwaardes vervang, soos beoog in artikel 57B van die gemaakte Wet.

OF (In die alternatiewe, voeg ander voorwaardes in toegelaan met betrekking tot grondgebruik kragtens die Wet.)

SPEKIALE VOORWAARDES

* Skrap wat nie van toepassing is nie.

Registrasiekantoor te

Datum:

Folionommer in register:

26. Aanhangsel F word hierby gewysig deur in Deel B die voorbehoudebepligings by afdelings II en III te skrap.

No. R. 1899 12 September 1986

REGULASIES BETREFFENDE DIE BEPALING VAN DIE PRYS VAN OPENBARE GROND

Ek, Jan Christiaan Heunis, Minister van Staatkundige Ontwikkeling en Beplanning, vaardig hierby kragtens die bevoegtheid my verleen by artikel 66 (1) van die Wet op die Ontwikkeling van Swart Gemeenskappe, 1984 (Wet 4 van 1984), die regulasies uit te werk in die bygaande Bylae, welke regulasies in werking tree op 15 September 1986.

J. C. HEUNIS, Minister van Staatkundige Ontwikkeling en Beplanning.

BYLAE HOOFSTUK I WOORDOMSKRYPING EN TOEPASSING

1. In hierdie regulasies, tensy dit uit die samehang anders blyk, beteken— "administrateur" 'n administrateur in wie die bates, laste, regte, pligte en verpligtinge van 'n ontwikkelingsraad vestig soos bedoel in artikel 3 (1) (a) van die Wet op die Afskafing van Ontwikkelingsliggame, 1986 (Wet 75 van 1986), en ook 'n owerheidsbesag op wie sodanige bates, laste, regte, pligte en verpligtinge gorgaen het soos beoog in artikel 3 (2) van daardie Wet;

"ANNEXURE E CERTIFICATE OF REGISTERED GRANT OF LEASEHOLD [Regulation 13]

1. It is hereby certified that the right of leasehold in respect of site number measuring has been granted to serial photograph * number has been granted to (leasehold grantor), who holds the land under registration number and that the said right of leasehold expires 99 years after registration thereof.

2. The use of the aforesaid site shall be: [Insert the use for the relevant site under the Township Establishment and Land Use Regulations, 1986 made in terms of section 66 (1) of the Act] as defined and subject to such conditions as are contained in the Land Use Conditions in Annexure F to the Township Establishment and Land Use Regulations, 1986 made in terms of section 66 (1) of the Black Communities Development Act, 1984. Provided that on the date on which a town planning scheme relating to the site comes into force, the rights and obligations contained in such scheme shall supersede those contained in the aforesaid Land Use Conditions, as contemplated in section 57B of the said Act.

OR (Alternatively insert other conditions relating to land use allowed under the Act.)

SPECIAL CONDITIONS

* Delete that which is not applicable.

Registration office at

Date:

Folio number in register:

26. Annexure F is hereby amended by the deletion in part B of the provisos to sections II and III.

No. R. 1899 12 September 1986

REGULATIONS RELATING TO THE DETERMINATION OF THE PRICE OF PUBLIC LAND

I, Jan Christiaan Heunis, Minister of Constitutional Development and Planning, do hereby, by virtue of the powers vested in me by section 66 (1) of the Black Communities Development Act, 1984 (Act 4 of 1984), make the regulations contained in the accompanying Schedule, which regulations shall come into operation on 15 September 1986.

J. C. HEUNIS, Minister of Constitutional Development and Planning.

SCHEDULE CHAPTER I DEFINITIONS AND APPLICATION

1. In these regulations, unless the context otherwise indicates— "administrator" means an administrator in whom the assets, liabilities, rights, duties and obligations of a development board vest as contemplated in section 3 (1) (a) of the Abolition of Development Bodies Act, 1986 (Act 75 of 1986), and includes a public authority to which such assets, liabilities, rights, duties and obligations have passed as contemplated in section 3 (2) of the said Act;

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"AANHANGSEL E

SERTIFIKAAT VAN GEREГИSTREERDE TOEKENNING VAN HUURPAG

[Regulasie 13]

Sertifikaat No.

1. Hierby word gesertifiseer dat die reg van huurpag ten opsigte van perseel nommer....., groot..... en getoon op algemene plan/plan/lugfoto* nommer..... toegeken is aan..... identiteits-/registrasienuommer*..... deur..... (huurpaggewer), wat die grond hou kragtens..... nommer....., en dat die gemelde reg van huurpag verval 99 jaar na die registrasie hiervan.

2. Die gebruik van die voormelde perseel sal wees..... [voeg in die gebruik van die betrokke perseel kragtens die Dorpstigting- en Grondgebruiksregulasies uitgevaardig kragtens artikel 66 (1) van die Wet], soos omskryf en onderworpe aan sodanige voorwaardes as wat vervat is in die Grondgebruiksvoorwaardes in Aanghangsel F van die Dorpstigting- en Grondgebruiksregulasies uitgevaardig kragtens artikel 66 (1) van die Wet op die Ontwikkeling van Swart Gemeenskappe, 1984: Met dien verstande dat op die datum van inwerkingtreding van 'n dorpsbeplanningskema wat op die perseel van toepassing is, die regte en verpligtinge in sodanige skema vervat, dié in voormelde Grondgebruiksvoorwaardes vervang, soos beoog in artikel 57B van die gemelde Wet.

OF

*(In die alternatief, voeg ander voorwaardes in toegelaat met betrekking tot grondgebruik kragtens die Wet).....

SPESIALE VOORWAARDES

* Skrap wat nie van toepassing is nie.

Registrasiekantoor te

Datum

Folionommer in register.....

.....
Registrateur."

26. Aanghangsel F word hierby gewysig deur in Deel B die voorbehoudsbepalings by afdelings II en III te skrap.

No. R. 1899

12 September 1986

REGULASIES BETREFFENDE DIE BEPALING VAN DIE PRYS VAN OPENBARE GROND

Ek, Jan Christiaan Heunis, Minister van Staatkundige Ontwikkeling en Beplanning, vaardig hierby kragtens die bevoegdheid my verleen by artikel 66 (1) van die Wet op die Ontwikkeling van Swart Gemeenskappe, 1984 (Wet 4 van 1984), die regulasies uit vervat in die bygaande Bylae, welke regulasies in werking tree op 15 September 1986.

J. C. HEUNIS,
Minister van Staatkundige Ontwikkeling en Beplanning.

BYLAE

HOOFSTUK I

WOORDOMSKRYWING EN TOEPASSING

Woordoms krywing

1. In hierdie regulasies, tensy dit uit die samehang anders blyk, beteken—

"administrateur" 'n administrateur in wie die bates, laste, regte, pligte en verpligtinge van 'n ontwikkelingsraad vestig soos bedoel in artikel 3 (1) (a) van die Wet op die Afskaffing van Ontwikkelingsliggame, 1986 (Wet 75 van 1986), en ook 'n owerheids gesag op wie sodanige bates, laste, regte, pligte en verpligtinge oorgegaan het soos beoog in artikel 3 (2) van daardie Wet;

"ANNEXURE E

CERTIFICATE OF REGISTERED GRANT OF LEASEHOLD [Regulation 13]

Certificate No.

1. It is hereby certified that the right of leasehold in respect of site number....., measuring..... and shown on general plan/plan/aerial photograph* number..... has been granted to..... identity/registration* number..... by..... (leasehold grantor), who holds the land under number....., and that the said right of leasehold expires 99 years after registration hereof.

2. The use of the aforesaid site shall be

[insert the use for the relevant site under the Township Establishment and Land Use Regulations, 1986 made in terms of section 66 (1) of the Act) as defined and subject to such conditions as are contained in the Land Use Conditions in Annexure F to the Township Establishment and Land Use Regulations, 1986 made in terms of section 66 (1) of the Black Communities Development Act, 1984: Provided that on the date on which a town planning scheme relating to the site comes into force, the rights and obligations contained in such scheme shall supersede those contained in the aforesaid Land Use Conditions, as contemplated in section 57B of the said Act.

OR

*(Alternatively insert other conditions relating to land use allowed under the Act).....

SPECIAL CONDITIONS

* Delete that which is not applicable.

Registration office at

Date

Folio number in register.....

.....
Registrar."

26. Annexure F is hereby amended by the deletion in part B of the provisos to sections II and III.

No. R. 1899

12 September 1986

REGULATIONS RELATING TO THE DETERMINATION OF THE PRICE OF PUBLIC LAND

I, Jan Christiaan Heunis, Minister of Constitutional Development and Planning, do hereby, by virtue of the powers vested in me by section 66 (1) of the Black Communities Development Act, 1984 (Act 4 of 1984), make the regulations contained in the accompanying Schedule, which regulations shall come into operation on 15 September 1986.

J. C. HEUNIS,
Minister of Constitutional Development and Planning.

SCHEDULE

CHAPTER I

DEFINITIONS AND APPLICATION

Definitions

1. In these regulations, unless the context otherwise indicates—

"administrator" means an administrator in whom the assets, liabilities, rights, duties and obligations of a development board vest as contemplated in section 3 (1) (a) of the Abolition of Development Bodies Act, 1986 (Act 75 of 1986), and includes a public authority to which such assets, liabilities, rights, duties and obligations have passed as contemplated in section 3 (2) of the said Act;

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"die Wet" die Wet op die Ontwikkeling van Swart Gemeenskappe, 1984 (Wet 4 van 1984).

Toepassing

2. (1) Hierdie regulasies geld slegs ten opsigte van kooppryse vir die eerste toekennings van 'n reg van huurpaga of die eerste verveending van grond wat die eiendom is van, of bems by die Staat, 'n administrateur of 'n plaaslike owerheid of wat, behoudens die bepaling van regulasie 8, ingevolge artikel 34 (9) van die Wet aan 'n persoon of liggaam beskikbaar gestel is.

(2) Die Staat, 'n administrateur of 'n plaaslike owerheid verveen nie, of verleen nie 'n reg van huurpaga ten opsigte van grond bedoel in subregulasie (1) teen 'n prys wat op 'n ander wyse as ingevolge hierdie regulasies vasgestel is nie.

HOOFTUK II

VASSTELLING VAN GRONDGEDEELTE VAN PRYS

Vasstelling deur Minister

3. (1) Behoudens die bepaling van subregulasie (2) stel die Minister daardie gedeelte van die koopprys vas wat op 'n reg van huurpaga of die grond bedoel in regulasie 2 (1) betrekking het, na goeddunke. Met dien verstande dat die Minister kan ag slaan op—

- (a) die waarde vir boerderydoeleindes van enige aangrensende of nabyliggende plaasgrond;
 - (b) die marktaandeel van enige aangrensende of nabyliggende verbeterde grond;
 - (c) die waardes of pryse in enige mark wat mag ontwikkel ten opsigte van enige aangrensende of nabyliggende verbeterde grond;
 - (d) die persone of gemeenskap wat na verwagting die grond of huurpaga ten opsigte daarvan gaan verkry;
 - (e) geologiese of ander fisiese omstandighede;
 - (f) aangrensende grondgebruik;
 - (g) enige aankoopprys voorheen vir die grond betaal;
 - (h) die ligging van die grond;
 - (i) die termyn waarvoor enige bestaande vasstelling wat kragtens hierdie regulasies gemaak is of geag word gemaak te wees, van krag af;
 - (j) enige ander faktore wat die Minister tersaaklik ag.
- (2) 'n Bedrag wat deur die Minister vasgestel is as die gedeelte van die koopprys in subregulasie (1) bedoel, sluit in—

- (a) die koste verbonde aan dorpsligting, insluitende die opneemingskoste;
 - (b) ontwikkelingskoste, wat, sonder om afbreuk te doen aan die algemeenheid van die uitdrukking, finansieringskoste, projekbeplanningkoste, die koste van bestuur en administrasie, reëlskoste, dienstelegde, perseelluur, plaaslike owerheidsbelastinge, heffings, en soortgelyke kostes;
 - (c) die koste van verbeterings, insluitende infrastruktuur en strukture op die betrokke grond opgerig;
 - (d) tussentydse rente;
 - (e) eiendomsagente-kommissie.
- (3) Die Minister stel die gedeelte van die koopprys beoog in subregulasie (1) vas na oorleëpleging met—
- (a) die eienaar van die grond, in die geval van grond waarvan die administrateur of 'n plaaslike owerheid die eienaris of wat by hom bems;
 - (b) in onstandighede beoog in artikel 34 (9) van die Wet, die persoon aan wie die grond beskikbaar gestel is;
 - (c) enige ander persoon na goeddunke van die Minister.

"the Act" means the Black Communities Development Act, 1984 (Act 4 of 1984).

Application

2. (1) These regulations shall apply only in respect of purchase prices for the first grant of a right of leasehold or the first alienation of land that is owned by or that vests in the State, an administrator or a local authority or that, subject to the provisions of regulation 8, has been made available to any person or body in terms of section 34 (9) of the Act.

(2) The State, an administrator or a local authority shall not alienate or grant a right of leasehold of land referred to in subregulation (1) at a disposal price determined in some way other than under these regulations.

CHAPTER II

DETERMINATION OF LAND PORTION OF PRICE

Determination by the Minister

3. (1) Subject to the provisions of subregulation (2), the Minister shall determine that portion of the purchase price relating to a right of leasehold or the land referred to in regulation 2 (1) in his discretion. Provided that the Minister may have regard to—

- (a) the value for farming purposes of any adjacent or nearby farm land;
 - (b) the market value of any adjacent or nearby improved land;
 - (c) the values in prices in any market that may develop in respect of any adjacent or nearby improved land;
 - (d) the persons who or community that it is contemplated will acquire the land or leasehold in respect thereof;
 - (e) geological or other physical conditions;
 - (f) adjacent land usage;
 - (g) any purchase price previously paid for the land;
 - (h) the location of the land;
 - (i) the period for which any existing determination made or deemed to have been made under these regulations has been in force;
 - (j) any other factors that the Minister deems relevant.
- (2) Any amount determined by the Minister to be the portion of the purchase price referred to in subregulation (1) shall exclude—

- (a) the costs of township establishment, including the costs of survey;
 - (b) development costs, which, without derogating from the generality of the term, includes finance charges, project planning costs, the costs of management and administration, legal costs, service charges, site rentals, local authority rates, levies and like costs;
 - (c) the costs of improvements, including infrastructure and structures erected upon the land concerned;
 - (d) occupational interest;
 - (e) estate agent's commission.
- (3) The Minister shall determine the portion of the purchase price contemplated in subregulation (1) after consultation with—
- (a) the owner of the land, in the case of land owned by or that vests in an administrator or a local authority;
 - (b) in the circumstances contemplated in section 34 (9) of the Act, the person to whom the land has been made available;
 - (c) any other person in the discretion of the Minister.

Einheid en grootte van vasstelling

4. (1) 'n Vasstelling van die gedeelte van die koopprys kragtens regulasie 3 word uitgedruk as 'n bedrag in rand en sent per vierkante meter.

(2) 'n Vasstelling van die gedeelte van die koopprys in subregulasie (1) bedoel, is van toepassing op die geheel of enige gedeelte van 'n dorp of ander stuk grond wat die Minister na goeddunke goedvind, en die Minister kan enige gebied in verband waarmee 'n grondprysvasstelling gemaak is op 'n wyse wat by toepaslik ag, omskryf.

(3) Enige vasstelling bedoel in subregulasie (1) wat 'n vasstelling vervang wat vroër kragtens hierdie regulasies gemaak is of geag word gemaak te gewees het, kan verklaar word van toepassing te wees ten opsigte van slegs 'n gedeelte van die gebied waarop sodanige vroë vasstelling van toepassing was, in welke geval sodanige vroë vasstelling ophou om van toepassing te wees op daardie gedeelte.

(4) Wanneer grond ten opsigte waarvan die Minister die gedeelte van die koopprys kragtens regulasie 3 vasgestel het, verveen word aan enige persoon of liggaam uitgesondert die Staat, 'n administrateur of plaaslike owerheid, hou sodanige vasstelling op om van toepassing te wees ten opsigte van sodanige grond. Met dien verstande dat waar die Staat, 'n administrateur of 'n plaaslike owerheid die betrokke grond ingevolge artikel 34 (9) van die Wet aan 'n persoon of liggaam beskikbaar gestel het, sodanige vasstelling, met uitsluiting van grond wat bestem is vir besighede of industriële doeleindes soos in regulasie 8 beoog, op daardie grond van toepassing bly.

Kennisgewing van vasstelling

5. (1) Die Direkteur-generaal moet die eienaar van die betrokke grond, in die omstandighede beoog in artikel 34 (9) van die Wet, in kennis stel van 'n vasstelling deur die Minister van die gedeelte van die koopprys kragtens regulasie 3.

(2) Enige vasstelling bedoel in subregulasie (1) word aangebring op die kennisgewingsbord van die plaaslike owerheid binne wie se plaaslike owerheidsgebied die betrokke grond geleë is, of, indien daar geen sodanige plaaslike owerheid is nie, moet die eienaar van die grond die betrokke vasstelling op versoek en sonder verpoeding ter insae beskikbaar stel by sy kantoor of op enige plek deur die Direkteur-generaal aangewys binne die betrokke ontwikkelingsgebied.

(3) Die Direkteur-generaal moet op versoek van enige belanghebbende persoon 'n afskrif van 'n in subregulasie (1) bedoelde vasstelling aan sodanige persoon beskikbaar stel.

HOOFTUK III

ANDER KOMPONENTE VAN KOOPPRYS

Insluiting van wins

6. Die komponente van die koopprys van 'n reg van huurpaga of grond bedoel in regulasie 2 (1), uitgesonderd die gedeelte van die koopprys bedoel in regulasie 3 (1), kan wils insluit.

Uitsluiting van pryskomponente

7. 'n Ooreenkoms deur die Staat, 'n administrateur of 'n plaaslike owerheid gesluit vir 'n eerste verveending van grond of toekennings van 'n reg van huurpaga bedoel in regulasie 2 (1), beval 'n uitsluiting, wesenlik in die vorm van Aanhangsel A, wat die komponente van die koopprys aandui.

Unit and extent of determination

4. (1) A determination of the portion of the purchase price made in terms of regulation 3 shall be expressed as an amount in rand and cents per square metre.

(2) A determination of the portion of the purchase price referred to in subregulation (1) shall apply to the whole or any part of a township or any other piece of land as the Minister in his discretion may deem fit, and the Minister may define any area in relation to which a land price determination has been made in any manner that he may deem appropriate.

(3) Any determination referred to in subregulation (1) replacing a determination previously made or deemed to have been made under these regulations may be stated to apply in respect of a part only of the area to which such previous determination applied, in which case such previous determination shall cease to apply in respect of that part.

(4) Upon land in respect of which the Minister has determined the portion of the purchase price in terms of regulation 3 being alienated to any person or body other than the State, an administrator or local authority, such determination shall cease to apply in respect of such land. Provided that where the State, an administrator or a local authority has made the relevant land available to any person or body in terms of section 34 (9) of the Act, such determination shall, with the exception of land intended for business or industrial purposes as contemplated in regulation 8, continue to apply in respect of such land.

Notice of determination

5. (1) The Director-General shall inform the owner of the relevant land, in the circumstances contemplated in section 34 (9) of the Act, of a determination by the Minister of the portion of the purchase price in terms of regulation 3.

(2) Any determination referred to in subregulation (1) shall be displayed on the notice board of the local authority within whose local authority area the relevant land is situated or, if there is no such local authority, the relevant determination shall be made available for inspection on request and without charge by the owner of the land at his office or at any place designated by the Director-General within the relevant development area.

(3) The Director-General shall on request by any interested person furnish a copy of any determination referred to in subregulation (1) to such person.

CHAPTER III

OTHER COMPONENTS OF PURCHASE PRICE

Inclusion of profit

6. The components of the purchase price of a right of leasehold or land referred to in regulation 2 (1), other than the portion of the purchase price referred to in regulation 3 (1), may include profit.

Statement of price components

7. An agreement concluded by the State, an administrator or a local authority for any first alienation of land or grant of a right of leasehold referred to in regulation 2 (1) shall contain, substantially in the form of Annexure A, a statement indicating the components of the purchase price.

**HOOFSTUK IV
BESIGHEIDS- EN INDUSTRIELE PERSELE**

Openbare tender

8. (1) Ondanks enige andersluidende bepalinge in hierdie regulasies verval, vind die eerste verveemding van grond van 'n reg van huurpagg soos beoog in regulasie 2 (1), wat bestem is vir besighede- of industriële doeleindes, plaas, in die geval van grond—

(a) wat die eiendom is van of benu by 'n plaaslike owerheid, deur middel van openbare tender ooreenkomsig die finansieel regulasies van toepassing op daardie plaaslike owerheid;

(b) wat die eiendom is van of benu by die Staat, deur middel van openbare tender deur die plaaslike owerheid binne wie se plaaslike owerheidsgebied die betrokke grond geleë is, handelende kragtens die regulasies vermeld in paragraaf (a) in sy hoedanigheid van agent van die Minister, of, indien daar nie sodanige plaaslike owerheid is nie, deur 'n administrateur in dieselfde hoedanigheid, handelende kragtens enige toepasselike wet met betrekking tot die verveemding van die betrokke grond by wyse van openbare tender;

(c) wat in die administrateur vestig, deur middel van openbare tender deur die administrateur, handelende kragtens enige toepasselike wet met betrekking tot die verveemding van sodanige grond by wyse van openbare tender.

Met dien verstande dat—

- (i) die bepalinge van hierdie subregulasie nie van toepassing is nie ten opsigte van grond wat die eiendom is van of benu by of vestig in enige van die instansies genoem in paragraaf (a), (b) en (c) en wat beskikbaar gestel is aan 'n ander persoon of liggaam ingevolge artikel 34 (9) van die Wet en dat daar op enige wyse oor sodanige grond beskik kan word; en
- (ii) die koopprys verky by wyse van openbare tender soos beoog in hierdie subregulasie, nie beperk is tot daardie gedeelte van die koopprys beoog in regulasie 3 (1) nie.
- (2) 'n Administrateur of 'n plaaslike owerheid aanvaar nie sonder die Minister se voorafverkêre goedkeuring 'n tender bedoel in subregulasie (1) wat nie die hoogste tender is nie.
- (3) Waar die perseel wat by wyse van openbare tender soos beoog in subregulasie (1), van die hand gestel staan te word, geokkipeer word deur 'n huurder, of 'n inwoner uit hoofde van 'n permit of sertifikaat beoog in enige ander wet, kan die Staat, of die betrokke administrateur of plaaslike owerheid nie 'n tender met betrekking tot die betrokke perseel aanvaar nie, tensy—
- (a) die perseel eers aan sodanige huurder of inwoner aangebied is teen die hoogste tenderprys of sodanige laer prys as wat die Minister mag goedkeur; en
- (b) sodanige huurder of inwoner sodanige aanbod van die hand gewys het.

**HOOFSTUK V
OORGANGSBEPALINGS**

Gelding van vorige vasstellings

9. 'n Bedrag betaalbaar ten opsigte van 'n reg van huurpagg ooreenkomsig die Huurpaggeregulasies, 1985, of kragtens die herroepe Wet daarin vermeld, bly voortbestaan totdat die gedeelte van die koopprys bedoel in regulasie 3 (1) vasgestel is, en word gaag kragtens hierdie regulasies vasgestel te wees. Met dien verstande dat geen sodanige vorige vasstelling geld met betrekking tot grond wat by die

**CHAPTER IV
BUSINESS AND INDUSTRIAL SITES**

Public tender

8. (1) Notwithstanding any provision to the contrary contained in these regulations, the first alienation of land or a right of leasehold as contemplated in regulation 2 (1) intended for business or industrial purposes shall take place, in the case of land—

(a) owned by or that vests in a local authority, by way of public tender in accordance with the financial regulations applying to that local authority;

(b) owned by or that vests in the State, by way of public tender by the local authority within whose local authority area the relevant land is situated, acting under the regulations referred to in paragraph (a) in its capacity as the agent of the Minister, or, if there is no such local authority, by an administrator in the same capacity, acting under any applicable law relating to the disposal by public tender of the relevant land;

(c) vesting in an administrator, by way of public tender by the administrator, acting under any applicable law relating to the disposal by public tender of the relevant land.

Provided that—

- (i) the provisions of this subregulation shall not apply in respect of land so owned or vesting that has been made available to any other person or body as contemplated in section 34 (9) of the Act, and such land may be disposed of in any manner; and
- (ii) the purchase price obtained by way of public tender as contemplated in this subregulation shall not be limited to that portion of the purchase price contemplated in regulation 3 (1).
- (2) An administrator or a local authority shall not accept a tender referred to in subregulation (1) that is not the highest tender without first having obtained the approval of the Minister.
- (3) Where the site to be disposed of by public tender as contemplated in subregulation (1) is occupied by any lessee or by any tenant by virtue of a permit or certificate contemplated in any other law, the State or the relevant administrator or local authority may not accept any tender in respect of the site concerned unless—
- (a) the site has first been offered to such lessee or tenant at the highest tender price or such lower price as the Minister may approve; and
- (b) such lessee or tenant has declined to accept such offer.

**CHAPTER V
TRANSITIONAL PROVISIONS**

Saving of previous determinations

9. Any amount payable in respect of a right of leasehold determined in accordance with the Leasehold Regulations, 1985, or under the repealed Act referred to therein shall continue to apply until the portion of the purchase price referred to in regulation 3 (1) has been determined, and shall be deemed to have been made under these regulations: Provided that no such previous determination shall apply to land that was, at the commencement of these regulations,

inwerkingtreëding van hierdie regulasies die eiendom was van 'n ander persoon of liggaam as die Staat, 'n administrateur of 'n plaaslike owerheid nie.

Kennisgewing van bestaande vasstellings

10. (1) Kennis soos bedoel in regulasie 5 moet gegee word van alle vasstellings wat voor die inwerkingtreëding van hierdie regulasies gemaak is.

(2) Indien enige vasstelling bedoel in subregulasie (1) 'n komponent van die in regulasie 3 (1) bedoelde koopprys insluit, moet die kennisgewing in regulasie 5 (2) bedoel, daardie gedeelte van die vasstelling afsonderlik in rand en sent per vierkante meter vermeld.

Titlel

11. Hierdie Regulasies heet die Openbare Grond: Prysuregulasies, 1986.

**AANHANGSEL A
PRYSKOMPONENTE**

(Regulasie 7 van die Openbare Grond: Prysuregulasies, 1986)

| | | |
|---|---|--|
| 1. *Grond | ..... | vierkante meter teen R..... per vierkante meter = R..... |
| 2. Dorpsrigting | (insluitende opmetingskoste, finansieringskoste, koste verbonde aan projekbeplanning, koste verbonde aan bestuur en administrasie, regskoste, dienstegelede, plaaslike owerheidsbelastinge, heffings, en soortgelyke koste) | R..... |
| 3. Verbeterings | ..... | R..... |
| 3.1 Infrastruktuur | ..... | R..... |
| 3.2 Geboue | ..... | R..... |
| 4. Ander koste: | | |
| 4.1 Tussentydse rente | ..... | R..... |
| 4.2 Eiendomsageniekommisnie | ..... | R..... |
| 4.3 Administrasiekoste (indien van toepassing) | ..... | R..... |
| 4.4 Oordragkoste (indien van toepassing) | ..... | R..... |
| 4.5 Verband-waardasiegelede (indien van toepassing) | ..... | R..... |
| 4.6 Ander (vermeld besonderhede): | ..... | R..... |
| Total | | R..... |

* Voeg in daardie gedeelte van die koopprys vasgestel te wees kragtens regulasie 3.

SUID-AFRIKAANSE VERVOERDIENSTE
No. R. 1854
12 September 1986

**SPARFONDSREGULASIES
WYSIGINGSISLUS**

Ingevolge die bevoegdheid aan my verleen by artikel 32 van die Wet op Diensvoorwaardes (Suid-Afrikaanse Vervoerdienste), 1983 (Wet 16 van 1983), verleen ek, Hendrik Stephannus Johan Schoeman, Minister van Vervoerweese van die Republiek van Suid-Afrika, goedkeuring daarvan dat die Spaarfondsteregulasies van die Suid-Afrikaanse Vervoerdienste, gepubliseer in Goewernementskennisgewing R. 412 van 21 Maart 1969, soos gewysig, verder soos volg gewysig word met ingang van 21 April 1986:

REGULASIE 9

Vervang paragraaf (3) deur die volgende:

(3) Indien 'n lid te sterwe kom terwyl hy nog in die Diens is of te sterwe kom nadat hy die Diens verlaat het, maar voordat die bedrag wat kragtens paragraaf (2)

owned by any person or body other than the State, a local authority or an administrator.

Notice of existing determinations

10. (1) Notice as contemplated in regulation 5 shall be given of all determinations made prior to the commencement of these regulations.

(2) If any determination referred to in subregulation (1) includes a component of the purchase price contemplated in regulation 3 (1), the notice referred to in regulation 5 (2) shall state separately, in rand and cents per square metre, that portion of the determination.

Title

11. These regulations may be cited for all purposes as the Public Land Price Regulations, 1986.

**ANNEXURE A
PRICE COMPONENTS**

(Regulation 7 of the Public Land Price Regulations, 1986)

| | |
|--|--|
| 1. *Land | ... square metres at R.../square metre = R..... |
| 2. Township establishment | (including survey costs, finance charges, project planning costs, costs of management and administration, legal costs, service charges, local authority rates, levies, and like costs) |
| 3. Improvements | R..... |
| 3.1 Infrastructure | R..... |
| 3.2 Buildings | R..... |
| 4. Other costs | R..... |
| 4.1 Occupational interest | R..... |
| 4.2 Estate agent's commission | R..... |
| 4.3 Administration costs (if applicable) | R..... |
| 4.4 Transfer costs (if applicable) | R..... |
| 4.5 Bond evaluation fees (if applicable) | R..... |
| 4.6 Other (state particulars) | R..... |
| Total | |
| R..... | |

* Insert that portion of the disposal price determined or deemed to have been determined by the Minister in terms of regulation 3.

SOUTH AFRICAN TRANSPORT SERVICES
No. R. 1854
12 September 1986

SAVINGS FUND REGULATIONS

Under the powers vested in me by section 32 of the Conditions of Employment (South African Transport Services) Act, 1983 (Act 16 of 1983), I, Hendrik Stephannus Johan Schoeman, Minister of Transport Affairs of the Republic of South Africa, do hereby approve of the South African Transport Services Savings Fund Regulations, published in Government Notice R. 412 of 21 March 1969, as amended, being further amended as follows with effect from 21 April 1986:

REGULATION 9

Substitute the following for paragraph (3):

(3) If a member dies while he is still in the Service or dies after he has left the Service but before the amount due to him in terms of paragraph (2) could be paid to him,

aan hom verskuldig is, aan hom betaal kon word, word sodanige verskuldigde bedrag, onderworpe aan die bepalinge van regulasies 7 en 8, aan sy afhanklikes betaal en, indien daar geen afhanklikes is nie, in die oordele se boedel gestort.

No. R. 1855

12 September 1986

TRANSMED-REGULASIES

WYSIGINGSLYS

Ingevolge die bevoegdheid aan my verleen by artikel 32 van die Wet op Diensvoorwaardes (Suid-Afrikaanse Vervoerdienste), 1983 (Wet 16 van 1983), verleen ek, Hendrik Stephanus Johan Schoeman, Minister van Vervoerwese van die Republiek van Suid-Afrika, goedkeuring daaraan dat die Transmed-regulasies gepubliseer in Goewermentskennisgewing R. 34 van 7 Januarie 1983, soos gewysig, verder soos volg gewysig word vanaf 1 Mei 1986:

REGULASIE 15

Hernommer subparagraaf (4) (b) om te lees (4) (c) en voeg die volgende nuwe subparagraaf (4) (b) in:

- (b) 'n Kind gebore uit 'n oorlede lid se huwelik wat deur egskeiding ontbind is, word as 'n weeskind beskou en word 'n lid, mits die oorlede lid minstens 10 jaar ononderbroke diens voltooi het.

such amount due to him shall, subject to the provisions of regulations 7 and 8, be paid to his dependants or, if there are no dependants, into his estate.

No. R. 1855

12 September 1986

TRANSMED REGULATIONS

SCHEDULE OF AMENDMENT

Under the powers vested in me by section 32 of the Conditions of Employment (South African Transport Services) Act, 1983 (Act 16 of 1983), I, Hendrik Stephanus Johan Schoeman, Minister of Transport Affairs of the Republic of South Africa, do hereby approve of the Transmed Regulations published in Government Notice R. 34 of 7 January 1983, as amended, being further amended as follows from 1 May 1986:

REGULATION 15

Renumber subparagraph (4) (b) to read (4) (c) and insert the following new subparagraph (4) (b):

- (b) A child born out of a deceased member's marriage, dissolved by divorce, shall be regarded as an orphan and shall become a member, provided the deceased member had completed at least 10 years' continuous service.

**THE ONDERSTEPSPOORT
JOURNAL OF VETERINARY
RESEARCH**

Die "Onderstepoort Journal of Veterinary Research" word deur die Staatsdrukker, Pretoria, gedruk en is verkrygbaar van die Direkteur, Afdeling Landbou-inligting, Privaatsak X144, Pretoria, 0001, aan wie ook alle navrae in verband met die tydskrif gerig moet word.

Hierdie publikasie is 'n voortsetting van die "Reports of the Government Veterinary Bacteriologist of the Transvaal" wat terugdateer tot 1903 en waarvan 18 verskyn het tot 1932. Dit is gevolg deur 52 volumes van die "Onderstepoort Journal". Tans bestaan elke volume uit vier nommers wat teen R5 per kopie of R20 per jaar plus AVB binnelands en R6,25 per kopie of R25 per jaar buitelands van bogenoemde adres posvry verkrygbaar is (lugposbestellings: R10 per kopie of R40 per jaar).

Direkteure van laboratoriums ens. wat begerig is om publikasies om te ruil moet in verbinding tree met die Direkteur, Navorsingsinstituut vir Veeartsenykunde, Pk. Onderstepoort, 0110, Republiek van Suid-Afrika.

**THE ONDERSTEPSPOORT
JOURNAL OF VETERINARY
RESEARCH**

The Onderstepoort Journal of Veterinary Research is printed by the Government Printer, Pretoria, and is obtainable from the Director, Division of Agricultural information, Private Bag X144, Pretoria, 0001, to whom all communications should be addressed.

This publication is a continuation of the Reports of the Government Veterinary Bacteriologist of the Transvaal which date back to 1903 and of which 18 have appeared up to 1932. These were followed by 52 volumes of the Onderstepoort Journal. At present each volume comprises four numbers which are obtainable from the above address at R5 per copy or R20 per annum plus GST local or other countries R6,25 per copy or R25 per annum (air mail: R10 per copy or R40 per annum).

Directors of laboratories etc. desiring to exchange publications are invited to communicate with the Director, Veterinary Research Institute, P.O. Onderstepoort, 0110, Republic of South Africa.

Loop-hole allows building of shoddy flats, says council

Sectional titles crack

b/lc M&S 13/9/86
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By TOM HOOD
Property Editor

A LOOPHOLE in the Sectional Titles Act allows developers to build shoddy blocks of flats which later cause serious problems for families who buy them, claims the Consumer Council.

The council wants the law

strengthened to protect the public and is asking people to write about their difficulties so it can build up a dossier to present to the Government.

Its legal adviser, Mr Bill Morris, said the council has evidence suggesting that the purchase and ownership of a sectional-title unit is fraught with far greater difficulties and problems than are perceived by the authorities.

Existing legislation and proposed amendments did not and would not provide adequately for these problems, he said, but the council intended to make representations to the Government for legislation which would effectively deal with the real problems.

One of the most common complaints concerned the structure of new buildings that were handed over.

The Sectional Titles Act covered buildings erected before 1981 and called for an engineer's report on a building to show what repairs were needed before the owner was allowed to sell flats.

Fell down

However, buyers had no similar protection where flats were built after 1981, because they were considered to be

structurally sound, requiring little maintenance.

"We had a recent experience in Johannesburg where a fairly new block started to collapse and the street was closed for two days," said Mr Morris.

In another new block major problems developed within 12 months — foundations started moving, ceilings fell about the owners' heads and cracks appeared in walls "where you could see into the next flat."

People also complained about monthly maintenance levies — sometimes set low to help the selling programme.

The Consumer Council also wants the law changed to reverse the situation where unclaimed interest of rands worth less than thousands of rands was also lost every year by buyers of flats and houses.

Those buyers were entitled to the interest on the deposits they paid to estate agents — but only where they requested it in writing, said Mr Morris.

When they failed to claim the interest in writing, it was shared 50-50 between the estate agent and the Estate Agents' Board.

● The council wants to hear from anyone who has difficulties with sectional titles. Written information should be sent to the Consumer Council, PO Box 3 800, Pretoria 0001.

● R3-million payout —
See Business Section

Black freehold rights restored

By DENISE BOUTALL

FROM today black people have the right to get freehold title to land in the urban areas of South Africa, finally eradicating one of the major facets of Verwoerdian apartheid.

Regulations setting out the terms and conditions of freehold were promulgated on Friday and became effective today, thereby reversing nearly half a century of systematic discrimination against black urban property ownership.

Speaking from Pretoria, a spokesman for the Department of Constitutional Development and Planning said blacks would have a choice of keeping their properties under 99-year leasehold or converting it to freehold. They would also continue to have the right to buy land under 99-year leasehold if they chose to.

All blacks, including citizens of the independent homelands, were entitled to freehold property ownership.

In addition, people of other races who were previously prohibited from owning land in the black areas could now buy land and develop it, which meant that property developers could now initiate housing developments without having to wait for land to be serviced by the Government.

The introduction of freehold comes nearly two years after the State President, Mr P W Botha, announced at the opening of Parliament in January, 1985, that blacks would be given freehold title which would allow them to buy land in the urban areas on the same terms as other races.

The legislation was, however, only introduced this year and the Black Communities Amendment Bill was finally passed by Parliament on June 25.

Speaking from Cape Town, PFP MP Mr Nic Olivier said as recently as 1983 that the Government had been adamantly opposed to freehold title.

"This is an indication of the tremendous change that has taken place."

He said it was now up to the Government to step up its sale of houses and to ensure that land was made available relatively cheaply for blacks to build their own homes.

Mr Olivier said that prior to 1937 blacks had enjoyed freehold rights in certain urban areas, including Fingo Village in Grahamstown, Sophiatown in Johannesburg and Lady Selborne in Pretoria. From that year they could acquire freehold only with the permission of the Governor-General.



(123)
15/9/86

Needed!

3 million urban homes by the year 2000...

AKG 15/9/86 (123)

SOUTH Africa's population is expected to increase from 20-million, in 1985, to about 34-million by the year 2000, when a projected 83 percent will be living in the urban areas, compared with 66 percent at present.

The white group presently has a housing surplus of about 37 000 units. This does not mean all households are without problems. Financial hardship, overcrowding, and the occupation of inadequate homes, is often found. The fact that vacant units are not restricted to the relatively expensive category indicates that affordability problems are also experienced by whites.

Although statistical analysis indicates a shortage of 52 000 housing units for the coloured population, information obtained from a number of local areas seems to indicate the present shortage may be as high as 100 000 units.

The Indian population has a shortage of about 44 000 housing units.

The main housing problem concerns the black population, not only because of its size, but because previous Government policies restricted the building of homes, and imposed influx control and group areas legislation.

WHILE the backlog for blacks amounts to more than 500 000 units, the relaxation of influx control, together with the natural population increase, will generate a demand for an additional 1,3-million homes by 1990.

An estimated 2,7-million homes will have to be provided before the year 2000 if every household is to occupy a separate dwelling by then.

In all, about 3,2-million homes need to be provided in the urban areas before 2000, which is more than 2000 000 a year.

The ability to provide low-cost housing units depends, among other things, on the cost of the dwellings, the ability of households to afford them, the availability and cost of the land, labour, and the funds available for subsidisation.

THE scrapping of influx control, coupled with the natural population increase, is expected to push the housing backlog to 1,3-million by 1990. By the year 2000, about 3,2-million houses will have to be built in the urban areas if South Africa's needs are to be met.

But 76 percent of black households have no money for housing.

These are some of the facts Dr Tobie de Vos, chief economist of the Building Services Division, National Building Research Institute at the CSIR, gave at a recent seminar on the financing of low-cost housing. Here are excerpts from his paper.

The Argus

Correspondent.

Dateline:

JOHANNESBURG

Current and projected urban housing requirements: 1985-2000

| Population group | | Housing Stock 1985 | Housing requirements | | | |
|------------------|---------------|--------------------|----------------------|-----------|-----------|-----------|
| | | | 1985 | 1990 | 1995 | 2000 |
| Whites* | Requirements | 1 299 000 | 1 262 000 | 1 332 000 | 1 430 000 | 1 517 000 |
| | Cum. shortage | | +(37 000) | 33 000 | 132 000 | 218 000 |
| Coloureds* | Requirements | 394 000 | 446 000 | 487 000 | 538 000 | 586 000 |
| | Cum. shortage | | 52 000 | 94 000 | 144 000 | 192 000 |
| Asians* | Requirements | 141 000 | 185 000 | 200 000 | 218 000 | 234 000 |
| | Cum. shortage | | 44 000 | 60 000 | 77 000 | 93 000 |
| Blacks** | Requirements | 466 000 | 1 004 000 | 2 299 000 | 2 724 000 | 3 161 000 |
| | Cum. shortage | | 538 000 | 1 833 000 | 2 258 000 | 2 695 000 |

+ Surplus
* RSA and National States, excluding TBVC countries
** RSA, excluding the National States and the TBVC countries

The cost of providing a low-cost housing unit in 1986 is R20 000 including land and services. (A low-cost house is defined as a 55 to 69 sq m home with three living rooms, a kitchen and bathroom with no cupboards and only basic storage space in the kitchen. Ceilings are provided and the floor finishes are relatively maintenance free. Electricity, hot and cold water and waterborne sewerage are included).

The ability of households to afford accommodation can be evaluated, inter alia, in terms of their disposable income for housing, which is considered to be that portion of household income available for housing after transport costs of the breadwinners have been paid, as well as the items necessary to maintain a minimum standard of health and decency.

The Institute of Planning Research at the University of Port Elizabeth has found the Household Subsistence Levels (HSL) for blacks, Indians and coloured people to be R345, R401 and R368 a month respectively in 1985. As similar studies have not been undertaken for whites, it will be assumed the HSL for them is the same as for Indians.

ACCORDING to the 1985 All Media and Products survey (AMPS), the average declared monthly income for households in South Africa (including the TBVC countries and Namibia) ranged from R352 for blacks to more than R2 000 for whites.

In terms of this analysis, only 2,4 percent of white households are financially unable to make any contributions towards their housing. The corresponding figures for coloured people, Indians and

blacks are 31,1 percent, 8,2 percent and 56,4 percent.

About nine percent of all white households need assistance to acquire a low-cost dwelling. More than half the coloured people, 30 percent of the Indians, and no less than 84 percent of the blacks, cannot afford a low-cost dwelling with some form of subsidy.

The one-third interest rate State subsidy, which first-time home-owners receive, allows 94 percent of all white households to acquire low-cost dwellings, whereas the civil service subsidy allows 96 percent to do so.

The corresponding percentages for coloured peoples are about 53 and 61, for Indians 78 and 85, and for blacks 24 and 33.

According to tables reflecting loan funds required for subsidised low-cost housing, it can be calculated that at

least R8 000-million is needed to eradicate the 1985 backlog. This is 11 times the R750-million the Government has made available.

If the backlog is to be met by 1990, at the standard suggested, and assuming prices, costs, interest rates and household incomes remain constant, the astronomical amount of R27 000-million will be required in the form of loanable funds on which no interest, or capital redemption payments can be made initially.

Too many households have become accustomed to either the State or their employers largely subsidising their accommodation. This has created a dependency syndrome which has detrimentally affected the natural growth of the housing market.

ABOUT 70 percent of white households receive some form of housing subsidy, while a considerably larger proportion of other population groups enjoy this privilege.

The involvement of each household in the provision of its housing is probably the most significant way to reduce the need for low-cost housing finance. The encouragement and development of the informal economic sector, specially in the erection and maintenance of dwellings, is of particular importance.

For such a system to be successful, building standards appropriate to the technologies employed, and to the associated financial constraints, will have to be actively encouraged and approved.

The role of the State in the provision and financing of housing has often been underestimated. It is not generally known the State has in recent years been responsible for the direct financing of more than one-third of all housing constructed.

As far as coloured people, Indians and blacks are concerned, the Government has been investing about R350-million a year to provide about 23 000 homes. In spite of this, the housing backlog has increased steadily. This led to the adoption of a new housing policy at the beginning of 1983, in terms of which active support of the public sector is sought.

In an attempt to use available funds to the best advantage, the Government now gives priority to the provision of serviced building plots. These are made available to all persons who can, either from their own financial resources, or with the assistance of their employers, or financial institutions, accept responsibility for the construction of their own homes.

For the group earning:
● Up to R150 a month, the local authority is responsible for providing a serviced site and dwelling utilising State funds.

● R150 to R450 a month, the local authority provides only a serviced stand utilising State funds. The property owner is eligible to receive financial assistance for building materials up to a maximum of R4 000.

● R450 to R800 a month, the local authority is required to provide a serviced site only, utilising State funds.

● R801 and above, the housing needs must be met by the private sector.

THE campaign launched by the Government in 1983 to sell 500 000 housing units at very reasonable prices, is indicative of an endeavour to promote homeownership.

Although this new housing strategy is laudable, it has not yet met with the success expected. This is mainly attributable to delays in finalising surveying and township establishment procedures, as well as to pressure not to purchase homes brought to bear on tenants by opposing political groups. Recent evidence seems to indicate sales are now picking up.

It is impossible to promote large-scale provision of low-cost housing without some form of subsidy and incentive. Effective incentives will offset any potential loss of revenue or expenditure of funds, whereas subsidies imply the reallocation of resources.

Subsidies should ideally relate to the ability to pay. They should be granted only in cases of proven need to achieve viable objectives. If correctly applied, subsidies can make a significant contribution to the financing of low-cost housing.

15/9/80
183
SMME
housing backlog

10-year plan to wipe out Indian

CAPE TOWN — Final details are being completed for a housing strategy involving millions of rands to wipe out over the next few years the 40 000-unit housing backlog for Indians.

Indian Housing Minister Mr Baldeo Dookie is confident he can break the back of the backlog within five years, with 10 years required to wipe it out finally.

The biggest problem he faces is the shortage of land and the ravaging effect the Group Areas Act has had on the Indian community's land ownership.

Mr Dookie says he has been unfairly criticised for not getting moving fast enough on providing houses. But he says his critics are now in for a surprise.

After taking over a department which inherited a legacy of very little from the old constitutional structure, he says he had to start more or less at the beginning. There had been no forward

planning and in 1981 Government policy was changed. Houses could only be constructed for people earning less than R150 a month.

At the same time nothing was done to stimulate a climate for the private sector to take over.

This, he said, was a major mistake. "Housing is one issue where budgets cannot be cut. It creates frustrated communities."

When he took over, housing for Indians fell under various Government departments and local authorities with the result that there was no single plan or proper assessment.

The first task he set was to draw up a housing strategy establishing needs and priorities. The plan for Natal has been completed and one for the Transvaal is nearing completion.

At the same time land is being identified for townships and various options are being considered for the construction of homes.

The target of the new strategy is to reduce the cost of housing and take account of the financial position of each individual.

Mr Dookie said: "People must not be faced with such large housing costs that they are not able to afford to eat properly, buy essentials or pay for education."

Some of the major policy decisions taken include:

- Initially, of the sites provided by the Department, 80 per cent would be for the construction of homes for the low income groups while the rest would be made available on a site and service basis.

This ratio would, however, gradually be changed, making

The man charged with providing the Indian community with housing knows well what it is to live without a proper home. Mr Baldeo Dookie started off life living in a shack and took 20 of his working years to buy land to build his own house. And starting from a basic simple structure he gradually extended it into a family home. He is now using his own experience to provide homes for the Indian community. In a comprehensive interview with Bruce Cameron of *The Star's* Political Staff, he spelt out his strategy.

more self-help sites available. People earning less than R800 a month would qualify for constructed homes.

- Because of the criticism of the type of housing and the high initial costs owners would be given far greater choice.

Prototype "starter homes" were being constructed or planned in Durban, Richards Bay, Lenasia outside Johannesburg, and Pelican Park in Cape Town. These starter homes could be

built in four stages. The first stage would be a basic roofed shell with electrical and water fittings, a kitchen and bathroom.

The next three stages would include room partitions and plastering and various finishes such as paint, carpeting and built-in cupboards. At all stages the potential owners will have the choice.

Mr Dookie says in the past large amounts of money had been wasted because soon after

moving into the State-built homes people undertook major alterations.

- The aim would be home ownership, keeping rented housing to a minimum.
- A new rental formula was being drawn up which would include incentives to purchase homes. This would be announced soon.
- Apart from starting and developing new housing schemes, money would be set aside to upgrade existing towns, such as Chatsworth and Phoenix, providing better infrastructure.
- The infrastructure in new townships would be given priority. Transport links with such things as bus terminals and bus bays would be settled before people moved into a new area, with clinics and schools going up as soon as possible. Previously the development of homes had taken place first.

- Special attention would be given to rural areas as a separate entity from the urban areas.

Here basic structures with a water supply would be provided and would meet health requirements. Infrastructure would be improved as demand grew.

- Various legislative amendments were being considered which would allow local authorities to push ahead with the development of new townships before they were legally proclaimed.

The amendments would also permit building societies to grant financial assistance up to a limit of R80 000 in the interim period.

- Land would no longer be sold priced only on square meterage. The type of plot and position of the plot would be taken into account.

- The Department was studying possible de-regulation in the housing sector as many people were being deprived of homes as a result of over-regulation.

Mr Dookie said the money budgeted for housing was an indication of how seriously the problem was being taken.

Between 1920 and 1980 the Government had spent R750 million, providing 84 000 housing units.

This year R127 million had been budgeted to provide 4 000 housing units and 7 600 serviced sites and the tempo would increase.

A further R49 million had been made available to his Department from the special housing and employment development scheme announced last month by the Government.

This money would be used to buy more land and start work on more homes. But because of planning delays much of the work would not be undertaken this year.

Six million people 'can't pay their rent'

The Argus Correspondent

DURBAN. — An estimated six million people in nearly 50 towns are refusing to pay their rent and this is costing black local authorities a million rands a day, a research group claims.

Equally shocking are the findings of a study that show 76 percent of black families cannot make any contribution to the cost of building their own homes.

Upgrading

This disclosure by Dr Tobie de Vos, chief economist of the National Building Research Institute of the CSIR, comes at a time when the government has allocated almost R1-billion to the upgrading of various areas.

The research on housing showed that 56,4 percent of black households are financially unable to make any contribution towards their housing. A further 10,2 percent can afford to pay only R41 a month.

If it is accepted that the average household will spend one third of its income on items other than food, clothing, fuel, lighting and washing material needed for the minimum level of health and de-

gency in the short term, then 76 percent of black households have no money for housing, Dr de Vos's research shows.

The desperate problems facing black families were further underlined by new calculations by academics that six million black South Africans could be unemployed.

According to the Community

Research Group at the University of the Witwatersrand, 60 percent of the black population of townships are involved in rent boycotts.

Official estimates put the number at three million, but academics have estimated the figure could be six million because many were informally housed and did not form part of official statistics.

By Shirley Woodgate,
Municipal Reporter

Fresh evidence of exploitation of black people living in white rent-controlled flats has prompted a renewed appeal to the Government from Johannesburg City Councillor Mr David Neppe to step up its investigation.

Affidavits in Mr Neppe's possession show that tenants of the Claridge Court, Branksome Towers and Protea Court blocks have been forced to sign so-called service contracts compelling them to double the rent stipulated by the Rent Control Board.

EXTRA MONEY

No accounts or receipts have been issued; the tenants have been unable to obtain copies of the contracts; and they do not know why they are being compelled to pay the extra money, said Mr Neppe.

"Seven families who refused to sign the contract were recently forced to vacate their flats.

"The service contract is clearly another way of black-mailing the tenants, as the Rent Control Board has made it very clear that the lessor is responsible for all maintenance necessitated by wear and tear, except stove repairs and the interior painting of flats," he said.

"My meetings with 'disqualified' tenants of these Joubert Park blocks reveal that these people are now exhausted by the fight to keep a roof over their heads and will do anything to avoid further evictions.

NO RECOURSE

"This leaves them wide open to exploitation, particularly as they have no recourse to law.

"Certain landlords are making a mockery of the legal system while lining their own pockets.

"I urge the Deputy Minister of Constitutional Development and Planning, Mr Piet Badenhorst, to step in immediately and put an end to daily suffering through exploitation by a handful of landlords."

New call for look at black tenants rights

Rents boycott
Costing about R40m a year
Call Trip 24/9/86

PRETORIA. — Though the rents boycott had now spread to some 46 townships causing a loss in revenue of about R40 million a year, the government had no programme to give attention to the issue, it was said here this week.

A Department of Constitutional Development and Planning spokesman also said in reply to a list of questions from Sapa submitted last month that the government was not running any programme to evict rent defaulters.

It was the prerogative of the 235 black local authorities in South Africa "to take steps to collect dues".

The spokesman said most residents wanted to pay their rent, but were subjected to intimidation.

Academics monitoring the boycott estimated that some 46 townships were losing about R40 million a year because of the rent boycott.

Meanwhile, the numbers of municipal policemen in townships, who are reportedly being used to deal with rent defaulters, have swelled to thousands in recent years as the number of autonomous councils grew from 42 in 1984 to 235 this year.

Municipal policemen were, according to the department, usually armed with 9mm pistols and shotguns, and had been involved in a number of shootings in the townships.

The most recent published case occurred in Soweto at the weekend, when two people, including Ms Constance Rankutu, 24, the mother of a two-year-old child, were shot dead at a night vigil. Sapa

ANSA 24/9/86 (123)

Coloured, Indian rent control reimposed

By PETER FABRICIUS
Staff Reporter

THE Government has reimposed rent control in coloured and Indian areas following pressure from tenants whose rents were increased up to 400 percent after control was lifted in March.

Several Woodstock residents threatened with huge rent increases took legal advice and there were actions pending in Durban.

Rent control boards were abolished in March and reconstituted for whites only by proclamations by Mr Amie Venter, the Minister of Local Government, Housing and Works for whites.

This was apparently done so that coloured and Indian rent control could be transferred to the Houses of Representatives and Delegates.

But for some reason this did not happen and in the interim some landlords tried to push up rents.

In Cape Town, the Woodstock Advice Office dealt with several complaints. One tenant's rent was raised from R64.98 to R325 a month and another's from R77 to R450.

Mr Pummie Canca, of the Legal Resources Centre, said the centre had taken up several of the complaints with Government officials and, until the decision to reimpose rent control, had been considering court actions against the proclamations through which it was lifted in March.

The grounds for the proceedings would have been that the proclamations were discriminatory and unconstitutional.

"Slip occurred"

This week, the Minister of Communications and Public Works, Dr L A P A Munnik announced that the white housing department would administer rent control as agent for the House of Representatives and the House of Delegates.

Yesterday Mr David Curry, the minister responsible for



Mr David Curry

housing in the House of Representatives, said: "We should have established our own rent board but some constitutional slip occurred.

"We are still looking into it. I was under the impression that rent control still existed until these complaints came up.

"As the new constitution unfolds, you discover afterwards how these things work."

Mr Curry said he did not

know if the reimposed rent control would be retroactive.

Mr Frank Gerber, head of housing in the white Department of Local Government, Housing and Works, said that under schedule one of the Constitution Act, services could be rendered by one "own affairs" department to others and this would now happen.

But the question of how rent control had lapsed for coloured and Indian areas was "rather sensitive", he said.

On Monday night about 100 people attended a meeting of the Salt River, Woodstock, Walmer Estate Residents Association in St Luke's Church Hall, Albert Road, Salt River, to discuss the plight of people left unprotected by rent control.

Mr Anwah Nagia, secretary of the association, said tenants should unite and fight high rent increases as an organised community. He advised them to continue paying their old rents while attorneys helped them to resist rent increases legally.

DP 24/9/86 (123)

Concern as rent boycott spreads to 46 townships

PRETORIA — Though the rents boycott had now spread to some 46 townships causing a loss in revenue of about R40 million a year, the government had no programme to give attention to the issue, it was said here.

This week a Department of Constitutional Development and Planning spokesman also said in reply to a list of questions from Sapa

submitted last month, that the government was not running any programme to evict rent defaulters.

It was the prerogative of the 235 black local authorities in South Africa "to take steps to collect dues," the spokesman said.

The department was unable to say how many township dwellers were in arrears with their

rent, or how much money the town councils were losing as a result.

The spokesman said however: "The failure of residents to pay their dues is causing concern to both the local authorities concerned and the government."

"These local authorities are urged to take steps to collect the outstanding amounts."

The spokesman said

the majority of residents wanted to pay their rent, but were subjected to intimidation and prevented from paying.

Academics monitoring the boycott estimated that some 46 townships were losing about R40 million a year due to the rent boycott.

Meanwhile, the numbers of municipal policemen in townships,

who are reportedly being used to deal with rent defaulters, have swelled to thousands in recent years as the number of autonomous councils grew from 42 in 1984 to 235 this year.

Municipal policemen were, according to the department, normally armed with 9mm pistols and shotguns, and had been involved in a number of shootings in the

townships.

The most recent published case occurred in Soweto at the weekend, when two people, including Mrs Constance Rankutu, 24, the mother of a two-year-old child, was shot dead at a night vigil.

The department — which subsidises the municipal policemen's salaries — was unable to say how many municipal

policemen there were in South Africa.

Newspapers are currently able to report on the municipal forces' actions, since they do not fall under the definition of "security forces."

Some 21 people were killed and 92 injured in Soweto on August 26 in riots reportedly sparked off over the rents issue. — Sapa

N/M 24/9/86

No plan to halt rent boycotts

PRETORIA—Although the rent boycott had now spread to some 46 townships causing a loss in revenue of about R40 million a year, the Government had no programme to give attention to the issue.

A Department of Constitutional Development and Planning spokesman also said the Government was not running any programme to evict rent defaulters.

It was the prerogative of the 235 black local authorities in South Africa 'to take steps to collect dues', he said.

Replying to a series of questions, the department was unable to say how many township dwellers were in arrears with their rent, or how much money the town councils were losing as a result.

But the spokesman said: 'The failure of residents to pay their dues is causing concern to both the local authorities concerned and the Government.'

He said the majority of residents wanted to pay their rent but were subjected to intimidation and prevented from paying.

Academics monitoring the boycott estimated that some 46 townships were losing about R40 million a year because of the rent boycott.

Armed

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The most recent published case occurred in Soweto at the weekend, when two people, including Mrs. Constance Rankutu, 24, the mother of a two-

year-old child, was shot dead at a night vigil.

The department — which subsidises the municipal policemen's salaries — was unable to say however how many municipal policemen there now were in South Africa.

Councils are empowered to appoint 1,7 municipal policemen for every 1 000 residents.

Newspapers are currently able to report on the municipal forces' actions, since they do not fall under the definition of 'security forces'.

Alarming

It is rumoured in Pretoria however that the definition may be extended to ban reporting on their actions, which would consequently restrict full coverage of events around the rents crisis.

A lawyer said this would be an alarming development.

'The authorities should rather stop the shootings than ban them being reported upon,' he said.

Asked if central Government would allow council services to run down owing to lack of funds, the Department of Constitutional Development and Planning spokesman said: 'It is not the policy of the Government to subsidise local authorities, but in cases where a need is encountered, assistance may be considered.'

The spokesman said those in arrears with their rent owing to indigency could apply to their local authorities for remissions.

'Evictions are only considered when people are in a position to pay, but refuse to do so,' he said.

Some 21 people were killed and 92 injured in Soweto on August 26 in riots reportedly sparked by the rents issue.

Seven people were shot in Sharpeville on Monday last week during a period of unrest which had also been linked — non-officially — to the non-payment of rent and the threat of evictions. — (Sapa)

DD 26/9/86 (123)

Study: rent boycott costs R1,3m a day

JOHANNESBURG — The rent boycott has spread to 54 townships and could be costing local authorities R40 million a month or R1,3 million a day, the academic Community Research Group (CRG) based at Wits University said yesterday.

This meant the state could lose R480 million a year if the boycotts in these areas continued.

In its latest report, the group said its figures were based on research that showed at least 4 million people, or 650 000 households, were not paying rent in the 54 townships.

"There is evidence that the boycott is spreading through many of the small Orange-Free State townships. Furthermore, the numbers of people not paying rent in some of the Port Elizabeth townships has also increased," the report said.

The report noted that the apparent spread of the boycott coincided with the Minister of Finance, Mr Barend Du Plessis' announcement in July that R750 million had been allocated for low cost housing development over the next two years.

But the CRG said this was inadequate to meet the "real housing needs" of urban communities.

It quoted Dr T. J. De Vos of the Council for Scientific and Industrial Research's building economics division as saying 200 000 houses were needed to resolve the housing shortage and this would cost R4 billion.

Urban blacks were not in a position to contribute greatly to this cost, it said.

"De Vos pointed out that no less than 56 per cent of all black households are too poor to make any contribution to housing development and that 84 per cent of all black households will not be able to afford unsubsidised housing."

These figures indicated that the government's housing policy needed to be completely reformulated, the CRG said.

"However, what the rent boycott is making abundantly clear, is that this cannot be done if the communities are excluded from the process of formulating alternatives." — Sapa

Black housing critical — Heunis

By Kym Hamilton,
Pretoria Bureau

The urban population in South Africa is expected to double within the next 20 years and the most pressing problem at present is to identify potential land for development of townships, says the Minister of Constitutional Development and Planning, Mr Chris Heunis.

Pointing out that about 86 percent — 16 million — of these future city dwellers will be blacks, Mr Heunis told a seminar held by the Institute of Housing that this increase in the urban population would impose high demands on the land, the economy and the ability of the Government to provide housing and other related services.

Within the next five years a capital outlay of R200 million for buying ground and R2 200 million for providing the necessary infrastructure was needed. In the present financial year, R536 million had been set aside for black housing.

Mr Heunis said his department was already at work identifying and preparing the necessary land — particularly in metropolitan areas — that was urgently required for black urban development.

In the densely populated metropolitan areas provision of land for development was a sensitive and difficult task.

Because of various historical factors, not enough attention was given to the black housing problem and it had now reached mammoth proportions in almost every town and in particular in the cities.

INABILITY

If the questions of urbanisation and housing were not adequately dealt with then the political and social results were not hard to imagine.

The inability of African countries to provide a healthy climate for urbanisation was an important contribution to the political and economic instability of the continent.

He urged the private sector to contribute to the provision of other housing needs.

● The abolition of influx control meant provision had to be made to house potential migrants to the cities, Mr Colin Appleton, the Urban Foundation's national housing policy director, said at a seminar in Johannesburg yesterday.

The current shortage of formal housing for black people was about 500 000 but this should be seen against the number of people who might migrate to the cities.

"The question is where are these people going to live and how can this be financed?"

The lower one progressed down the income scale, the fewer were the realistic options that could be considered.

Most migrants were poorly educated and untrained. Faced with erratic earning power and high living costs, they would be unable to take loans with monthly repayments to build homes.

"All the approaches to housing that have so far been used in South Africa and almost all the technical research currently being undertaken generally excludes the poorest people from direct access to housing," he said.

Demolishing informal settlements — built when people could not find affordable housing — led to the relocation and not the solution of the problem.

The solution was to upgrade rather than demolish existing informal settlements. A fundamental principle of this was for the inhabitants to have a sense of security and the right to remain in the area.

...against the system of house rentals is as old as black peoples' struggle for their birthright. This struggle is directly linked to the hurt and pains through economic exploitation, social degradation and political emasculation black people have had to go through for more than three centuries.

In the black community, rent represents most facts of the oppressive and exploitative nature of South African apartheid. The system is oppressive because it is decided upon without any form of consultation whatsoever with the people it directly affects.

Over so many years the Government has failed to respond positively to the grievances of our people. To date grievances such as high rents, have not been redressed. The response of the Government to these grievances has been that of total disregard and utter helplessness.

The grievances of our people in this regard are deep-seated. Mere promises and dodging and ducking of issues is not going to make the problems lighter to the Government.

Marched

In 1980 people marched to the Soweto Council offices to protest about the ever increasing rentals and also to make their position clear that they rejected the community councils system. The response was as usual, the police were called, teargas canisters were thrown and some people were arrested.

The problems remained unresolved.

The march was spearheaded by Azapo, Soweto Committee of Ten, and the now banned Cosas. Even then we warned the Government and the community councils to listen and to redress the grievances of

The masses must head rent protests

123 Sawe Kew
26/9/86

GUEST COLUMN

By LYBON MABASA

AZAPO vice-president: Political Education

the people. We warned the Government that unless they heeded the call of the community they would find themselves in an untenable situation. We also pointed out that the people were not going to relent or change their demands.

They would accept nothing less than the total scrapping of community councils and all the evils that go along with it.

Given the bottled up anger, the pent-up emotions of the majority of our people, it was logical to anticipate that very soon this justifiable anger and emotions would spill over and engulf the whole country. With the type of government we have, there was no need for communists and agitators to tell the people what to do. They, the Government, were doing it quite efficiently.

The turn of events of September 3, 1984, in the Vaal did not catch us

by surprise, because even before that day the Government, together with its community councillors who have been extorting the people for so many years, were warned. People stood united and they were in no way going to pay any increased rentals. The message was very clear.

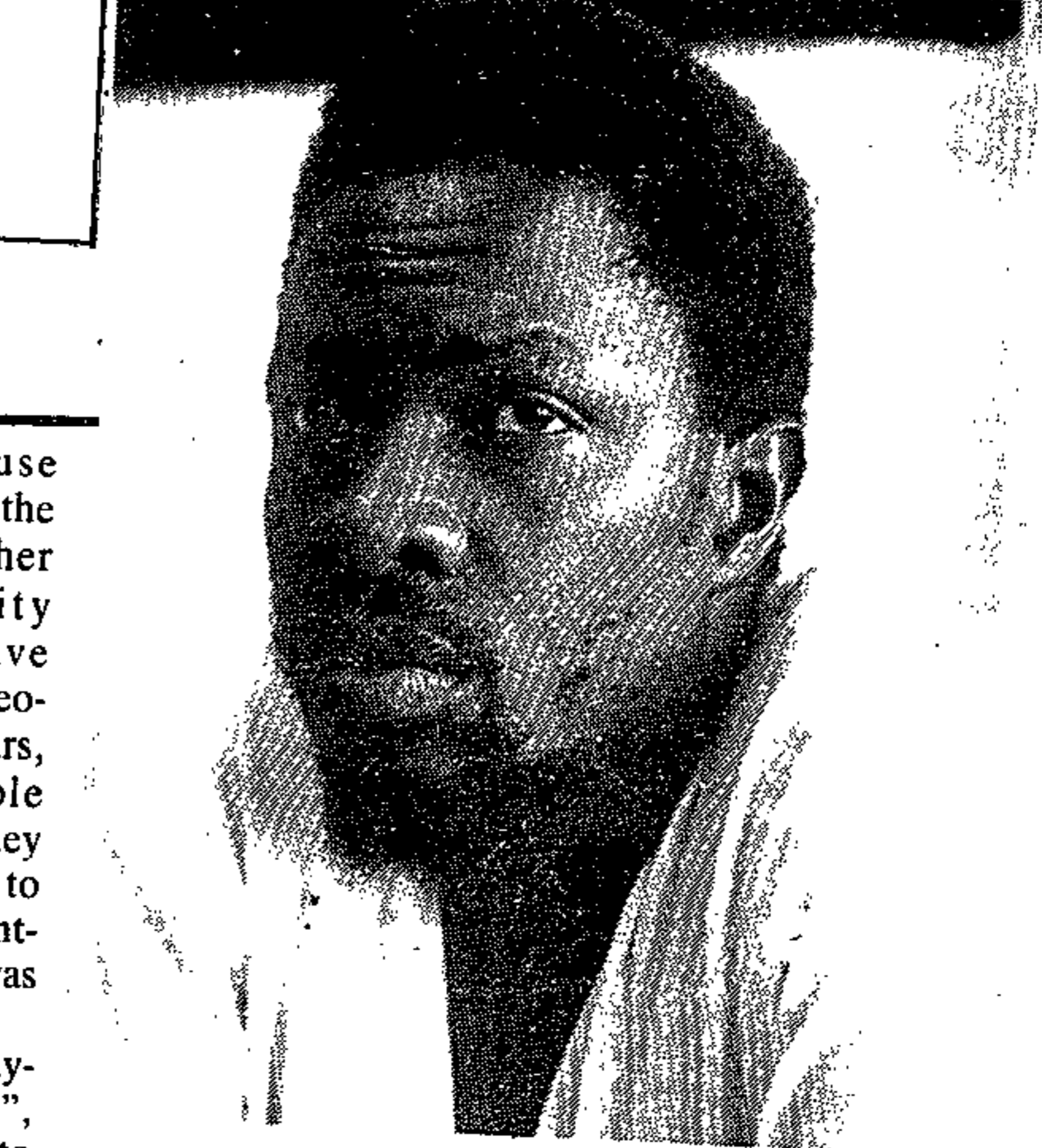
The people were saying "enough is enough", they were not going to continue financing their own oppression and exploitation. While abject poverty was rampant, the community councillors continued their plunder becoming infinitely richer than the communities they were supposed to serve. They gave themselves business licenses, allocated to themselves big plots and businesses and driving the latest posh cars from the people's sweat.

Appalling

The insensitivity and the recklessness with which the Government handled this crisis was both horrifying and appalling. Political and community organisations warned that the struggle of the people in the Vaal was part and parcel of the entire struggle of black people in this country.

On January 23, 1986 the Southern Transvaal Regional Rent Crisis Committee was formed. It consisted of more than sixteen organisations — community, trade unions, church, civic and political.

Among the organisations present were Azapo, Cosatu, Azactu, Azasm, Sosco, National Forum and nearly all the civic and parent committees in the Vaal. The UDF and the SCA were



not able to attend that meeting though invitations were sent to them.

A three-man co-ordinating committee was elected consisting of Mr J Rakgoadi of Iawusa and Azapo and Charles Mabiletsa of Azapo and Zamdela Parents' Committee and Mike Tsotetsi of Cusa.

The committee issued a warning to urban councils against increasing house rents without consulting residents as it was likely to result in serious confrontations between the authorities and the people. It also pointed out the deplorable conditions in the townships despite the people paying high tariffs. A warning was given to the Soweto Council to particularly look into the plight of those residents who pay more than they earn.

Urged

It was also urged to look into the question of the more than 10 million people who were unemployed and therefore could not afford to pay rent. I was co-opted into the co-ordinating committee just before the co-ordinator Mr Rakgoadi went overseas on Union business.

The co-ordinating committee which had to look into the rent crisis

pledged itself to form support structures for people in the Vaal and elsewhere. It also pledged itself to help co-ordinate rent actions by the community.

At the same time the rent crisis was deepening in Soweto. At Tshiawelo Extension 3 a rent crisis committee was formed consisting of the Tshiawelo Extension 3 residents and the Tshiawelo flat dwellers.

Crisis

We worked hand in glove with the flat committee and addressed several of their meetings and they also attended the Southern Transvaal Rent Crisis Committee meetings. We received several invitations to attend or address meetings called to discuss the rent crisis in Jabulani and other places in Soweto.

At the same time several organisations civic, community, student, church and political approached the Southern Transvaal RCC pointing out problems relating to rent in their areas and also steps taken by various communities in relation to this particular problem.

Looking at all the consultations we had on rent, the committee came to the conclusion that this rent struggle was a just struggle which needed to be supported by all sections of the black community.

Where people live or stay and the conditions under which they lived has a direct bearing on lives of children at school or adults at work.

The most points that came out from all the discussions on rent were that:

• Short-time and time

"At a broader level... impact... There... started with their

P.T.O.

The rent struggle

• From page 4

26/9/86
Suzeta

bound loans raised by the Government to build the locations and townships, some from as early as 1931 have long been repaid in certain cases three fold, or four fold. To make matters even worse low-cost materials were used in building most of those houses.

• The townships and locations were part of the grand design of apartheid; they were designed to serve as a convenient and readily accessible labour reservoir of labour. Black people had had no hand in the whole matter.

• Despite the fact that black townships and locations are ghost towns that are completely deserted during the day, our tariffs and levies in relation to water, refuse collection and electricity remains criminally high as compared to whites in their cosy and comfortable suburbs.

• High rents are seen as a means of subtle forced removals aimed at displacing poorly paid residents all over the country. The Government is seen as carrying out its "bantustan policy" through this system of high rentals. While impossible high rentals are introduced in urban areas, easily accessible housing loans and low rental schemes are made available at the "bantustans".

• Most black residential areas are completely inhospitable and thus permanent health hazards with gushing sewerage pipes, leaking roofs, rotting doors and falling bricks.

• Old people have to go through winter and summer with rotting doors and leaking roofs even though they happen to be very regular rent payers.

• There has never been any acceptable breakdown given to black people on how rent money is used by the Government and its councils.

• The black community has been falling behind in rentals long before it became fashionable for the Government and its councils to increase rent and services. Wages remain low and cannot support unemployed household members. It is thus unthinkable to expect the few who are still employed to carry the burden and responsibility of supporting the over 10 million unemployed black people in the country.

• All locations and townships around big cities and towns were designed to provide labour and to service the city or town around which they are built. While these cities and towns flourish in a glut of wealth around them lie pockets of poverty, disease, hunger and

death.

It is also against this background that a decision on "Rent Action" was taken and announced by the Third National Forum in Durban. The decision on rent was announced as part of National Forum "May Action" which was launched by the May 1-4 stay-away call.

OFFICE LEASING

Having a party

Signs of a pick-up in the office leasing market (*Property* September 5) are now emerging just about everywhere.

The latest agency to note a change for the better is Wilf Isaacs, which has negotiated a

substantial deal to fill the new Centro City development in Selby, Johannesburg. Isaacs also reports signal leasing successes in Sandton.

The Selby deal involves about 3 600 m² which has been let at R8,50 m² net to Barclays Bank. The 12 600 m² building, developed by Herbert Prottenberger, is now fully let.

Isaacs says good parking, security and location — Centro City is bounded by the M2 motorway, Booyens, Trump and Simmonds streets — played a hand in the successful negotiation.

However, the letting team of Tony Watcham and Jeremy Friedlander has been notching up deals elsewhere as well.

In Bryanston, says Isaacs, leases have

BLACK HOUSING

Getting back on track

123

FEATURE

Right now, black housing is high on just about everyone's agenda. But as well-intended as these efforts might be, there are signs that they may be generating more confusion than direction.

Innumerable public, private and quasi-government agencies are currently involved in addressing the country's black housing needs. All are seemingly working up a good head of steam, but thus far, there appears to be little to show for their efforts.

One problem is an apparent lack of co-ordination — without which there is a real danger of effort being duplicated. Another is the mind-boggling tangle of red tape which, creditably, various government ministers have promised to scythe through at their earliest convenience.

For starters, there are no less than five separate government ministries involved in housing matters. They are the Department of Constitutional Development and Planning, responsible for black housing in white areas, the Department of Development Aid with responsibility for black housing in the homelands and national states, the Department of Public Works and Land Affairs which has overall housing responsibility and the housing ministries in both the Coloured and Indian Houses.

Since the abolition of influx control and the White Paper on urbanisation, government's strategy has shifted away from the physical provision of houses to the provision of infrastructure.

In his opening address to parliament, the State President announced he was setting aside a sum of R1 billion for black housing, R750m of which was to be available immediately.

But building and civil contractors are subsequently asking what has become of the funds? Nine months later it is not unreasonable for them to expect some of it to have trickled through in the form of new contracts.

Perhaps the builders were pre-empted by Finance Minister Barend du Plessis' announcement that R400m of it will be used to set up a housing trust fund to be administered by a private sector task force headed by Sanlam's Dr Fred du Plessis.

As the intention is to channel the money into self-help housing projects, building contractors in the formal sector can hardly be

expected to be in a position to benefit. But even before self-help projects commence some infrastructural spending must be done — a task we now understand the remaining R250m has been allotted to.

In Durban, a group of businessmen is attempting to mobilise R2 billion of pension fund money for black housing. The plan is to establish a separate black housing enclosure with banks and building societies into which they may direct a portion of the 53% of their income they are obliged to place prescribed.

Blacks who require home loans may draw from the pool. Loans would be made available in the normal way with the employer, employee and government picking up a third each of the monthly bond instalment to enable applicants to stay within the societies' quarter-of-income bond repayment rule.

That kind of private sector initiative should be welcome. But, hard to believe, the SA Perm's Bob Tucker has told project leader Terry Rosenberg, in as many words, that finance is not the problem.

Building societies, he says, have ample funds to meet the demand for black housing and can do without pension fund money.

Flush as they are, last year building societies lent around R250m on black housing. Given that the current black housing backlog is estimated at 600 000 units and that R2 billion builds only 167 000 homes at R12 000 each, black housing needs all the funds it can muster.

As Rosenberg says: "Building societies do have sufficient funds to meet demands for black housing — if they continue to build at the rate they have in the past."

In some respects, the building society reticence is understandable. Though government has apparently furnished suitable guarantees for those who lend in black areas, especially within the national states, problems remain. Who will reimburse them, for example, if their assets are razed in township violence? Will their social conscience allow them to act against those who default and, if they do repossess, how will they dispose of their asset in a situation where there is not yet a ready resale market?

Builders, too, quick as they are to point fingers, are not entirely beyond reproach. The criticism that they are interested only in the fat end of the market — where subsidised black buyers in the public and private sectors

can afford homes of between R35 000 and R65 000 and profits are good — is not without foundation. The truth is this market represents only 30% of the total. They should be addressing their energies to the remainder who can barely afford bonds of R10 000.

The Urban Foundation's Gerry Adlard says sadly that profits at the lower end are "paper thin" and just cannot support "huge corporate infrastructures." Which is why the Urban Foundation and utility companies are the only ones who operate there. Still, he says builders should give thought to developing industrialised building systems, which, with large volumes, could provide a justifiable return from low-cost housing.

Notwithstanding the difficulties, there are some encouraging signs. Infrastructural spending on black housing has picked up significantly in the eastern Cape and Natal — a legacy from the work done by black housing ombudsman Louis Rive.

Co-ordinator of the Natal-KwaZulu Planning Council Dr Pieter Viljoen says some 5 000 housing stands should be provided in the region by early next year. Developers who have managed to navigate their way through the tortuous provisions of government regulations R293, R188, R153 and R154, a red tape nightmare, are already building homes. Tenders worth R107m for the provision of infrastructure and bulk services, mainly at existing townships, are currently out. More will follow shortly.

Government, at least, is taking Rosenberg's "pent up" proposals seriously. He has already had an audience with several senior Cabinet ministers and has been invited to serve on the recently-formed, non-statutory South African Housing Advisory Council.

A source close to the private sector task force's housing trust says the initiative, and what it will ultimately achieve, is being "hugely underestimated." He says the R400m is a fraction of what the private sector is ready to contribute. Details at this stage, he admits, are sketchy.

After what amounts to a late start, who can blame them if, at this point, not all the players in the black housing saga are singing in harmony? At least there is evidence of an increasing sense of urgency in the new-found co-operation between the public and private sectors. That is cause for optimism in itself.

HOUSING SUBSIDIES

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Shifting ceilings

Moves by home builders to have government increase its subsidy on housing for first-time buyers seem to have stalled. The builders are seeking an increase from R40 000 to R55 000.

Government, says National Association of Home Builders' (NAHB) executive director Johan Grotsius, seems reluctant to make a decision.

Grotsius believes that an official perception that the housing industry is experiencing a revival, thus obviating the need for a boost, is behind the lack of decision.

But he says statistics showing an increase in the number of dwellings built between the second quarter of last year and the first quarter of this year are misleading.

Home builders insist that any increase in numbers certainly did not show up on their bottom lines.

Grotsius says that while more building plans for homes were passed and more houses completed, margins were perilously thin. The units involved, he adds, were generally smaller, which meant there was not a corresponding increase in the volume of work.

"There may be more units," he comments,

The NAHB move, however, is opposed by the SA Perm's Bob Tucker. He feels the subsidy should not be changed. If the limit is increased, he says, government's limited funds for such assistance will be spread among fewer people.

The current limit of R40 000 is proving of greatest benefit to owners at the lower end of the income scale — particularly blacks.

Perhaps understandably, the NAHB, which caters largely for the white market, sees things differently.

Grotsius sees a gap developing in the supply of houses to cater for this sector of the market if adjustments are not made.

There are already complaints, he says, that a reasonable house cannot be afforded unless the buyer is in the service of the State or an organisation with a staff housing scheme.

He tells the *FM* that the average cost per unit of houses being built now is well down on the average cost a few years ago. A substantial proportion of the homes built today, he adds, are designed to be sold to first-time home owners who qualify for the assistance.

To qualify for the subsidy, which pays a

such properties. One result, he fears, is that societies will refuse to finance them.

"They are already getting tight on their evaluations," he says, "and it may be difficult to persuade them to finance those homes if they go much smaller than they are now."

Another problem he identifies is that because qualifying houses are so small, many potential owners are holding back in the hope that the limit will be raised to allow them to commission bigger homes.

"That attitude is affecting the industry. We cannot afford more delays caused by uncertainty," Grotsius says. "We have already lost too much valuable time." ■

OFF THE MARKE

JH Isaacs may well have gained 20 new buildings for its management portfolio (*Property* September 12) but only four of these — from one owner — were won from Landmark which acquired the LK Jacobs (LKJ) portfolio some months ago.

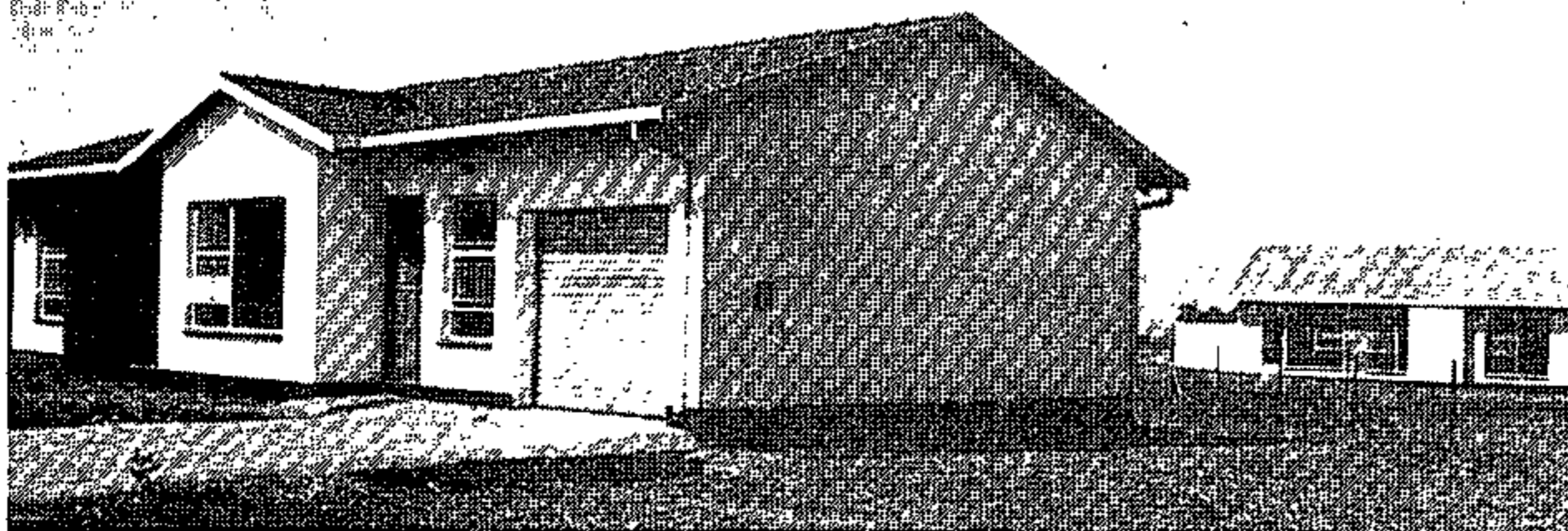
According to Landmark chairman Marke Markovitz, only 12 buildings were taken over from the LKJ portfolio in recent months. These, he says, were lost to JHI before he took over the LKJ management portfolio from the Bankorp group.

LKJ has lost a number of buildings to other management companies in recent years, and this must have been one of the factors which led to Bankorp's decision to rid itself of the portfolio.

Isaacs' Neil Callie concedes that certain management changes may have occurred before building owners became aware that Landmark was negotiating to take over the LKJ portfolio. But he claims that many of the approaches to JHI were on the owners' initiative during this period. Markovitz claims, however, that JHI canvassed owners.

The management of Cavendish Chambers, which JHI claimed as one of the buildings it had taken over, has not changed hands and remains with Landmark. This has been confirmed in a letter to the *FM* from one of the owners, Dr David Adler, who denies any change of management.

The acquisition of the LKJ management portfolio has significantly increased Landmark's property management portfolio, says Markovitz, and has set it on course to challenge the frontrunners in the property management game.



First-time homebuyers ... in need of a boost

"but we're not seeing an improvement in profitability. And building material suppliers tell me their sales aren't increasing either."

Activity in the industry dropped to such an extent over the last 18 months that about one in every four NAHB members went out of business, he says.

"Their absence from the scene should have benefited our remaining 500 members, but it didn't. Most of them have had to reduce their activities."

Grotsius estimates that, in its present state, the home building industry can "easily cope" with an additional R500m worth of business. NAHB members, he says, have been pinning their hopes for a revival on government raising the limit on its first-time subsidy.

third of the interest for five years, applicants have to be first-time buyers and the cost of their homes, excluding land, must be less than R40 000.

Grotsius says that, with costs escalating, developers are finding it increasingly difficult to design and build suitable homes for R40 000 or less.

"As costs increase, they will have to design smaller and smaller homes to stay within the R40 000 limit. As they do that, the cost per square metre must increase.

"Fixed costs remain the same. The cost of planning, of supervision and of installing a stove remains the same. They don't diminish because a house is smaller," he says.

With decreasing house sizes, Grotsius sees problems with mortgage lenders, many of whom are unhappy with their security on

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Call for upgrading of squatter camps

JOHANNESBURG — With the abolition of influx control housing plans had to be made for the potential migration to cities, the national housing policy director for the Urban Foundation, Mr Colin Appleton, said in Johannesburg.

The solution lay in upgrading rather than demolishing squatter areas, Mr Appleton said at a seminar here.

The shortage of formal housing for black people currently stands at about 500 000.

"Where are these people who move to the cities going to live?"

"All the approaches to housing that have so far been used in South Africa and almost all the technical research currently being undertaken generally excludes the poorest

people from direct access to housing.

"Repatriation to 'places of origin' was not a realistic option" and "the demolition and destruction of (squatter areas) led only to the relocation of the problem."

"What is required is to seek ways of directing and harnessing the ability of the poor to help themselves in such a way that they can best be assimilated into the urban fabric and to provide for upgrading over time."

For the solution to be operative certain problems had to be dealt with, he said:

- The control of the basic planning and administration needed to be reduced and far less rigid;

- Settlements may oc-

cur on private property, threatening the freehold rights of the owner;

- Social services and the provision of infrastructure presented more problems than in a formally established township;

- Unhygienic conditions may develop;

- The physical safety of people may be threatened by structures that do not conform to required building standards.

He cited Crossroads in the Western Cape as an example of an informal settlement of extremely high density "but which nevertheless presents opportunities for upgrading".

"A fundamental principle of any upgrading programme is that the inhabitants must have a sense of security and the

right to remain in the area."

He said 45 per cent of the total population of Durban lived in informal settlements.

"The same applies to a lesser degree to other cities, but we need to face the fact that our cities are going to begin more and more to take on the character of Third World cities.

"A crisis will only arise if we ignore the reality and adopt policies that are inappropriate to that reality.

"Access to accommodation for many will best be achieved through access to a site provided with basic services on which they can erect their own accommodation, no matter how informal that may be. — Sapa

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A constitutional scramble over rents

THERE is more than meets the eye in this week's fiasco about rent control in "coloured" and Indian areas.

Lapa Munnik, Minister of Communications and Public Works, announced that the House of Assembly's housing department would administer rent control as an agent for the other two houses.

On the face of it, it appears the House of Representatives and the House of Delegates simply did not get around to creating their own rent control boards and Munnik was eventually obliged to intervene because of mounting public protest.

Rents had gone up by as much as 400 percent in some areas of the Cape, according to the Woodstock Advice Office.

The mix-up is being described as a constitutional slip-up.

However there is considerable evidence that the responsible ministers

By JEAN LE MAY

in the other two houses, David Curry and Baldeo Dookie, dug their heels in.

Curry is on record as having told people who complained about increased rents that it would be "stupid" for the House of Representatives to create its own board.

And Dookie, approached by representatives of the Durban Central Residents' Association, apparently said rent control boards were a general affair and nothing to do with him.

Moreover Frank Gerber, head of the white Department of Local Government, Housing and Public Works, has described reasons for the lapsing of rent control in "coloured" and Indian areas as "sensitive".

The "constitutional slip-up" happened early this year while the government was indulging in an orgy

of chopping up various government departments into "own affairs" and "general affairs".

All rent control boards were abolished, but were reconstituted only for whites by the House of Assembly's Minister of Local Government, Housing and Works, Amie Venter.

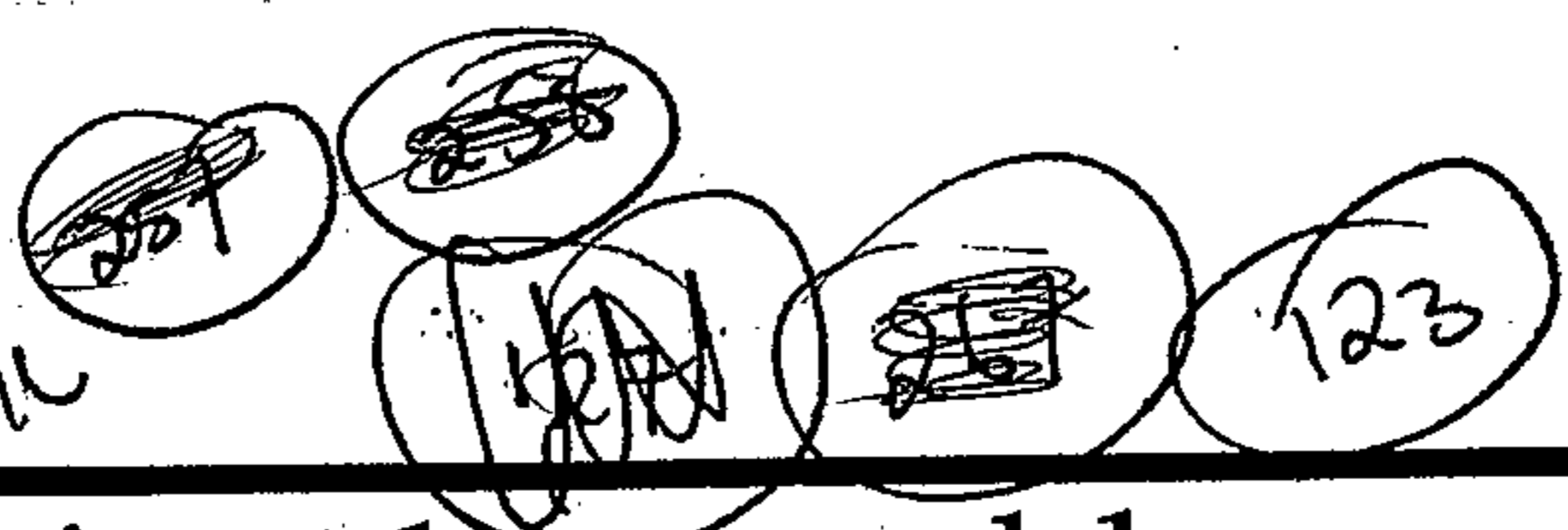
Separate boards should have been established for "coloured" people and Indians by the responsible Ministers in the other two houses, but this was never done.

Weekly Mail has been unable to contact either Curry or Dookie for comment, but insiders in both houses have confirmed they refused to set up their own rent control boards.

Their reasons for doing so may never be made public.

But at least, as one observer has commented, the taxpayer is spared the further proliferation of tricameral bureaucracy.

weekly mail



26/9/86

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'R17-bn needed for urban black housing'

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123

By Frank Jeans

The provision of even the most modest dwelling units to accommodate urbanised black communities 14 years from now will cost a conservatively estimated R17 billion.

Mr John Knoetze of the Department of Manpower puts the number of homes needed then at 1,7 million, and he told a seminar in Sandton yesterday that because of this massive housing requirement South Africa could no longer afford any further delays.

The seminar, organised by the Institute for Housing of Southern Africa in association with the Department of Constitutional Development and Planning, looked at the question of land and finance for the urbanisation process.

Urging the Government to make available adequate land for housing for all race groups who are restricted in their choice of residence by the Group Areas Act, Mr Knoetze said that until this had been done "no amount of money, planning or talking will solve the problem".

He pointed out that by the year 2 000 an additional seven million blacks would become urbanised and that the black population would rise from today's 18 million to 36 million. He said 1,2 million homes — even if they were the conventional "matchboxes" — would have to be provided.

"Land so far made available for black housing is completely inadequate and presents a bottleneck which will increasingly aggravate socio-economic and political problems unless addressed realistically and promptly," he said.

The matchboxes, though, can be turned into more acceptable living ac-

commodation, and it is in this area that Mr Knoetze believes much more should be done by way of communication, particularly at lower-income levels.

"The distribution of pamphlets is not enough," he said.

"Competent and dedicated people must be used by employers and by central and local government to convey this important message to the people concerned. I have tried these methods and they work."

Mr Tom Boya, Mayor of Daveyton, told delegates that whites would have to accept the fact that land is urgently required to locate South Africa's spread of new cities.

Referring to the proposed establishment of Norweto, he said: "The protests and objections from owners in this particular area north-west of Sandton over the recommendations in the guide plan for the establishment of a black city are indicative of attitudes which need to change."

Mr Boya called for the affordable housing to be provided now, and said that any further delay in the handling of the urbanisation and housing issues would aggravate the unrest situation.

He said that 90 percent of the urbanised blacks were in the sub-economic group, and to build conventional housing for these people was not practical because they could not afford to pay the rent and service charges.

"While millions of blacks are homeless, living in shacks and dilapidated towns and while 300 000 black families are without homes — yet at the same time 37 000 units in white areas stand empty and begging for occupation — there never will be stability, racial harmony, peace and happiness in our country," Mr Boya said.

W/E Post 27/9/86 (123)

Upsurge in the building of homes for blacks

Weekend Post Reporter

THERE has been an upsurge in the black building trade, caused by the demand for home ownership in two new Port Elizabeth townships.

Workmen are expected to complete homes at the rate of five a week at one of the townships, Kwadwesi, where many people can expect to be employed for the next few years. The housing projects are also boosting building material sales.

The Urban Foundation has 50 houses under construction in Kwadwesi. They are part of a contract for 800 dwellings, involving private developers as well as the foundation.

The homes are being built by contractors of the all-black East Cape Building and Allied Contractors' Association.

The first families are expected to move in next week.

The foundation's home building scheme in Zwide, originally reserved for employees

of a motor company, is progressing fast since a slowdown in 1984, caused by such factors as the unrest.

Workmen are trying to finish the contract by October and owners are also helping with the building of some houses as part of the foundation's "self-help" scheme.

The prices range from R15 000 for a two-bedroomed house to R25 000 for a three-bedroomed home.

The non-profit making Urban Villages Utility Company is building 865 houses in Kwadwesi, of which 60 are already under construction.

The company's general manager, Mr Rob White, said work had been "in full force" since about March this year, although there had been a delay in obtaining wooden door and window frames.

Workers were expected to complete five houses a week by October and the full contract had to be completed in about five years.



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Eye Post 3/10/86

3m housing units needed by 2000 123

By RALPH JARVIS
Property Editor

A FORMER president of the PE Chamber of Commerce, Mr Denis Creighton, who is assistant general manager of the SA Perm in the Eastern Cape, said in Port Elizabeth, said today the housing shortage was so serious that by the year 2000 more than 3 million units for all people — a massive increase of 150% of all houses currently standing anywhere in South Africa — would be needed.

He said that as long as South Africans believed they could ignore the truth of their own immediate environment and forced themselves into the artificial compartments of apartheid, they could not meet the challenge of the future.

He was speaking on "Building a new South Africa" at a seminar, "Property '86", organised by the Port Elizabeth and Midlands branch of the Institute of Estate Agents of South Africa.

But while the Group Areas Act remained and the population trends continued, the white housing market would continue to be over-supplied.

A starting point to the challenge of building a new South Africa was to

acknowledge some of the realities of the situation: South Africa was a multi-racial predominantly black state with a mixed First and Third World economy, it was part of Africa and part of the world community.

"So long as we continue to believe that we can ignore the truth of our own immediate environment and force ourselves into artificial compartments and segregate our lives and economy, we cannot begin to meet the challenge of the future."

Mr Creighton gave figures showing the current shortage of houses in South Africa was 538 000 for blacks, 44 000 for Asians and 52 000 for coloureds, giving a total of 634 000. A surplus of 37 000 units for whites meant there was an overall shortage of 597 000 units — more than double the existing black stock of houses.

"How are we going to make up this backlog and at the same time cater for future needs?"

"I am almost reluctant to mention the number needed by the year 2000 in case you switch off and give up the struggle right now, but let's try your courage."

"The figure is over

three million units for all people, meaning an increase of 150% of all houses currently standing anywhere in South Africa.

Mr Creighton said the Group Areas Act had to be considered in any examination of the blockage in the housing process.

"If we are committed to free enterprise, all artificial barriers must be removed and this includes restrictions on where a person may live and to whom a person may sell his property."

"To do otherwise distorts the property market in both directions — presently the white housing market is depressed whereas all other markets are facing an excess demand and is, therefore, in an inflated position."

"The excess white houses will wipe out nearly 40% of the shortages currently faced in the coloured and Asian areas."

Mr Creighton said that even if the market distortions caused by legislation were removed South Africa would be faced with this immense task of building more than 500 000 housing units immediately and adding to this at the rate of over 100 000 units each year.



Picture: WILLIE de KLERK, The Argus.

Mr David Curry, right, the Minister of Local Government, Housing and Agriculture in the House of Representatives, opened the Easy Homes show at Belhar. With him are his wife Letitia and Mr I Koller, one of the contractors at the exhibition.

Fresh look needed in low-cost housing

Staff Reporter *Argus 3/10/86*
 THERE was a strong need for a fresh approach and changes in attitudes and the regulations if the problems of providing low-cost housing were to be solved, speakers at a housing seminar concluded.

Yesterday's seminar on affordable housing was a preview to the exhibition in Belhar of innovative building methods.

Speakers at the seminar emphasised the need for change and fresh approaches to all aspects of the housing problem.

Property economist Dr Peter Penny saw the greatest necessity in the provision of land, the encouragement of private ownership and the use of informal resources.

"The major role of the Government in housing should be in assuming the availability of land where it is most demanded and in developing infrastructures," he said.

Free markets and the free movement of people would provide the optimum approach to the long-term solution to the problem. South Africa had been a society of large-scale social and economic controls, a socialised rather than a capitalist society, he said.

"Let us now move towards freedom in the choice of where a man may occupy and own a house and how that house should be developed," he said.

Mr L J Rothman, chairman of the Cape Divisional Council, said the council had taken the first steps to aid self-build housing in the Western Cape with the minimum of State assistance.

Mr J C Sullivan, chief town planner of the Cape Divisional Council, said that existing building regulations were still too prescriptive and inflexible.

Different sets of standards should reflect different levels of expectations and affordability, and be applied in different areas of the city.

Free people from slavery of landlords'

Staff Reporter

PEOPLE must own their own plots and houses, however humble, to free them from the slavery of being at the mercy of a landlord, says Mr David Curry, Minister of Local Government, Housing and Agriculture in the House of Representatives.

Opening an "affordable housing" seminar at the Cape Showground, Goodwood, yesterday, he said he wanted to start, on a small scale, building houses to help combat social evils.

The seminar was held in conjunction with the Cape Divisional Council's Easy Home show at Belhar.

Mr Curry said cheap housing for the poor was not the only necessity. Methods which employed all available resources and would bring back community pride were also necessary.

NEW METHODS

If existing methods of building homes did not meet all the challenges "we must be prepared to change", he said.

"There is nothing wrong with the conventional brick or block house, but if this is not affordable any more, or if it is not sympathetic towards involving the layman in providing his own home, we must be prepared to look at new methods.

"My department intends to take this exercise further and all the houses in this show will be evaluated."

He called on all local authorities to be as bold as the Cape Divisional Council and to give worthwhile new methods of building a chance.

While it was no use trying to force new houses on people, they must be given a chance to get enthusiastic about them.

Blacks need a greater subsidy for homes than other SA communities

ACCORDING to statistics drawn from the National Building Research Institute (NBRI), 84% of the black community cannot afford a low-cost dwelling without some form of subsidy.

This compares with more than 50% of coloureds and approximately 30% of Asians and 9% of whites.

The one-third interest rate State subsidy, which first-time home-owners receive, allows 94% of all white households to acquire low-cost dwellings.

| Average monthly household income: 1985 RSA, National States, TBVC countries and SWA/Namibia | |
|---|----------------|
| Population | Monthly income |
| Whites | R2 043 |
| Coloureds | R 671 |
| Asians | R1 071 |
| Blacks | R 352 |

whereas the civil service subsidy allows 96% to do so.

The corresponding percentages for coloureds are approximately 78% and 85%, and for Africans 24% and 33% respectively. It is calculated that a figure of

at least R8 000m. is needed to eradicate the 1985 backlog which is 11 times that of the R750m which government has made available for low-cost housing.

Of the R8 000m that would have to be made available, the respective households would be unable to make any interest or capital redemption payments unless they were to receive interest-rate subsidies — or their incomes would have to be increased.

IN 1983, government started selling off approximately 350 000 black housing units to tenants at extremely low prices.

Yet, so far, only 44 000 have been bought and of that figure, more than half were bought on the West Rand.

But the slow sales, despite the rock-bottom prices, are likely to accelerate in future as a result of changing government policy and the changing attitudes and perceptions in the black community.

PROVIDING the necessary land and finance for massive urbanisation is seen as the greatest opportunity this country has ever had by Department of Manpower training specialist John Knoetze.

He told a recent Institute for Housing of Southern Africa seminar it was an opportunity to "create hundreds of thousands of job opportunities for all races, harness the natural resources of the country more realistically, accelerate the education and training programmes and upgrade the quality of life of the underprivileged."

Knoetze said government and the private sector had to form a partnership because neither could meet the challenge alone.

He said: "The basis of the proposed partnership is that government funds will in future, of necessity, increasingly have to be used to acquire land (or to assist private developers or prospective homeowners to acquire such land) and to provide essential services which cannot effectively be provided on a large scale by individuals or the private sector; and to provide only the bare essentials — preferably serviced sites with shell or core housing.

"We must accept that land so far made available for urban black housing is completely inadequate and presents a bottleneck which will increasingly aggravate socio-economic and political problems unless addressed realistically — and promptly."

His solutions to the problems were:

Effective Planning — that not only meant the physical planning by town planners and

homes (each of which includes a site of between 200m² and 300m²) vary between R800 and R8 000 with discounts of up to 40% available in certain circumstances.

This means that some of the houses sell for as little as R480, excluding administration and transfer costs of around R300.

The discounts apply as long as the selling price is not less than the original cost and also provided the house is bought before the deadline — some time in 1987.

Houses less than two years old are sold at cost price without any discounts.

| Region | Total number of houses for sale | Houses sold in May | Total sales to date | Total % sold |
|--------------------|---------------------------------|--------------------|---------------------|--------------|
| Eastern Transvaal | 4 123 | 16 | 389 | 9.43 |
| Western Transvaal | 6 415 | 6 | 512 | 7.98 |
| Central Transvaal | 24 633 | 46 | 1 423 | 5.80 |
| Northern Transvaal | 1 163 | 59 | 2 286 | 19.72 |
| Highveld | 11 337 | 48 | 3 033 | 3.84 |
| East Rand | 79 384 | 576 | 28 514 | 28.36 |
| West Rand | 100 586 | 86 | 1 735 | 5.09 |
| Eastern Cape | 20 041 | 87 | 1 834 | 2.94 |
| Western Cape | 10 786 | 80 | 1 834 | 17.00 |
| Northern Cape | 9 681 | 14 | 1 332 | 5.04 |
| Natalia | 26 416 | 22 | 2 111 | 12.38 |
| Orange-Vaal | 17 040 | 44 | 1 311 | 7.69 |
| Southern OFS | 17 040 | 44 | 1 311 | 7.69 |
| Total | 345 640 | 1 070 | 43 749 | 12.65 |

Great chance to create jobs

architects but also political and socio-economic planning.

Knoetze said: "It cannot be emphasised too strongly that whatever we do or plan, we must ensure that the people concerned are fully involved all along."

"It is not only morally, economically and politically right that they should be so involved, but it is a fact that they are able and willing to play a meaningful part in providing their own homes if given the opportunities to do so. If we acknowledge and apply this policy, it will have enormous economic, social and political benefits for all racial groups in this country."

Meaningful communication — which was not merely distributing pamphlets and advertising through the media, as the bulk of the audience being aimed at had little access to or understanding of the media used.

Knoetze said: "Competent and dedicated people must be used by employers and by central and local government to convey these important messages to these people."

Among his other solutions was the maximum exploitation of all available land and essential services in the established towns and cities.

Knoetze said this meant the simplification of sub-division of large sites and realistic introduction of high-rise dwelling units in places like Orlando East.

All vacant dwelling sites should be made available for building "without red tape or strings attached", plus the effective use of

expensive sewerage services and electrical reticulation.

He said: "If that is done properly in Soweto — and I believe serious efforts are being made to achieve that goal — this could make available accommodation for 250 000 additional people without expenditure on major improvements to essential services."

The upgrading of existing housing stock was another example of "exploitation" and a classic case was the 100 000 matchbox four-roomed dwellings in Soweto which could provide accommodation for another 200 000 people if one small bedroom was added to each dwelling.

Knoetze said: "During the past six years about 7 000 such dwellings have been upgraded in Soweto alone and on an economic basis. The cost was about R40m without government subsidy but with the help of financial institutions, employers and the 'sweat equity' contribution from the owners."

As well, this would create thousands of jobs in the informal sector, particularly in the building trade and building-material manufacturing industries.

Knoetze said: "By vigorously tackling the mass housing shortage problem to accommodate the urbanisation process, we will get a magnificent opportunity to provide work for tens of thousands of people for years to come."

THE R14m Alandale/Rabie Ridge project recently awarded to Stocks Housing is set to break all records in the history of mass housing construction for coloureds, the company says.

The total project for 1500 units had a period of 5½ months for

Stocks sets out to break records

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team, headed by MD Mike Fullard and consisting of 2 000 people, have been on site for 2½ months and have completed 500 structures.

Fullard says the Stocks team is probably one of the biggest and most effective for a mass housing scheme and is laying 200 000 bricks and pouring 200m³ of concrete daily. To date, more than 7-million bricks have been laid and about 500 000 roof tiles.

He says: "The project is unique in every way as no one house is the same.

"Four different designs are used with each unit having different permutations. Eight different finishes of face bricks are used, seven different types and shades of roof



□ HENNIE OLIVIER, left, and Stocks Housing MD, MIKE FULLARD, examine Rabie Ridge plans. Behind is the first part of the project.

tiles, with no less than 36 paint colour variations. Each house has its own garden walling with the total walling measuring well over 30km."

Once completed, the project will go down in history as "the mass housing development of the future.

"The modern look and finish of each unit is so unique that it could

be placed anywhere in the northern suburbs of Johannesburg and not be out of place."

The units consist of two bedrooms, kitchen, bathroom, lounge dining area, garage opening, and outer garden walling.

Owners and tenants will take up occupation of the first 500 houses in December.

Reef builds up to ghetto headache

NOW that influx control is no longer government policy, the explosion of low-cost housing ghettos could pose mind-boggling problems for environmental planners.

And while much has been said about protecting the coastal environment, the problem will be felt more keenly on the Reef, where more blacks will settle than around the coastal centres, says chairman of the SA Property Owners' Association (Sapoa) housing committee James Crosswell.

He comments on a report-back from a recent conservation conference in Namibia. Dr Alan Heydorn, advisor to the SA Council for Environmental Affairs, said there that urban influx to coastal areas would create vast pressure on the environment, especially on the Cape Peninsula and the Cape Flats — where the need to house an additional 750 000 people during the next decade would make it an ecological crisis zone.

But Crosswell, one of SA's leading civil engineers, believes that real environmental pressure will be felt inland, since blacks are more likely to move to existing urban areas around the Reef.

Major low-income housing developments will become dominant in inland areas close to industrial centres. Obviously, certain pockets will develop around Port Elizabeth, but only if the car industry emerges from its doldrums, Crosswell says.

Government is trying to protect the coastal environment by imposing a ban on property development within 500m of the high-tide coastline.

Crosswell says: "Although Sapoa welcomes government's concern over the preservation of the coastal ecology, it hopes that the new Act will not become an added excuse for extra red-tape to deter or ensnarl urgently required low-cost housing developments.

"A permit for development should be issued, subject to the compliance of conditions set down by the Environmental Impact Assessment body.

"The majority of township developments along the coast are small-scale, as they are aimed primarily at the upper-middle income group planning to retire along the coast."

Ecologists are concerned that the Kuils River carries far more water (recycled sewage from the Cape Flats) than it was evolved to do.

Crosswell believes, however, that this problem will be short-lived: "As water becomes an increasingly rare commodity, it will be recycled for human use rather than left to become an effluent washed away by rivers towards the sea.

"In drought-stricken SA, excess effluent which now swells rivers will stop being a problem."

Uncertainty about R750m injection

UNCERTAINTY has been expressed about the *modus operandi* of the recent R750m injection into housing by J H D Grotsius, executive director of the National Association of Home Builders.

Grotsius complained at the lack of communication between government, the new Housing Trust and the industry, despite pronouncements that there had been thorough consultation with the private sector.

He said: "The industry's reaction to the announcement must therefore be seen against the background of its perceptions based on limited information of what the objectives to be achieved by the scheme are or should be.

"To date, and in spite of repeated requests in this regard, no consultation whatsoever has taken place with the organised home building industry."

He said the industry sees the scheme as:

- An urgent first step to eliminate the housing backlog;
- Creating job opportunities;
- Acting as a stimulus to the economy.

Grotsius said: "Speedy and effective action remains absolutely essential in respect of all three aspects.

Welcome aspects

"For obvious reasons, it remains imperative that the housing shortage should be eliminated within a socio-politically acceptable time scale and with a predetermined target date."

Although mindful of the fact that details were lacking, Grotsius said there were aspects on which the home building industry would take a stance by way of active support for the scheme as well as by way of expressing concerns and reservations.

He said the allocation of R40m as the "foundation" for the housing trust and R350m for the creation of further infrastructure was totally acceptable.

And he welcomed the fact that government had said the R400m made available to the trust would not be a one-off payment.

If the trust were to succeed in trebling the state's contribution to R1,2bn as speculated, and the additional funds were acquired at market-related rates, the trust's assistance to the needy would, on average, amount to 67% of the full costs.

He said: "Although such a reduction can bring about considerable relief to lessen the cost pressures on home owners, it is totally inadequate for the lower income groups."

Grotsius made an urgent appeal to financial institutions to contribute to the trust and not to insist on market-related rates but "rather to see it as a contribution to the solution of one of SA's vexing problems".

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JOHANNESBURG — A possible relaxation of the Group Areas Act in wealthy white areas would do little to ease the critical housing problem, an Urban Foundation spokesman in the Western Cape, Mr Ben van der Ross, told a housing seminar here.

The Sandton City Council, which has petitioned the State President to abolish the Group Areas Act, is willing to open its doors to all races.

But the management committee (Manco) chairman, Mr Rick Valente, says it is "patronising and objectionable" for the government to think of doing it on individual assessment.

"There is nothing to be taken into account but that people must be allowed to live and buy property where they choose," he said.

The Manco chairman in Edenvale, Mr Jake Coleman, said whites were worried about a decline in standards

Shack living a 'growing reality'

Economist gives his criteria for lower-income accommodation

HERE is no single solution to SA's housing problem, which means as many options as possible must be created. These range from "informal housing" such as shack dwellings to R100 000 homes.



COLIN APPLETON of the Urban Foundation. He urges SA to start planning for the "growing reality" of this type of housing springing up around its cities.

Informal settlements are the only option for thousands of blacks, says COLIN APPLETON of the Urban Foundation. He urges SA to start planning for the "growing reality" of this type of housing springing up around its cities.

Colin Appleton, national housing policy Director of the Urban Foundation, firmly believes that informal settlements are a "growing reality". "We must expect to see more and more of these settlements growing around our cities," he told *Business Day*. "We must plan for this because it is primarily the circumstances. This type of settlement is the only option for thousands upon thousands of blacks who are either unemployed and looking for work or who are in the low-income bracket."

It is not so much the standard of the building, but the standard of the services supplied that is the crucial issue. Health, access and densities are all controlled by the level and type of services and land tenure that is offered.

"Let people put up whatever structure they can afford in suitable areas located in relation to work opportunities, and then install at least low-level facilities at the outset plus all the necessary public facilities so that people can upgrade their homes over a period of time."

Appleton emphasised the need to provide financial mechanisms to enable people to borrow small sums of money against minimum security.

"The individual shack dweller will need to buy lengths of timber, sheets of corrugated iron, bricks and so on, but the current financial mechanisms have no provision for this."

"The country — the private sector and government — must look at this situation quickly otherwise there will be no opportunity for these people to upgrade their housing."

Referring to the fact that around 45% of the total Durban population now lives in shacks, Appleton criticised individuals who worked out financial statistics based on housing starting at R20 000 and going much higher.

"This sort of exercise gives you a nonsense figure. Furthermore it pretends we are going to destroy a lot of existing shacks because they do not match up to the standards we expect to see."

Conceding that this has been government's attitude in the past, he made the point that it was "obvious government is rethinking this one". He pointed to the government project at Khayelitsha where 5 000 "core" houses have been provided using cement blocks or panels.

Space preference
The householder can then expand the house using materials drawn from a central store.

Mr Appleton said each core house measured about 29 sq m, so there was need for expansion.

"There is no argument among the people in terms of choice between space and aesthetics," he said. "Space will win every time."

There were two reasons for the space preference, he said. First, the family as a unit functioned much better. Second, the additional space could be used to generate income from lodgers.

Appleton emphasised that development of informal settlement was not unique to SA. It had happened and continued to happen throughout the Third World.

"Experience in other countries confirms SA's experience to date," he said. "The demolition and destruction of such settlements leads only to the relocation of the problem and not to its solution."

"Just as people found ways — despite the influx control laws — to remain illegally in the urban areas, people will find places to erect shacks despite the 'slums' and 'squatter' Acts."

What is required is to seek ways of directing and harnessing the ability of the poor to help themselves in such a way that they can best be assimilated into the urban fabric, and to provide for upgrading over a period of time," Appleton said.

Although upgrading of existing informal settlements had been undertaken in many other countries, it had not yet been tried on any scale in SA.

"This despite the fact that it has been estimated that some 1.25-million people live in informal settlements around Durban and many thousands live in other well-known settlements such as Crossroads."

Appleton listed key elements and advantages in an upgrading programme:

- Maximum conservation of time and money already invested by people in their own housing in informal settlements.
- Capitalising on the existence of cohesive communities, facilitating mutual assistance in the development process.
- Reinforcing the initiative of individuals by assisting them to improve on their spontaneous efforts.

Affordable
An intrinsic commitment not to put people in a position in which they are unable to afford their housing. An upgrading programme contains the potential to reach the lowest income groups without neglecting this commitment.

Although the process is slow and the final results take many years to achieve, the necessary process of providing minimum shelter is not delayed. Moreover, the total number of people sheltered is never reduced because people are not deprived of the shelter they have provided for themselves.

Appleton added: "It is in the light of these advantages that the concept of 'in-situ' up-grade has been explored as a natural extension of the self-help approach as it has already been applied."

THE concept of low-cost housing differs from person to person and is considered by all the people interviewed in this survey to be relative and describable only in terms of attitudes, perceptions, aspirations and — most importantly — affordability.

National Building Research Institute chief economist, Tjebbe de Vos poses the rhetorical question, "What is the cost of a low-cost house?" More importantly, what should it be?

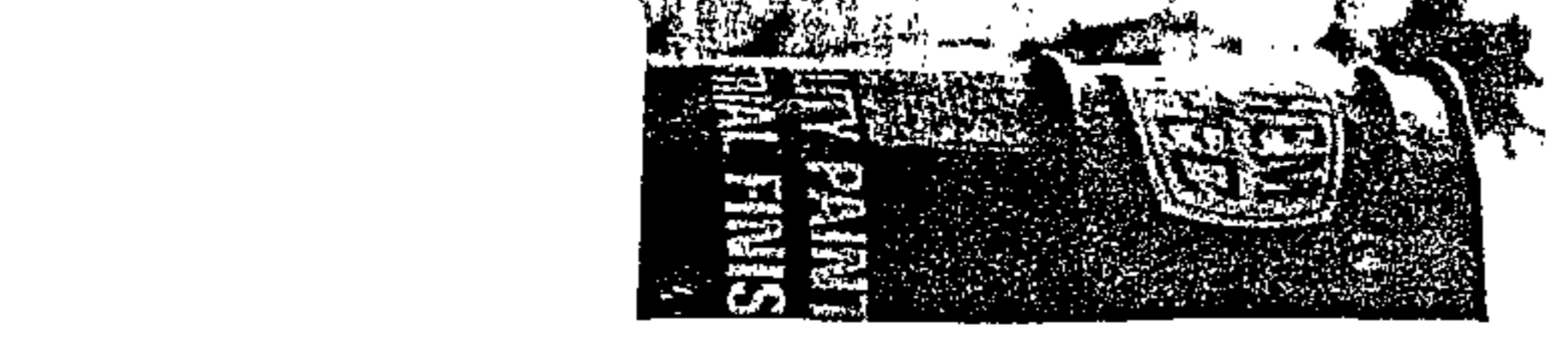
And he proposes the following criteria for the structure:

- The living areas of the house must be large enough to provide privacy to the household.
- The finishes and amenities must be limited to those which are absolutely necessary.
- The house must have basic cooking and ablution facilities plus storage space for food.
- It must satisfy health and safety requirements, and provide space for rest and relaxation.
- The occupants must be protected adequately from the elements; and
- The house must be capable of expansion as the need arises.

De Vos concedes readily that many low-income families will live in houses of a lesser standard than the "low-cost" house he described in a paper to an SA Institute of Building seminar in August, but his definition is of considerable interest to SA communities wherever they may live.

A low-cost house is defined as a 55m²-60m² home containing three living rooms, a kitchen and a bathroom, no cupboards in the bedrooms, and only basic and essential storage space in the kitchen.

"Only splash-back tiles are provided in the bathroom and above the kitchen sink. Ceilings are provided and floor finishes are relatively maintenance-free. Electricity, hot and cold water, and wastewater sewerage are included."



Call for overview of urbanisation

URBANISATION and housing development in the TBVC countries and self-governing states should be seen as part of the Southern African whole, says Dr Simon Brand, CE and chairman of the board of the Development Bank of Southern Africa.

Brand told the Institute for Housing in SA's Johannesburg seminar that there could be no dispute about the important role that the metropolitan areas would have to play in further urbanisation in SA. But it would be a "serious oversimplification" to overlook urbanisation and housing development in other areas such as the TBVC countries and the self-governing states.

He said: "The ideal remains that the housing process in these areas should be seen as part of the urbanisation, land development and housing processes in SA as a whole and that it should therefore benefit from the interest in these processes generated recently, with the private sector in particular."

The SA government and the Development Bank were well aware of problems facing private sector investment in

affecting such rights. It will also require the governments of the TBVC countries and the self-governing states to refrain from actions that confirm — or even strengthen — the reservations that private investors entertain, and to positively pursue financial and economic policies that will convincingly demonstrate their commitment to support of private initiative.

Brand said an appropriate process of land and housing development was as necessary in the TBVC countries and the self-governing states as it was in the rest of SA as "an integral part" of the urbanisation process.

In supporting housing development in the TBVC countries and the self-governing states, the Development Bank had encouraged governments to concentrate their efforts on areas with a sound economic base which would enable residents to make a substantial "own contribution" to their own housing needs.

Brand said: "The Bank has further concentrated its financial support on loan financing for the development of housing infrastructure, especially for

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LOW COST HOUSING
A Business Day Survey

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"Only splash-back tiles are provided in the bathroom and above the kitchen sink. Ceilings are provided and floor finishes are relatively maintenance-free. Electricity, hot and cold water, and wastewater sewerage are included."

"This house, when produced conventionally by the building industry, would cost between R15 000-R20 000 in 1986, including the cost of land (200m²-300m²) and basic but adequate infrastructure services.

"The township would have street lighting and stormwater drainage. Only the bus routes would be provided with permanent surfacing."

He adds that his arguments can be adjusted readily by readers who prefer to make other assumptions with regard to a "notional low-cost house."

SA's housing problem, which means as many options as possible must be created. These range from "informal housing" such as shack dwellings to R100 000 homes.



□ APPLETON

the only option for thousands of blacks, says COLIN APPLETON of the Urban Foundation. He urges SA to start planning for the "growing reality" of this type of housing springing up around its cities.

Colin Appleton, national housing policy Director of the Urban Foundation, firmly believes that informal settlements are a "growing reality".

"We must expect to see more and more of these settlements growing around our cities," he told *Business Day*. "We must plan for this because it is primary to the circumstances. This type of settlement is the only option for thousands upon thousands of blacks who are either unemployed and looking for work or who are in the low-income bracket.

"It is not so much the standard of the building, but the standard of the services supplied that is the crucial issue. Health, access and densities are all controlled by the level and type of services and land tenure that is offered.

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ture they can afford in suitable areas located in relation to work opportunities, and then install at least low-level facilities at the outset plus all the necessary public facilities so that people can up-grade their homes over a period of time."

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"The country — the private sector and government — must look at this situation quickly otherwise there will be no opportunity for these people to up-grade their housing."

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unique to SA. It had continued to happen in Third World.

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Although upgrading formal settlements has taken in many other countries not yet been tried on a

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Appleton listed key

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He said: "The ideal remains that the housing process in these areas should be seen as part of the urbanisation, land development and housing processes in SA as a whole and that it should therefore benefit from the interest in these processes generated recently, with the private sector in particular."

The SA government and the Development Bank were well aware of problems facing private sector investment in these areas, including private investors' assessment of the political and other risks which have inhibited investment in these areas.

Brand said: "With this in mind government recently undertook to guarantee against political risks investments made by building societies in the self-governing states.

"This move may, to some extent, neutralise this risk factor, but the guarantee does not apply to the TBVC countries.

"While government guarantees against political risk can play a role — especially if further refined and extended to cover the TBVC countries — all the real solution lies in the cultivation, by the governments of these areas, of confidence with private investors in the safety of their investment there.

"This can only be achieved by following through on declarations with actual legislation that resolves issues surrounding rights to land and the condition

affecting such rights.

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In supporting housing development in the TBVC countries and the self-governing states, the Development Bank had encouraged governments to concentrate their efforts on areas with a sound economic base which would enable residents to make a substantial "own contribution" to their own housing needs.

Brand said: "The Bank has further concentrated its financial support on loan financing for the development of housing infrastructure, especially for the middle to lower income groups.

"The condition is that affordable standards be applied and that charging at economic rates for these services must be aimed at — even if it may take some time to get there from the historically heavily subsidised basis."

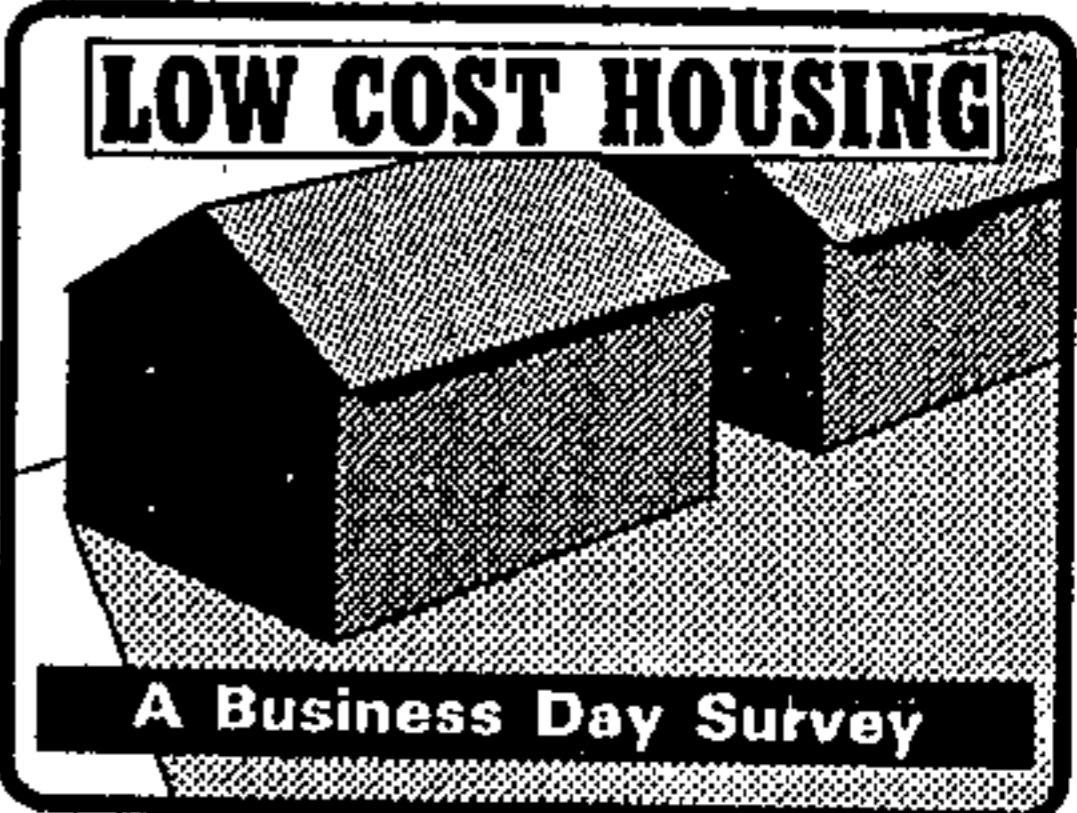
Brand said the TBVC countries' independent powers to devise their own policies on land development and housing, plus the recent arrangements to delegate authority on these matters to the governments of the self-governing states, provided "considerable scope" for experimentation and innovation.

He said: "The involvement of the private sector in land and housing development in these areas is therefore not only essential on account of the financial contribution it can make, but also for the contribution that the private interests can — and should — make to this process of experimentation and innovation."



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Overcrowding a major cause of unrest in townships



THE enormous backlog of acceptable housing, coupled with the serious overcrowding the black population has to contend with, are seen as major factors contributing to the present unrest, especially in the townships.

That is the view of Tobie de Vos, chief economist at the Pretoria-based National Building Research Institute.

And he told *Business Day* this situation could be expected to continue, despite the high priority government has placed on housing for blacks.

"Limited financial, material and labour resources, as well as infrastructural and residential land constraints, militate against the ability of the most optimistic housing programme to cope with existing backlogs and the needs of the people expected to flow to the urban areas now that influx control has been abolished," he said.

And he added: "Because government's former homeland policy prevented blacks from obtaining full ownership of residential properties in the white urban areas, it was impossible for a housing market to develop for blacks."

De Vos said recent legislation accepted by Parliament would make it possible for blacks to obtain full ownership of residential properties within their demarcated group areas.

But the shortage of land in existing townships, coupled with the restrictions of a normal housing market because demand far exceeded supply of both land and housing, meant adequate and affordable housing and security of tenure were essential requirements for the attainment of a stable society, he said.

But De Vos warned of "unprecedented challenges" for everybody involved in all aspects of the black housing market who are faced with the daunting challenge of providing 1,8-million new homes in the period 1985-1990 to eliminate the existing backlog (estimated at 540 000 homes) and meet an anticipated need of 367 000 homes each year.

The above table indicates that the black urban population is expect-

| | 1985 | 1990 | 1995 | 2000 |
|---------------------------------------|------------|--------------------------|--------------------------|--------------------------|
| Population | | | | |
| Housing need (5,94 persons/household) | 5 964 488† | 13 658 000 ¹³ | 16 181 000 ¹³ | 18 776 000 ¹³ |
| Housing stock (1985) ... | 1 004 123 | 2 299 327 | 2 724 074 | 3 160 943 |
| Cumulative housing backlog | 465 901 | 465 901 | 465 901 | 465 901 |
| | 538 222 | 1 833 426 | 2 258 173 | 2 695 042 |

* Including the 1985 backlog

** Excluding National States

† CENTRAL STATISTICS SERVICE. *Statistical News Release: Current Population Survey: National Development Areas, Provinces and Self-governing National States: Blacks — November 1985*. Pretoria, Government Printer (News Release P27.3), 7 March, 1986, as well as unpublished analyses.

| Periods | Number of units | |
|-----------|-----------------|-------------------|
| | Per annum | Per 5-year period |
| 1985-1990 | 259 041 | 1 295 204 |
| 1990-1995 | 84 949 | 424 747 |
| 1995-2000 | 87 374 | 436 869 |
| Total | | 2 156 820 |
| Average | 143 788 | 718 940 |

* Excluding the 1985 backlog of 538 222 units.

ed to increase from an estimated 6-million to almost 19-million by the year 2000, based on the assumption that an urbanisation "surge" will occur during the five-year period 1985-1990 as a result of the abolition of influx control. This would mean an additional 1,3-million homes required in the urban areas between now and 1990. Over the past five years only about 8 000 units were built annually for blacks in the urban areas, against

a figure of 100 000 which should have been built according to the patterns in other developed and developing countries.

In contrast to those figures, 43 099 units were built in 1984 for the 4,9-million urban whites.

As a rough guide, De Vos said, annual production of housing units equal to about 1% of the total population would meet the need once the backlog had been dealt with.

Give a thought to this financing plan

A NEW proposal for a low-income housing financing system has been proposed by Johan Snyman, MD of Medium-Term Forecasting Associates — members of the Economic Matters Committee of the Institute for Housing of Southern Africa.

The proposal aroused considerable interest at the Institute's Johannesburg seminar last month.

Snyman said the basis of the system was that all economically active people would contribute 1% or 2% of their income to a housing fund.

"The fund grants mortgage loans to low-income earners to buy or build their own homes," he said. "The earner continues to pay on his bond in the usual

"But he continues to make his contribution to the fund until he ceases to be economically active. This amount is then paid out to his estate upon his death.

"The wealthy individual (whose mortgage bond is with a building society) is likewise subject to the enforced saving scheme. Upon his death his estate benefits."

The merit of the system could be determined if it were compared to the present situation where low-income earners spend most of their income and rely on the state to provide housing. He said. "The proposed scheme eventually leads to a larger number of homeowners which leads to a larger number of

New roof insulator costs only R4/m²

A NEW system of roof insulation — without the need for a ceiling — has been developed for the low-cost housing market by AFI (Acoustical Fibreglass Insulation) at a competitive price of R4/m². The product, called Fibrestone, is a ceiling tile in board form which can be handled easily and fitted by one person, depending on the roof structure.

Says GM (acoustical division) Peter Holton: "There are different ways of fitting the boards and we'll work in conjunction with individual builders to ensure the right system is used for that particular roof structure."

"It's a top-quality product because we don't believe that low cost means inferior standards. The comfort of the family living in the building must be considered, which is why we set out to provide an insulation product at as low a price as possible."

As a DIY product, the boards can be fitted one room at a time or as the household can afford it, and there's a further cost benefit in not having to fit a ceiling.

Structural timber takes off

STRUCTURAL timber is taking off, as price increases of other building materials have soared, making wood the most reasonable method of home construction.

Figures from analysis done by researchers LHA Consultants in Pretoria, show the annual growth for materials used on average, per year, in the building industry was 13.7% in the years 1975 to 1985. Brick usage increased over that period by 15.2%, cement 14.7%, glass 13.7%, paint 14.3% and structural timber

by 11.4%.

According to SA Lumber Millers Association executive director Andries Swart: "Prices of structural timber remained well below the CPI since 1984 have

"The October 1984 CPI figure was 170, and structural timber on the same scale was 155." "We normally only have one price increase a year."

Timber frames are used in 90% of the houses built in the USA, Canada and Scandinavian countries.

Builders should change tack

THE construction industry is still in the doldrums, with little hope of emerging from its present problems — unless it completely changes its *modus operandi*.

Right now, fewer, smaller and cheaper homes are being built, while the commercial, industrial and retail sectors are hardly moving ahead.

If construction companies will accept, however, that the future lies in low-cost housing developments — and there is a shortage of 1-million such homes in SA, while there are 35 000 empty high-cost units on the market — then they will emerge from the industry's doldrums intact, says SA Property Owners' Association (Sapoa) housing committee chairman James Crosswell.

"The sad plight of the building industry has been underlined by Rudolf Gouws, group economist of Rand Merchant Bank, who reveals some sad statistics," he says.

"But these could be countered when one accepts that the future of the property industry lies in the rapid but orderly development of new townships for low cost and multi-racial housing units."

"For these to be successful and economic, the private sector must be-

come involved. However, if the private sector is early in attacking the social monster of housing shortage, then we shall witness even greater uncontrolled squatter camps mushrooming around the metropolitan areas — as is the case in other Third World countries," says Crosswell, a leading civil engineering consultant to township developments.

Squatter problems

He feels that if the private sector does become more involved in low-cost housing developments, it would alleviate:

- Housing shortage/squatter problems.
- Current unemployment problems — especially if labour-intensive construction methods were to be adopted, rather than mechanised methods.
- The depression in which the building industry finds itself and
- Socio-political tensions between the accommodated and the homeless.

Economist Gouws underlines the less appealing picture of the building industry, if it is allowed to stagnate as a result of complacency and waiting for the big contracts to come rolling in.

Crosswell stresses: "The future lies in catering to low-income groups — as they are the only growth point in

our Third World social structure." Says Gouws: "Already 70 000 people or 40% of SA's full-time active building workforce have lost their jobs in the current slump."

"Profits in the industry have been squeezed as never before, judging by the average contract prices for all types of buildings, which only showed an increase of 9% for the first quarter of 1986, measured against a consumer price index (CPI) of over 19%. In real terms, this means a loss of 10%."

"More telling is the long-term comparison. Between boom-year 1980 and the first quarter of 1986, the industry's average contract price index rose by 73%. By contrast, the general price index as measured by the CPI rose by 116% over the same period — a loss of 43%," he says.

"Labour costs rose by a similar percentage, while building and construction materials rose even more steeply — by 127%."

"This is a classic case of 'deteriorating terms of trade', when the industry buys materials at a higher price than it can re-sell."

"Another indicator of the building industry's plight, and a barometer of the broader impoverishment of our society, is the decline in the contract

prices of new dwelling houses," says Gouws.

In the first quarter of 1986, this index was 1.9% below the level of a year ago, while the CPI rose by 19.2% above its level the previous year. Again, this means a true drop of over 21%.

"By contrast, during the previous boom in house-building, contract prices for new houses ran well ahead of the inflation rate. In the fourth quarter of 1980 these prices were a full 33.3% higher than for the four quarters before, against a rise of only 14.7% in the general price level."

Margins cut

The statistics reflect that in fact smaller, cheaper houses are being built and that the contractors' margins have been cut to the bone.

Crosswell repeats: "The future lies in low-cost housing developments — built preferably on a labour-intensive basis which should soak up part of the unemployment problem."

And Gouws estimates that foreclosure by building societies, while still insignificant in relation to their total assets, have increased five-fold in 12 months, while prices of existing houses have fallen by 25% in 18 months.



1 000 homes around SA

IN only three years, Time Housing, has built more than 1 000 homes around SA.

Part of the Time Holdings group, the company is backed by a Merchant Bank which has a large stake in the group. Time Housing concentrates on affordable housing.

Says Time Housing MD, Mike Graham: "We operate over a wide area of SA, which includes the PWV area, Port Elizabeth, East London, Durban, KwaZulu, the Transkei and Ciskei. We are currently working closely with Sasol, the Coca-Cola Corporation and Saficon to provide more housing for their employees."

"Time Housing offers companies a complete service from land acquisition, installation of services, house design, sales, bond procurement, as well as all the administration required in providing homes."

The company is concentrating on the black market. Recent projects include a 700-house development at Umata, and servicing and construction recently started in Soveto.

WIN HOME FUTURE

JCI poised to take on township development

MINING house JCI is poised to become SA's largest township developer in terms of residential stands in the PWV area.

Already JCI is flexing its property muscles as it prepares to launch at least 8 000 stands spread over 30 townships around the East Rand and West Rand, as well as in Akasia near Pretoria.

Much of the land is south of Johannesburg — and could be earmarked for a diverse range of costings, from low-cost

General manager of JCI's property division, Ian McPherson, says that so far, 10 townships have been sanctioned for sale, and their general plans approved by the Surveyor General.

"Despite the current sluggish economy, we see signs of an upturn in the market and stands are beginning to sell," he says.

"It is not surprising, though, that they are at the lower end of the market. So

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Double boon from Transkei project



TRANSKEI has grudgingly admitted that one way of solving its low-cost housing shortage is to employ labour-based construction methods.

It is also in this area that potential growth lies for unskilled labour.

At first Transkei did not warmly espouse the idea of using Third World (labour-based) methods to solve its problems.

But, while mechanisation techniques might build low-cost housing faster, it does not address unemployment.

Labour-based construction methods solve both problems: it provides housing and employs manpower.

Recently the Transkei budgeted R6m for upgrading an entire town, Ilinge, that had begun life as a resettlement centre 20 years ago.

The Ilinge plan was instituted largely because of a R5m development loan from the Development Bank of SA, which also proposed to give the town an additional 3 000 units to supplement its existing 1 500 houses.

The chairman of the SA Property Owners' Association (Sapoa) housing committee, James Crosswell, has put together Transkei's largest and most ambitious labour-based construction programme.

It is probably also SA's biggest experiment during a depression: it provides for 500

man-years of labour (using 300 men at peak periods).

This in a town where only 400 men have formal employment — that is, only 33% of the official population of 12 000 (although it is believed the real population figure is nearer 20 000.)

Ilinge so far has only a gravel road, a few water pipes, some pit latrines, unnamed streets, no electricity and no public telephone.

The average household income is R78 a month, over a range of from R15 to R300.

The lower 40% earns an average R38/month and only 28% of the economically active are formally employed.

About 70% of houses have only one or two rooms.

Crosswell, who is also one of SA's leading civil-engineering consultants specialising in township development, believes SA's future lies in labour-based industries that introduce blacks to wage-earning skills as well as the benefits of the free-market system.

Crosswell explains: "We are introducing unskilled black labour to the free-enterprise system by sub-contracting to small local groups.

"The R6m will be divided among 200 local contractors to whom we are now teaching the concept of open tender, time sheets and

productivity, besides the basic skills.

"Many have never been exposed to the free-market ethos or to the value of marketable skills.

"However, we are willing to invest in human resources because we believe that for a peaceful and prosperous future, we need to feed as many mouths as we can."

On this basis, through the open-tender system, workers will earn R5 a day.

"Sub-contractors" will consist of enterprising local men supervising their families.

"The new era of African construction lies in low-cost housing for the masses.

"The future wealth of the building industry hinges on the speed of its adaptability to the concept of Third World labour-based programmes.

"Opting out with sophisticated machinery is easy, but will not guarantee us future tranquillity in an otherwise hungry Third World environment.

The greatest immediate problem to overcome is to train and manage many small low-skilled teams, as opposed to pressing a button on heavy machinery.

"New types of project management programmes must be evolved to encourage the optimum — though not maximum — number of workers."

Mayor urges speedy action

THE black viewpoint on the housing-shortage issue was outlined firmly at a recent seminar in Johannesburg by Daveyton mayor Tom Boya.

He urged that site-and-service schemes be pursued more vigorously and in more areas.

He told delegates from government, local government and the private sector: "The basic problem is affordability, and these site-and-service schemes provide an answer."

The seminar, conducted by the Institute of Housing of Southern Africa, involved delegates from all over SA and a broad spread of speakers, including Constitutional Development and Planning Minister Chris Hennis.

Boya, who was the only black speaker, repeatedly urged speed of action in finding and implementing answers to the housing problem.

Harmed relationship

"Affordable housing will have to be provided timeously," he told delegates. "This dragging in developing has caused the relationship between blacks and whites irreparable harm."

"Any further delay in the handling of the urban-housing need will increase the unrest."

He said 90% of urban blacks belonged to the sub-economic group.

"Therefore, to build conventional housing for these people is impractical, since they simply cannot afford to pay the rent and service charges, despite the high subsidies," he said.

"We are in the process of learning a costly lesson in New Crossroads.

We are building houses which are too expensive and, consequently, the rent and services are far too high for the section of the population which falls within the sub-economic group.

"The goal is to establish a middle class. This cannot be achieved by placing people who fall into the sub-economic class in higher-class dwellings."

"We will have to provide affordable housing, and people can upgrade these dwellings."

He stressed that the acquisition of large tracts of land and the subsequent provision of adequate and affordable housing, by means of a practical public and private-sector partnership, would have to be given first priority. "If we want to improve the quality of life in urban areas of blacks who have been regarded as temporary in the white areas for too long."

Boya maintained that, in the PWV area alone, 65 000ha would have to be found urgently, and whites had to accept the fact that land was needed desperately for the creation of many new cities to cater for the increase of 10-million to 15-million people by the year 2000.

Referring to the controversial proposed Norweto township, Boya said: "The protest and objections from owners in the area north-west of Sandton to the recommendation in the guide plan to the establishment of a black city are indicative of attitudes which need to change."

Housing, he said, fulfilled a development role, and housing policy should contribute to a broader policy of human development.

"However, the real problem, for which nobody has offered a solution yet, is still with us. It is accommodation for those blacks with hardly any income who cannot afford to provide their own housing," he said.

And he urged the delegates and the organisations they represent to adopt these people as a duty to mankind.

"If there were ever an opportunity where we could hold hands, this is it."

Unemployment

One of the greatest problems in financing the lower-income group was the risk factor of repayment created by present economic circumstances, the high rate of unemployment, and building societies' reluctance to finance core or shell housing.

Boya said building societies and other financial institutions should be encouraged to look at financing people with an income of about R350 a month.

He suggested that if government were prepared to take the first risk in lending money by investing collateral security with building societies, building societies might be prepared to participate and thus speed up the provision of low-cost housing.

He said the collateral could be released for reinvestment as soon as the value of the house escalated and its standard met the approval of the building society. This would mean a quick turnover of money.

Call on planners to give people what they want

MUCH greater emphasis must be placed on consumer attitudes to low-cost housing, and standards acceptable to buyers as well as authorities, says Development Bank of SA manager (urban development) Johan Kruger.

"The views of housing administrators and professionals as to what people like or do not like are invariably based on the individual's own subjective views — his attitudes and not those of the people to be housed," he said.

"Seldom is there objective testing of consumer attitudes.

"It is important that this should be done to assist the potential homeowner to obtain a real perspective of the end product and to test the value-for-money aspect of the end product."

Kruger emphasised that those who allocated funds, and designed houses and infrastructure should adhere to the aspirations of the recipient community.

He added: "Housing design, technology and finance experts should devise innovative, appropriate and acceptable construction and financing methods which not only suit the individual's requirements but also the ability of the local community to pay."

Kruger strongly favours establishment of an appropriate institution for the whole of Southern Africa — a

Housing experts should devise innovative and acceptable construction and financing methods that suit individuals and communities' ability to pay, says JOHAN KRUGER of the Development Bank.

policy body with a co-ordinating rather than an implementing role.

"This reminds me of the approach adopted during previous decades when SA had to face the challenge of producing its own steel products and, more recently, the establishment of Escom to address the electricity problems of this region," Kruger said.

"A similar crisis decision on housing procurement may be a very necessary step to assist in restoring social and economic stability in SA."

Kruger questioned the provision of housing and the creation of employment based on Western norms.

"Housing experts in Southern Africa are of the opinion that the low-cost householder — as in the rest of Africa — will in future not own a house of a higher standard than he himself can build," he said.

"They will not have better sanitary facilities than they can build themselves and the functioning of the urban areas will not be better than they

can administer themselves.

"Too often government and local authorities want their towns to be attractive places — physical evidence of national achievements and aspirations.

"All too often quality is equated with a limited range of standards for building and infrastructure, and supporting by-laws from developed economies are adopted with few amendments."

He added: "These development models are unattainable, unenforceable and inappropriate. A new approach is needed which is more closely related to the lifestyle and aspirations of the people, taking cognisance of income and other resources available as well as the capital absorption ability of the local economy."

Surveys by the University of Natal Centre for Applied Social Science in three Durban low-cost suburbs had shown low scoring of prestige values and quality of housing as opposed to the overriding importance of comfort factors (size, privacy and the need for basic amenities). Opportunity factors such as access to services, facilities, transport and jobs were also rated high.

"The attitude of low-cost households towards housing differs widely within towns, since cultural, ethnic and socio-economic differences exist," Kruger said.

LOW COST HOUSING
A Business Day Survey

Minrav to put up 453 homes

ISRAELI-BASED Minrav International has contracted to build 453 houses in Bloemfontein's black township of Mangaung.

The show house, for what will be one of the largest private housing developments for blacks in the Free State, was officially opened in July.

Spokesman David Shary said the company was "committed to providing houses to suit most needs and income brackets in the black community."

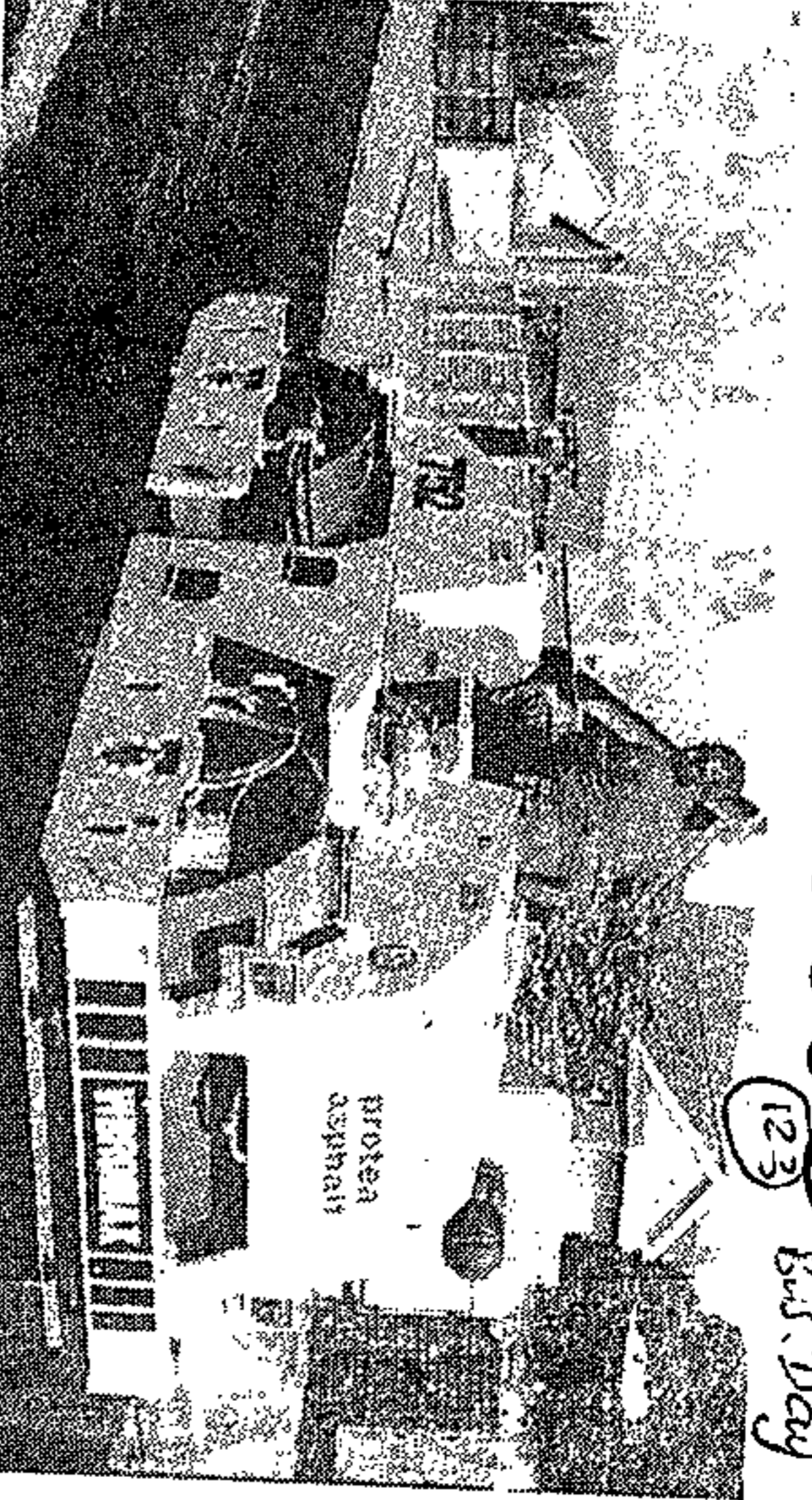
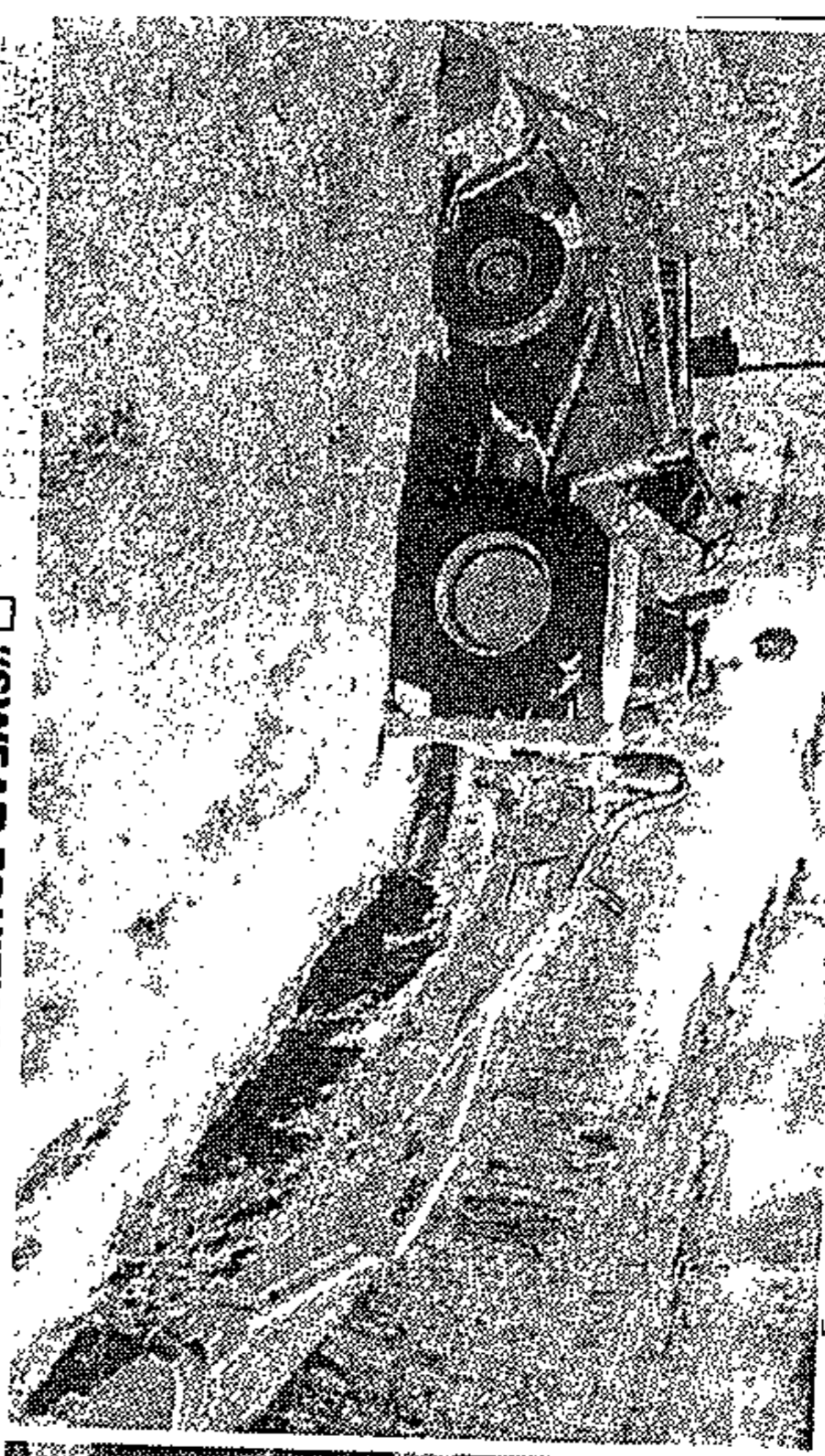
Minrav International has already built 200 houses in the R80m Protea North housing project in Soweto. A further 90 houses are scheduled for Botshabelo and 40 more for Lenasia.

Construction of the showhouse at Mangaung, which marks Phase I of the overall development, was carried out by Murray & Roberts (ORF) for the Minrav developers.

The project has been financed by loans from the National Housing Commission and the Infrastructure established by a Bloemfontein-based utility company, Bloemanda, which received financial assistance from the Urban Foundation.

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Building is no sweat for the Case 580G



□ "SWEAT EQUITY," where individuals put in the work to house themselves is one thing, but high-tech is another side of the coin as seen in this picture of a Case 580G Tractor/Loader/Backhoe (TLB) in action at the Ennerdale housing development.

The Case 580G holds more than 50% of SA's TLB market, and is used extensively in creating the infrastructure for housing development.

"Sweat equity will obviously prove to be essential in providing the answers to SA's housing problems," says Case sales director Bob Frazer.

□ ROADROLLERS such as the Vibromax 752 (pictured above) may be used on a greater scale in future on new housing schemes that are in the pipeline.

Says Vibromax sales manager, Les Williams: "You can build your own home but you can't build a road to take the pounding of a bus route without heavy equipment."

"We have the equipment and the back-up. All we need is the green light to go ahead with construction contracts."

Kahn speaks on housing committee

ALTHOUGH it is still too early to expect anything positive from the "Task Force" committee heading the planning of the private sector's involvement in the Trust Fund housing programme, some indications were given by committee member and SA Breweries MD Meyer Kahn.

The committee and its members are obviously reluctant to commit themselves on developments at this early stage, but two elements emerged from talks with Kahn.

They are emphasis on the creation of employment through low-cost housing; and reliance on the existing infrastructure of the country's building societies, life insurance offices, the Urban Foundation, the SA Development Bank and regional councils.

Kahn said: "Our fundamental objective is the creation of employment and, obviously, to provide more low-cost housing."

"It is a non-racial project, and it will apply to everybody in the country."

"Because of the desperate need to create employment, we are working on the basis of a very large self-help content, or 'sweat equity', by the ultimate owner of the home."

Kahn emphasised the R400m provided by government was regarded as seed capital, and the balance of the funds required, "which we expect to be considerable", would be provided by the private sector.

He said: "It is a private sector initiative and we are determined to use the existing infrastructure available in the country."

"We are not about to create a new bureaucracy to administer this, and are currently working on details of the actual scheme. We anticipate that it will be implemented on a significant scale early next year."

Cheap and cheerful coatings launched

WALL coatings company Gamma Zenith has anticipated the low-cost housing problem and the related need for products to enhance structures.

The company has come up with a range of cementitious plaster products which, says MD A Calcaterra, puts the group "in a strong position to play a major role in the upgrading of black residential areas because the product is a high quality decorative plaster which is maintenance-free, long-lasting, and simple to apply."

Plastering and painting are done in a single operation.

Says Calcaterra: "It has body-through colour and it can be applied directly to hollow bricks, brickwork, precast and off-shutter concrete and other building surfaces."

The product had been "thoroughly tried and tested" on the European and other markets such as the Middle and Far East and in West Africa.

The product does not require skilled labour, and application can be performed easily using trowel, roller or spray.

Using the machine application saves money, according to Calcaterra, who adds that three workers can apply around 150m² of the plaster in a day. Builders in Europe using the application had found their plastering costs were comparable to those 15 years ago.

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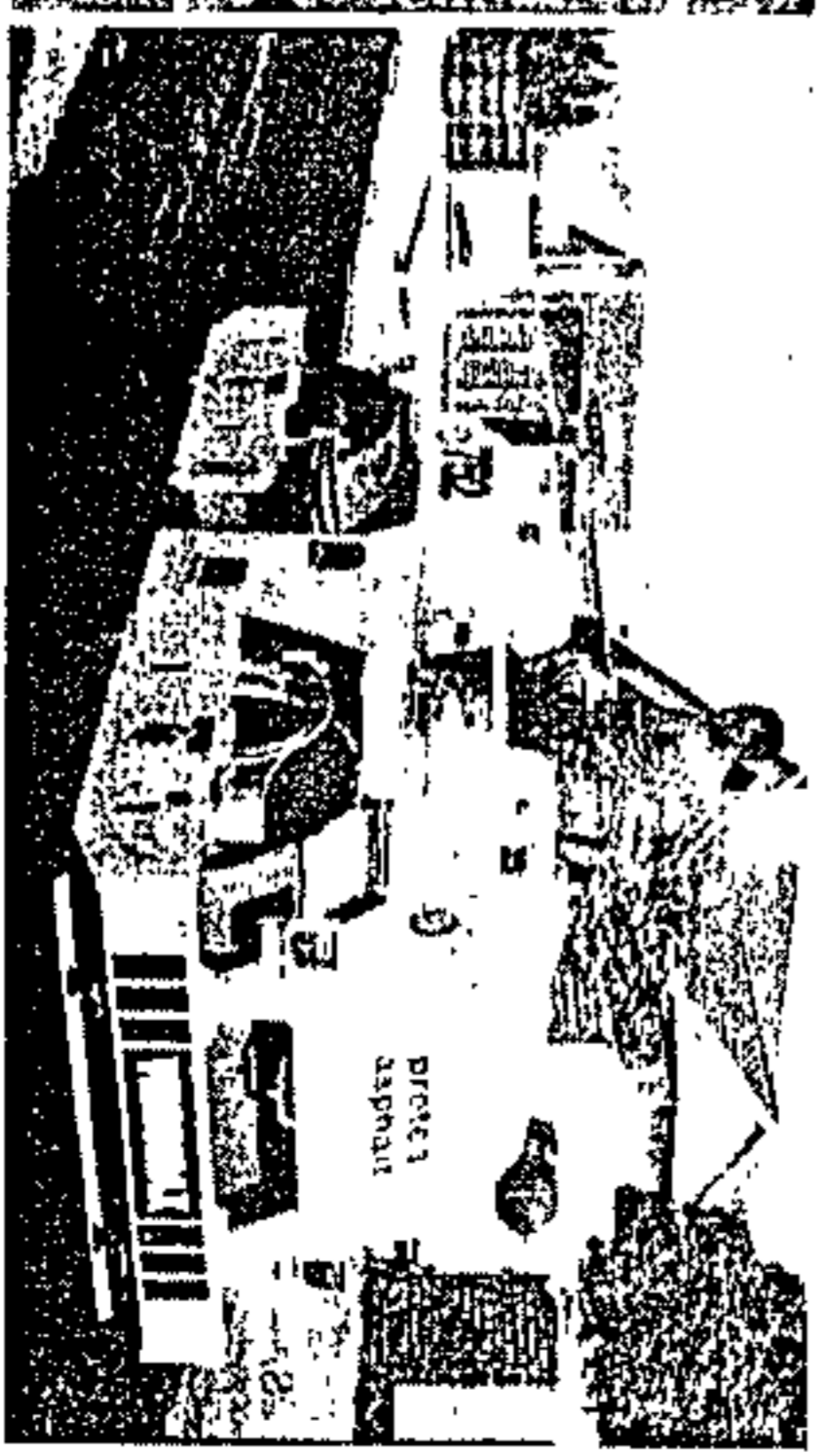
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The Case 580G holds more than 50% of SA's TLB market, and is used extensively in creating the infrastructures for housing development.

"Sweat equity will obviously prove to be essential in providing the answers to SA's housing problems," says Case sales director Bob Frazer.

□ ROADROLLERS such as the Vibromax 752 (pictured above) may be used on a greater scale in future on new housing schemes that are in the pipeline.

Says Vibromax sales manager, Les Williams: "You can build your own home but you can't build a road to take the pounding of a bus route without heavy equipment.

"We have the equipment and the back-up. All we need is the green light to go ahead with construction contracts."

Kahn speaks on housing committee

Bus DM 6/10/86
125

LOW COST HOUSING

Minrav to put up 453 homes

ISRAELI-BASED Minrav International has contracted to build 453 houses in Bloemfontein's black township of Mangungu.

The show house, for what will be one of the largest private housing developments for blacks in the Free State, was officially opened in July.

Spokesman David Shary said the company was "committed to providing houses to suit most needs and income brackets in the black community."

□ "SWEAT EQUITY," where individuals put in the work to house themselves is one thing, but high-tech is another side of the coin as seen in this picture of a Case 580G Tractor/Loader/Backhoe (TLB) in action at the Ennerdale housing development. The Case 580G holds more than 50% of SA's TLB market, and is used extensively in creating the infrastructures for housing development. "Sweat equity will obviously prove to be essential in providing the answers to SA's housing problems," says Case sales director Bob Frazer.

□ ROADROLLERS such as the Vibromax 762 (pictured above) may be used on a greater scale in the future on new housing schemes that are in the pipeline. Says Vibromax sales manager, Les ... "You can build your own home but you can't build a road to take the pounding of a bus route with heavy equipment. "We have the equipment and the back-up. A need is the green light to go ahead with construction contracts."

Kahn speaks on housing committee

ALTHOUGH it is still too early to expect anything positive from the "Task Force" committee heading the planning of the private sector's involvement in the Trust Fund housing programme, some indications were given by committee member and SA Breweries MD Meyer Kahn.

The committee and its members are obviously reluctant to commit themselves on developments at this early stage, but two elements emerged from talks with Kahn.

They are emphasis on the creation of employment through low-cost housing; and reliance on the existing infrastructure of the country's building societies, life insurance offices, the Urban Foundation, the SA Development Bank and regional councils.

Kahn said: "Our fundamental objective is the creation of employment and, obviously, to provide more low-cost housing."

"It is a non-racial project, and it will appeal everybody in the country."

"Because of the desperate need to create employment, we are working on the basis of a very large help content, or 'sweat equity', by the ultimate owner of the home."

Kahn emphasised the R400m provided by government was regarded as seed capital, and the balance of the funds required, "which we expect to be considerable", would be provided by the private sector.

He said: "It is a private sector initiative and we determined to use the existing infrastructure available in the country."

"We are not about to create a new bureaucracy to administer this, and are currently working on the details of the actual scheme. We anticipate that it will be implemented on a significant scale early next year."

Cheap and cheerful coatings launched

WALL coatings company Gamma Zenith has anticipated the low-cost housing problem and the related need for products to enhance structures.

The company has come up with a range of cementitious plaster products which, says MD A Calcaterra, puts the group "in a strong position to play a major role in the upgrading of black residential areas because the product is a high quality decorative plaster which is maintenance-free, long-lasting and simple to apply."

Plastering and painting are done in a single operation.

Says Calcaterra: "It has body-through colour and it can be applied directly to hollow bricks, brickwork, precast and off-shutter concrete and other building surfaces."

The product had been "thoroughly tried and tested" on the European and other markets such as the Middle and Far East and in West Africa.

The product does not require skilled labour, and application can be performed easily using trowel, roller or spray.

Using the machine application saves money, according to Calcaterra, who adds that three workers can apply around 150m² of the plaster in a day. Builders in Europe using the application had found their plastering costs were comparable to those 15 years ago.

Among the visitors were representatives from municipalities and housing authorities all over the country, says the DCC's John Hopkins. ■

prospect

the R40 000-R60 000 bracket and most blacks in the R30 000-R50 000 range," says Beyers.

Johan Grotsius, executive director of the National Association of Home Builders, has also noticed the improvement in the market and says there has been an increase in inquiries for upmarket houses.

"Home builders haven't had as many inquiries for years," he says. "This indicates that there's more confidence in the housing



starting to move again

market now."

Pretoria-based Norman Nel, immediate past president of the institute, says Pretoria "is unique. It always does better than the rest of the country because so many people here get housing subsidies or 100% loans."

Pat Acutt, MD of Acutts Estate Agency and chairman of the Durban and Natal coastal branch of the institute, also detects more confidence in the market. Last month, members of his branch reported a 10% increase in sales.

"Houses which stood about 120 days on agents' books are selling in a week now," he says.

Aida Geffen, chairman of Aida Estates, says her operation sold 15% more units nationwide in the first eight months of this year than during the same period last year. But she warns sellers against being misled into thinking they can increase asking prices.

Says Geffen: "They won't get those prices in six months, not even in a year. It took three years for prices to drift down to their present levels. They didn't just drop and they won't just rise again." ■

FIN MAIL 10/10/86
BLACK HOUSING (82) (123)

Better mousetraps

The call to cut building standards to help meet national housing needs has been made often enough over the past few years to have become monotonous.

But while just about everyone agrees that First World standards cannot continue to apply in Third World situations, there has been precious little action.

The Cape Divisional Council (CDC) is not among the guilty. It has put together a fascinating self-help housing exhibition at Belhar, on the outskirts of Cape Town, which could well become a blueprint for the country.

A total of 45 different homes make up the exhibition, which carries a range of innovative low-cost homes priced from R750 to around R9 000.

The show runs until October 12.

The less expensive homes are little more than emergency shelters, but within the mid to top ranges there are choices which offer real solutions.

The organisers have been especially pleased with the calibre of the exhibitors, some of whom have now entered a field they have long shunned. The fact that the white home-building market has been all but dead, no doubt has a lot to do with it.

Eight of the homes utilise the timber-frame format, which is used for most house construction in both the US and Australia. Others range from concrete block to easily assembled concrete tilt-up panels.

However, as the Urban Foundation's Ben van der Ross pointed out at the seminar which preceded the exhibition, house prices are only one element in need of reform. High land costs, caused mainly by Group Areas Act restrictions, also need attention.

Innovative as the houses are, Van der Ross warned, however, that they should be monitored since lower-income families could hardly afford to experiment with designs that did not work. The vital thing, he said, was that the materials used should not mark the neighbourhood as undesirable.

Another major problem facing the black community is finance. As speaker Martin Harris pointed out, the money should be as easily available to blacks wanting houses as to blacks buying motor cars.

A suggestion by property economist, Peter Penny, that SA should be looking at a US-style "Ginnie Mae" system, also seems to be gaining ground. The system allows developers to raise finance on the strength of government-guaranteed negotiable instruments.

No doubt certain of the concepts on show will be rejected as unsuitable for SA's conditions. However, as one delegate pointed out, the country can no longer afford to start debating the issue all over again.

The show has already created a good deal of interest in the building sector and about 10 000 viewers turned up last weekend.

11/10/86 N/M (123) 20

Committee to earmark land for Indians

Mercury Reporter

THE acute shortage of residential land for Indians in Durban and the Transvaal was the subject of a meeting between the Minister's Council in the House of Delegates and Mr Piet Badenhorst, deputy Minister of Constitutional Development and Planning, in Durban this week.

In a joint statement released yesterday, Mr Badenhorst and Mr Amichand Rajbansi, Chairman of the Minister's Council, described the meeting as 'very fruitful'.

Mr Baldeo Dookie, own-affairs Minister of Local Government, Housing and Agriculture, said a special committee, representing the Departments of Constitutional Development and Planning, Local Government, Housing and Agriculture, House of Delegates, Durban City Council and the Province, had been formed to identify additional land for Indian housing.

Mr Dookie said it was expected the committee would find suitable land to continue housing development for the Indian

community before the completion of Phoenix, north of Durban, in about two years.

'The housing situation for Indians in Durban is critical and additional land is urgently needed to cater for forward planning,' he said, adding that not even the completion of the Phoenix housing scheme was expected to alleviate the housing shortage.

He said Mr Badenhorst and the Minister's Council in the House of Delegates had completed proposals for the identification of land to alleviate the 'very critical' housing shortage in Actonville on the East Rand.

Speculators

'The Deputy Minister will, after holding investigations, take the necessary steps to advertise certain areas in the Transvaal for proclamation as group areas for Indians,' Mr Dookie added.

He said in Durban they were looking at areas for Indian housing development, but he declined to divulge further information at this stage for fear of tipping off speculators.

Call for more flexible black housing finance

By Frank Jeans

Inflexible ideas on housing finance are standing in the way of many blacks buying homes, according to Mr. Monty Collie, managing director of Group Five Building.

"Thousands of blacks cannot afford the start-up cost of getting a home of their own and our rigid ideas of what can be done and cannot be done do nothing to help," he says. Insisting that the "whole sce-

nario is wrong because our ideas have not moved with the times", Mr. Collie criticises the present set-up of a deposit calculated as a percentage of a house and repayments based on a predetermined mathematical formula.

VITAL FACTORS

This he believes, takes no account of other vital factors. Pointing out that the new building techniques are there to

create adequate housing, Mr. Collie urges a new approach to the financial arrangements.

"We need more encouragement and less prohibition, more carrot and less stick," he says.

Calling on the Government to persuade financial institutions and pension funds to go into housing bonds at a fixed rate of interest, he says the Government must guarantee housing stocks and allow the institutions to use them as prescribed stock in terms of the Act.

Mr. Collie believes repayments should be set at an affordable level at a fixed low rate of interest for, say, five years.

INCENTIVE

Thereafter, when the homeowner can better afford it, the payments could be raised, with a bonus system introduced as an incentive for quick repayments.

"We need far more money for housing than is presently available, while at the same time, the

institutions have large amounts of money which are being effectively locked out of the system," he says.

"At present, it is clear that we are not coping and even our intention to do so is seriously in question among those we most need to help — the potential black homeowners.

"Only radical change can break the logjam, giving us some sense of movement in the housing area and the prospect of success."

Housing plan to involve ⁽²³⁾ private sector

15/10/86 STAR

SESHEGO — The South African Government's future dependence on private enterprise to play a role in helping to meet housing needs was again clearly spelt out yesterday, when a master plan for the development of Seshego was handed to the Lebowa cabinet.

The plan, presented to Chief Minister Dr Cedric Phatudi by the director-general of the Department of Development Aid, Mr Gilles van der Wall, was prepared at the request of the Lebowa Government.

Mr van der Wall said where the state was "previously responsible for the provision of housing, the emphasis must now be on site-and-service, as well as self-build schemes".

Private sector funding and involvement would be essential, as the use of government funds would be limited to those who could not afford to buy or build their own housing.

CAPE TIMES 16/10/80 (123)

Escom cedes, distributes bonds

JOHANNESBURG. — Escom is to cede existing bonds in its home ownership scheme to local financial institutions and these will be distributed among the United, SA Permanent and Saambou National building societies and Barclays National Bank Ltd. The portfolio is worth R268m.

In an announcement yesterday, Escom said this was the first step towards eventual takeover of the scheme by local financial institutions and that it should be seen purely as a financing transaction.

Once the necessary legal structures are in place, Escom aims to transfer all existing and new bonds to the institutions. It is expected that the legal framework will be set up in 18 months.

Escom emphasizes that the

step does not mean a withdrawal of the home ownership facility from employees.

In these negotiations, every care has been taken to ensure that no cost burden is passed on to staff and employees will not be affected as far as existing bonds are concerned.

It is also envisaged that in future, Escom employees will have a say in the selection of the financial institutions with whom their bonds are placed.

Escom has been negotiating for some time with major building societies and other institutions providing housing bonds. Escom wishes to divest itself of its staff home ownership for two reasons:

● To raise funds for ongoing capital requirements and there-

by remove pressure from traditional funding markets.

● To comply with the stated objective of privatising viable activities to streamline Escom's operation for greater cost benefit.

Escom's policy in this matter was to obtain the funds for the portfolio from the source most qualified to provide and administer bonds — the housing bond market.

For this reason, only institutions actively engaged in home ownership were approached. Although it was felt desirable to spread the business over as wide a range as possible, institutions were also evaluated in terms of their ability to administer the scheme

Ownership rights for black women

CAPE TOWN — A Bill giving black women ownership rights and increasing the punitive jurisdiction of chiefs was published here yesterday.

Among other things, the Constitution Laws Amendment Bill proposes that:

- Previous laws and customs limiting ownership rights of black women be superceded so these women may now enjoy power of ownership.
- The maximum fine imposed by chiefs or headmen in Black Authorities Act trials be increased to R200.
- National states be empowered to appoint representatives in the Republic.
- South West Africa be excluded from operation of the Black Affairs Act.
- The State President may withhold assent to a Bill passed by the legislative assembly of a national state if he believes it goes beyond their jurisdiction or is inconsistent with the National States Constitution Act.
- Non-elected management bodies may enjoy temporary representation on Regional Services Councils. — Sapa.

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Funeral Notices

HARTDGEN
 The funeral service for John Charles August (Jack), late of Johannesburg, will take place at Saint Georges Church, Sherbourne Ave, Parktown, at 11.30 am on Saturday 11th October. 836-6525.

HO
 The funeral cortege of An. Wal Ho, late of Johannesburg, will leave Our West Chapel, 10 Jorissen Street, Braamfontein on Sunday afternoon 12th October 1986 at 1 pm, prior to interment at Newclare Cemetery. Tel 339-5967.

DOVES AND WILMOT.
 Tel 339-5967.

HOPKINSON
 The Cremation Service for Sydney George M. E. late of Greenkind and Madame

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In Memoriam

WILLIAMSON
 The Cremation Service for Alan Williamson will be held at Doves and Jack and Meyer Street, Berrange's Chapel, Cur Gemiston on Saturday, 11th at 11 am. Doves and Berrange's Chapel, Cur Gemiston on Saturday, 11th at 11 am. RANGE, Tel 51-8138.

ADBY - BROWN
 In Loving Memory of our Darling Ashley and Lindy. You are always in our hearts. Mom, Debba and Debby.

VAN ROOYEN
 The Cremation Service for Elizabeth Van Rooyen late of Aucklandpark, Jhb, will be held at Doves and Willem Jorissen Street, Braamfontein on Saturday morning, Oct 11th at 10:00 am, prior to Cremation which will be private. Doves and Wilmot. Tel 339-5967.

DOVES AND WILMOT.
 Tel 792-1404.
 FURNAL HOME, Hans Strydom Drive, Strydom Park, Randburg.

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Show

DD 20/10/86

123

Dispatch Correspondent

JOHANNESBURG — Building societies look set to target the housing portfolios of public corporations and government departments following Escom's plan to privatise its R268 million worth of housing loans.

Escom's action has set a precedent which will make the societies' overtures difficult to resist.

"Societies have, for years been doing housing schemes for private companies and have the administrative skill to handle large portfolios," said a building society source.

Building societies set to go for bulk loans

A deal could be particularly enticing for corporations with large amounts of capital tied up in unproductive housing bonds, which are funded by revenue or loans, mainly on the capital market.

It is understood that negotiations between the South African Transport Services (Sats) and one society were broken off about a year ago after Sats decided it

could fund its employees' housing needs at less cost.

Approached yesterday, a spokesman for Sats said the Wim de Villiers report, which deals with all aspects of privatisation recommended for Sats, is presently before the minister.

As such, he said he could not comment on whether privatisation of

home loans was on the cards.

Sats will make R350 million available for housing loans this year as opposed to the R400 million made available last year, he said.

The United Building Society received the lion's share of the Escom deal by acquiring 50 per cent of the portfolio, followed by Barclays' 20 per cent and the SA Perm's 20 per cent.

It is understood Escom did not want to be seen to be favouring any one institution, though the allocations would seem to suggest that the UBS deal was most attractive.

After Escom privatisation . . .

Societies covet state home loans schemes

20/10/86
123
BUS DAY

BUILDING societies have set their targets on the housing portfolios of public corporations and government departments after Escom's plan to privatise its R268m housing loans.

Privatisation could be particularly enticing for corporations with large amounts of capital tied up in unproductive housing bonds — which are funded by revenue or loans, mainly on the capital market.

A building society source says: "Societies have for years been doing housing schemes for private companies and have the administrative skill to handle large portfolios."

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Business Day Reporters

Sats, is before the Minister.

He said he could therefore not comment on whether privatisation of home loans was on the cards.

Sats would make R350m available for housing loans this year, as opposed to the R400m made available last year, he said.

Iscor spokesman Piet du Plessis said home loans were granted to the corporation's employees through a housing company owned by Iscor.

At this stage, Iscor was not considering the privatisation of home-loan financing, he said.

□ The United Building Society received the lion's share of the Escom deal by acquiring 50% of the portfolio, followed by Barclays' 20%, the SA Perm's 20% and Saambou's 10%.

It is understood Escom did not want to be seen to be favouring any one institution, although the allocations would seem to suggest that the UBS deal was the most attractive.

Timing the action

If other large public and private sector organisations are to follow the example of Escom and turn over their home loan financing to the building societies, and maybe other financial institutions, now is a singularly appropriate time to do so.

Right now building societies are highly liquid. The business of funding home loans is a cycle of feast and famine. In boom periods, borrowers queue for months for financing, while bad times bring a steep drop in demand for money. So the current protracted recession has created a climate in which building societies battle to place their funds profitably.

It is difficult to estimate accurately how much excess liquidity there is in the movement. But building society sources guess that it is in the region of R400m.

Certainly, the R268m Escom portfolio will be easily absorbed by the three societies concerned: the United Building Society (UBS), the Perm and Saambou (as well as by the fourth beneficiary, Barclays Bank). The UBS, which has acquired 50%, has R333,5m in general reserves and retained income which gives it a ratio of reserves to liabilities of 4,25%. This is 0,25% more than the minimum required under the new legislation.

If large chunks of home loans previously funded by government, statutory bodies, public utility corporations and large private companies are taken over by the building societies, there will be a (temporary) drop in their reserve ratios. (An increase in assets has to be funded by an increase in liabilities, which consequently reduces the reserve ratio.)

Of course, building societies which haven't already established their ratios have 10 years to do so. But they require a plan of action which proves they are on course — so they have flexibility, but not total freedom, when it comes to taking in new business.

This means that those organisations which are not ready to make the break with their traditional home loans policies should not delay too long.

How much potential business is there? Many employee loan schemes (for instance

The privatisation of home loans by State bodies needs to be carefully evaluated by the building society movement. One thing is clear: urgent decisions need to be made.

those provided by the SABC, SABS, CSIR and Sasol) are already funded through building societies, while others are partially funded through them. But Posts and Telecommunications (P & T), for instance, has an existing loan portfolio of R133m, while Sats has R1,9 billion outstanding, according to officials in those organisations. And apart from other government and semi-government organisations, large private companies are known to have laid out vast sums on employee home loan schemes.

The possible impact of these on building societies, should they be asked to absorb them at some future date, has to be seen against the background of the value of business currently handled by SA's building societies.

The movement grants about R300m in loans a month and, by the end of July this year, had granted R2 billion. The total amount outstanding on mortgages at that point was R20,5 billion, with another R1,6 billion granted but not yet paid out.

Against this backdrop — substantial as it is — an inflow of business worth more than R2 billion from Sats and P & T would amount to an increase of 9%. Even today, building societies would not fall over themselves to take on funding of this magnitude. It is well above excess liquidity and would probably have to be absorbed over a 12- to 18-month period to give societies the chance to gather the funds in the market.

Even Escom's R268m portfolio won't be taken over completely by the institutions concerned in under 18 months. Raising a much larger sum could seriously destabilise interest rates, unless it were done over a period of time. Escom's housing loans have been funded substantially from the long-term capital market, whereas building soci-

eties seek their funding from the retail market, which is subject to greater swings of liquidity because of greater sensitivity to interest rate movements.

Another dimension of home loan privatisation is the impact on the organisations which hand over their schemes. Sats's R1,9 billion home loan portfolio, for instance, dwarfs its deficit of R367m for the 1985-1986 financial year. There must be many companies which would welcome an inflow of funds to wipe out debt and relieve them of mounting interest costs. And those organisations comfortably in the black would also benefit. After all, people who are running their businesses properly should be able to generate a better return than they get on home loans.

The full implications of any future relocation of home loan funding is not completely clear, because the value of loan portfolios at present outside the financial institutions is not on record. At best one can hazard a guess; one such (from outside the building society industry) is that building societies and banks together have less than 50% of the market. Even if this proves an overestimate, there must be a large pool of employer loan funding which in the long term could productively be channelled in the direction of building societies.

That raises two questions. One is whether it is desirable to increase the already unusually powerful role the societies have within the financial structure of the country. The other is whether this sudden influx of conveniently packaged — and thus desirable — business to the societies will limit their ability to grant bonds to those who do not work for large companies.

In this situation market related interest rates — both retail and mortgage rates — are essential if resources are not going to be misdirected. Secondly, the greater securitisation of mortgage bonds should be encouraged to widen the market by attracting investors who have not traditionally opted for this sort of investment.

In fact, privatisation of corporate housing schemes without securitisation could turn out to be folly.

FIN MAIL
STATE HOUSING LOANS
24/10/86

Sats set to privatise?

After Escom, Sats could be the next public corporation to privatise its employee home loan scheme. Theoretically, such a move could inject about R1,9 billion worth of capital back into the organisation, which reported a R367,2m deficit for its year-end to March 31.

It is understood that Dr Wim de Villiers' one-man commission — whose brief has been extended to include the privatisation of Sats — has recommended that the service shed the internal financing of its home loan schemes. The report is still under wraps, but has been circulated secretly to Sats staff organisations and organised commerce and industry for comment.

Clearly, however, private sector financiers cannot shoulder the load immediately, even though they are generally flush with funds. Any move to place more public home-financing business with them would thus have to be phased in while additional deposits were sought.

The Escom move involves some R268m alone and if Iscor, for example, followed the lead, it would be looking for a further R216m (the figure quoted in its latest annual report) from private sector sources.

Barclays senior GM Jimmy McKenzie, whose bank participated in the privatisation of Escom's home loan scheme, reckons there is no way Barclays could handle the Sats business alone. The likelihood is that it would have to be spread among a variety of financial institutions.

UBS MD Piet Badenhorst, however, is more optimistic. He believes that the take-over of Sats' home loan schemes would present no problem to his society. If market-related rates were paid, he says he would have no problem in raising money to fund the loans in the market.

One of Sats' problems is that it has home loan departments in each of its 10 regions as well as at head office. Its March-end accounts show its internal mortgage loan commitment at R1,85 billion — up from R1,6 billion the year before.

Those figures represent amounts out on loan and not the market value of the properties, which would tend to be higher and thus carry good leverage in the private markets.

In its last financial year, Sats lent about R95m in 100% home loans for whites. Since the scheme started in 1937, more than 41 000 homes have been acquired for staff.

Other 100% loans granted last year alone were to coloureds (R14m), Indians (R2,2m) and blacks (R17m).

Sats also runs a home ownership scheme with backing from its pension fund. This scheme has handled loans on more than

30 000 properties since 1975 and has paid out about R1,3 billion.

Sats staff organisations, however, may well veto the privatisation plan in an effort to preserve jobs around the country. The *FM* understands that at least one building society which recently approached Sats management to take over the administration of its housing loan schemes, was turned down.

One reason given was that Sats believed it could administer the schemes more cheaply than societies. But, as one building society source points out, there are always hidden costs in self-administered schemes which tend to distort the picture and make costs appear lower than they really are.

With building societies and banks becoming more aggressive in the market place (*Property* October 17), they also look set to approach major companies in future which handle their own in-house loan schemes in the belief that they, the societies, have the



UBS's Badenhorst... easy to fund

infrastructure to administer funds more efficiently.

Subsidies could continue, they point out, but these would be paid directly to societies — a system which many State departments and private companies now employ. Subsidies are paid monthly by government with one cheque, which greatly reduces administrative costs.

This, in essence, is what is happening with the Escom deal which allows the building societies and participating banks to quote a lower interest rate.

However, neither Badenhorst nor McKenzie will say at what rate their deal with Escom has been struck. Badenhorst does

admit that it is below market rates because of reduced administration overheads resulting from Escom's one-cheque subsidy payment.

McKenzie hopes the Escom deal will generate additional business for Barclays. He tells the *FM* that although all the Escom business will initially be dealt with through one branch (Braamfontein), the bank hopes to spread it around to other branches, hopefully gaining additional banking business in the process. ■

MARITZBURG

Future perfect

Sleepy hollow is an epithet Maritzburg does not like. And, reinforcing its claim to be as go-ahead as anyone, it has now joined a select group of major world cities like San Francisco, Tokyo and Glasgow in producing a strategic plan to guide future growth.

The strategic plan in the city sense is completely different to the physical guide plans which most cities adopt to lay down long-term development parameters.

Rather, the strategic plan seeks to pinpoint short-term objectives — in Maritzburg's case to the year 2000 — and devises an action plan for their achievement. Internationally, only about half a dozen cities have such a plan. Some Maritzburg ratepayers are, however, inevitably asking what tangible benefits will emerge to justify the R1 m they have been called on to provide. Has the council, they are asking, merely fallen for the "if it's new, it must be good" line?

City Engineer Graham Atkinson puts it in perspective by pointing out that, with an annual capital budget of some R230m and no real forward planning, any plan which would help to effectively utilise the city's limited resources would be beneficial — especially for ratepayers.

The council, he admits, took some convincing initially. But the persuasive argument — that the city was in danger of moving rudderlessly into the future and that the actual cost of the plan as a proportion of total expenditure was negligible — tipped the scales in his favour.

The council was no doubt swayed by the success Maritzburg has notched up since it established its own industrial promotions department (see box). Says Atkins: "The city has seen the value in getting off its tail and doing something, rather than sitting back and waiting for customers."

So far Maritzburg has defined the areas it

Bonds may see-saw, house buyers warned

Financial Editor

SOUTH Africans buying houses must expect the rate of interest charged on their bonds to fluctuate more in line with other rates in the future, says Mr H A Sloet, the outgoing president of the Association of Building Societies.

He warns that if other rates rise mortgage holders must expect their rates to rise also, even if this imposes a heavy financial burden on them.

For a long time the cost of loan finance has not been directly related to the market rates for money, Mr Sloet says in his presidential review.

Much sooner

The cost and availability of mortgage finance has assumed socio-political implications, which has restricted building societies from increasing their rates.

Yet the societies have been expected to provide a constant flow of funds for the buying of houses.

Now that the new Building Society Acts are in operation, the societies should be able to react more readily to interest rate charges. If interest rates

Generally change, the mortgage rate will follow suit much sooner than at present.

The country's weakening economic situation has sharply increased the repossession of properties and these repossessions have deprived the building societies of funds.

Consumers are having to accept the inevitable — a gradual decline in living standards.

The recessionary conditions have also reduced the demand for mortgage finance. The man in the street has become hesitant to incur debt, fearing he might not be able to meet his repayments if interest rates go up.

In spite of the poor conditions the building societies improved their performance in attracting funds. They received R2,8-billion in the 1985-86 year, against R1,3-billion in 1984-85.

Share investments, which fell by R365-million in 1984-5, grew by R1 170-million.

"The growth in savings was 42,5 percent less than in the 1984-85 financial year, which serves to prove that building societies' traditional source of

finance — savings deposits from the man in the street — is either dwindling away or being diverted towards other financial institutions by more aggressive marketing strategies.

"The share of the building society industry in the financial sector of the country has been diminishing to the extent that funds under the administration of building societies for the 1984-85 financial year represented 46,6 percent of the financial market consisting of banks, building societies and savings banks, compared with 45 percent for the latest financial year."

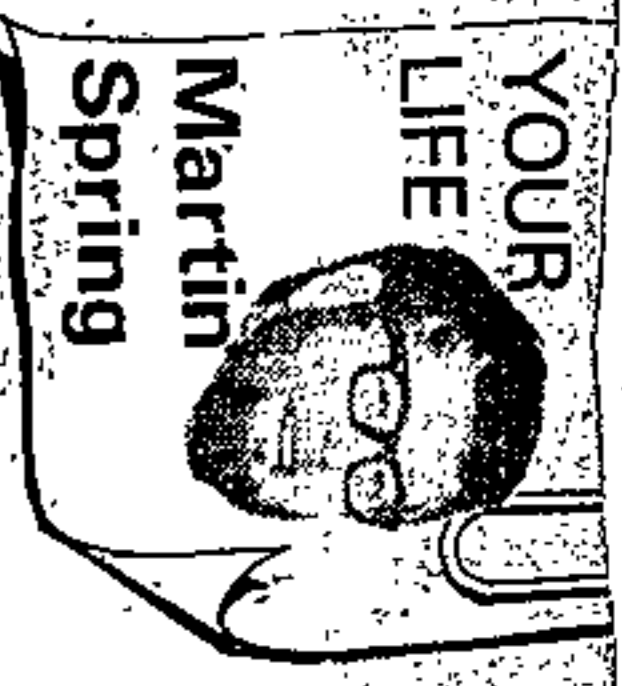
The decline in property prices during the first two quarters of this year served as additional proof of the depressed conditions.

"For the past 15 months, the man in the street, whose investment in property is probably his biggest single asset, has had to look on helplessly as it depreciated in value.

"This alone has had a strong negative influence on the general business climate in the past six months."

buyers warned

'Open' residential areas likely to spark house sales boom



LAST week I said that "if group areas laws are to be reformed, ignored or even just fudged at the edges, house values could start to rise earlier than one would otherwise expect".

In the residential property market, this is the joker in the pack, and it could boost the value of many an investment "hand".

At present there are thousands of empty houses in white suburbs, and already it has been estimated that 1 percent of sales in such areas are, actually being made to blacks, irrespective of legal constraints.

This further breakdown of traditional segregation provides an opportunity for the tiny minority of middle-class blacks who can afford it, to escape not only the squalor of the townships but also the terror exercised by political fanatics.

If the racial mix-and-match process here follows the same pattern as it did in Britain, while the first wave of black buyers (the pioneers) will pay going market prices for houses, the second will pay less as some whites flee the encroachment of black neighbours.

The process of desegregation may be most ap-

parent, however, not in houses but in blocks of flats and townhouses.

The moment legal restrictions are relaxed, we are likely to see black investors buying up multiple units in order to rent homes to black tenants.

As commentator Jean Temkin rightly said recently: "Don't make the mistake of underestimating the property buying power of blacks."

"The perception that no blacks can afford to buy white housing is totally wrong."

"In fact there are plenty who are anxiously waiting to invest in property because they, like us, know that the only real return they can obtain from investments is in growth assets."

"Many blacks employed in business and industry have for many years received equal pay for equal work, while their living expenses have been below those of their white colleagues."

They have built up their savings in banks and building societies, and have accumulated enough capital in many cases to be able to buy properties in white areas for cash.

How can you profit from the coming desegregation of residential areas?

By investing in properties in areas that are most likely to appeal to blacks, of course.

As commuting is a major source of inconvenience to blacks, we can expect them to seek to reduce that by buying homes as close as possible to their jobs in industrial areas and city centres.

There could also be a tendency for them to buy in cheap modern suburbs on the fringes where the flight of returning immigrants has left the building societies holding a large number of repossessed properties, which they would be happy to unload to anyone for a reasonable (but low) price.

Because mortgage loan interest rates are relatively low, and could well go lower, it shouldn't be too difficult for you to rent any property you buy as an investment for enough at least to cover the loan payments.

But you should not lock yourself in to leases of more than 12 months at a time, even if you have to "roll over" the leases by renewing them once or twice before house prices have moved up enough for you to sell your investment and realise a capital gain.

● Martin Spring is editor of Personal Finance Newsletter.

W/E 11.6.45
2/1/86
123

More homes are being repossessed

123
EVE post
27/10/86

JOHANNESBURG — The country's weakening economic situation has led inevitably to a sharp increase in repossessions of properties by building societies.

This is a direct result of the weakening financial position of the consumer. He has had to accept the inevitable — a gradual decline in living standards — after clinging obstinately to a high standard of living which he tried to maintain even to the extent of plunging himself into debt.

So says Mr H A "Hen-drik" Sloet, president of the Association of Building Societies of SA, in the association's latest annual report just released.

Mr Sloet said the result of the cash-strapped consumer scenario was that building societies, which traditionally relied on the savings of the public, had to manage without this source of funds for most of the year.

The recessionary conditions in the economy also reduced the demand for funds and resulted in a hesitancy on the part of

the man in the street to incur debt due to his anticipated difficulty with repayments should interest rates increase.

Consequently, demand for mortgage finance declined sharply from the beginning of the year, enabling building societies to satisfy readily and easily the demand for housing finance.

Notwithstanding the unfavourable conditions, the building societies succeeded in improving their performance in attracting funds.

In this context the industry's growth registered R2,8 billion, compared to R1,3 billion the previous year. This was a substantial achievement despite the fact that interest rates on investments were considerably lower by comparison.

Mr Sloet added: "Particularly worth mentioning is the improved growth attained on share investments which increased from a negative growth of R365 million for the previous financial year to a positive growth

of R1 170 million for the past year.

"The growth in savings last year registered 42,5% less than in the 1984/85 financial year, which serves to prove that building societies' traditional source of finance — savings deposits from the man in the street — is either dwindling away or being diverted towards other financial institutions by means of more aggressive marketing strategies.

"Here, it is also significant that the share of the building society industry in the financial sector of the country has been diminishing to the extent that funds under the administration of building societies for the 1984/85 financial year represented 46,6% of the financial market consisting of banks, building societies and savings banks as compared with the 45% for the latest financial year."

The decline in property prices served as proof of the depressed conditions in the property market. — Sapa

Call for rethink on informal housing

Property Editor

PRETORIA—South Africa's builders were urged yesterday to consider seriously what their attitude should be towards less formal housing provision.

Dr Simon Brand, chief executive and chairman of

the Development Bank of Southern Africa, told the Building Industries Federation Congress it should not consider informal building a threat to its membership.

He said it could play either a neutral role or make available insight and skills to organisations supporting small business develop-

ment, including the building sector.

He expected Bifsa to have in its ranks the wisdom and adaptability to deal with changes in the housing market constructively and to ensure that housing needs could be met adequately.

Dr Brand said he accept-

ed that the kind of unconventional housing which could cater for a considerable proportion of the market in South Africa was less acceptable or familiar to Bifsa.

'It could be expected that this may create great uneasiness among its membership because of the expectation that this will disrupt the orderly conditions in the building industry which have been brought about to a large extent by the efforts of Bifsa,' he said.

Backlogs

'Considering the housing needs in South Africa, there is all too often a tendency to look only at absolute needs.

'This results in estimates of total needs and of backlogs to be caught up with. Inevitably, such an approach tends to foster a conclusion that more resources should in total go into housing.

'However, there are not necessarily going to be more resources available for investment in the country and there are also other claims on those resources.

'There are, for example, also huge backlogs in education, health services and sports facilities.'

'Whites had shown they were prepared to accept considerable changes in traditional norms and patterns. Impressive progress had been made with inte-

gration in the workplace, in universities, training institutions and sport.

'We should certainly also have the ingenuity to devise workable and appropriate political solutions for the country.

'Why should we then assume that the ability to adjust, already reflected in the socio-economic fields, cannot also be drawn through to the political sphere?

'Should this be done, it will in itself encourage a return of net capital inflows and thereby contribute towards raising the performance of the economy.'

Dr Brand added that if these possibilities were accepted, such a scenario would involve many changes in the environment that would require considerable and even drastic adjustments in the way of life of most South Africans.

Govt under fire for urban housing policy

28/10/86 N/M (123)

**African Affairs
Correspondent**

THE South African Government's continued adherence to group areas, racial zoning of land and imposed segregation would fundamentally cripple the country's capacity to meet the growing urban challenge.

This was said in Durban yesterday by Mrs Ann Bernstein, head of the Urbanisation Unit of the Urban Foundation in Johannesburg. She was addressing a seminar organised jointly by the Natal branch of the

Economic Society of South Africa and the Urban Foundation.

Mrs Bernstein said a fast, effective and affordable means of identifying large tracts of urban land for housing was needed.

This land should be in the existing metropolitan areas and had to be well situated to take advantage of existing job opportunities and infrastructural investment.

Mrs Bernstein said coercive legal measures should not be applied until alter-

native, affordable accommodation in the same urban area was available for the affected community or individual.

She said the most critical omission in the Government's recent White Paper on Urbanisation concerned the lack of proposals for action.

"The abolition of influx control and the discussion of "approved accommodation" throws the spotlight now on the Government's capacity to deliver land, shelter and finance."

Builders will 'have to share'

123

N/M
2/10/86

Property Editor

PRETORIA—The belief that the housing problem in South Africa would provide an answer for the long-term survival of the building industry was a myth that should be dispelled, says Mr Neil Fraser, vice-president of the Building Industries Federation of South Africa (Bifsa).

Speaking at the organisation's annual congress here yesterday, Mr Fraser said low-cost housing and homes for the low-income groups was a specialised business, well catered for by large companies and one-man businesses.

'There has to be an adequate and constant source of funding, and third, the over-riding problem of affordability must be adapted to cater for the needs of the people,' he told delegates.

'Finally, as the organised building industry, we must realise we will have to share the housing market with the informal sector and that sector, through self-help and by direct involvement in the housing process, is going to have a large market share.

'It is time to stop pussy-footing around with our attitude to the informal

sectors, to stop passing the ball aimlessly between the Master Builders' Associations and the federation.

Mr Fraser, a divisional director of construction giant Murray & Roberts, also criticised members of the building industry for missing an opportunity in 1983 to be recognised as a far-sighted and caring employer when it debated the establishment of a building industry housing scheme.

Leaders

'We rejected the proposal because of the small-mindedness and insularity of only one or two people,' he said.

'That decision not only cost employees in the building industry between 7 000 and 10 000 houses, but it cost us as a federation the opportunity of experiencing at a practical level, the problems of administering and providing housing for low-income workers.

'This in turn, has cost us

the right to be acknowledged alongside other organisations who have become leaders in this field.

'Had we had the fruits of our investment from that time to demonstrate our commitment and sincerity to Government, I have no doubt that we would today not only be consulted, but would also be considered as part of the private sector who could be entrusted with the investment and deployment of the private sector housing trust.'

Mr Fraser said the organised building industry was not consulted, nor included in any policy-making deliberations concerning housing, in spite of its enormous amount of expertise and experience.

He said if peace was to be achieved, pressure should be put on the Government for rapid change from what is being done to what they, themselves, held out to be their policy.

Arrol 29/10/86

R12,7-bn needed to wipe out housing backlog — Bifsa

From FRANK JEANS

PRETORIA. — About R12,7-billion is required to wipe out the 1985 housing backlog, says Mr Neil Fraser, a vice president of the Building Industries Federation.

The injection of R750-million by the Government had to be seen against this figure; he said at the annual congress.

“Even if the entire R12,7-billion was made available now, the people for whom the houses would be provided would not be able to make any interest repayment let alone capital redemption unless their income was substantially raised or they received interest subsidies.

“While I am sure there is some degree of labour exploitation, the strong emergence of unionism among blacks will largely overcome this. What is more important is that any increase in income for reasons other than higher productivity is economic suicide,” said Mr Fraser.

Dr Simon Brand, chief executive officer of the Development Bank of Southern Africa told delegates that self-help schemes, while catering for a considerable proportion of the housing market, might be less acceptable to Bifsa and create uneasiness among its membership.

“This would result because of the expectation that such schemes would disrupt the orderly conditions within the industry,” he said.

“Even though Bifsa may feel uneasy with less formal, unconventional housing development and members might well see this as a threat to their existence, I would expect that the federation has in its ranks and leadership, the wisdom and the adaptability in its approach to deal constructively with these kind of changes in the housing market.”

Earlier, Mr Fraser, a divisional director of Murray and Roberts, said in spite of its commitment to South Africa's enormous housing needs, the federation was left “out in the cold” when it came to policy making in the accommodation area.

And he also hit out at the “insular few” of the federation who, three years ago, resisted attempts to establish a building industry housing scheme.

Criticising members of the industry, Mr Fraser said the federation had an opportunity in 1983 to be recognised as a far-sighted and caring employer when it discussed the formation of a building industry housing scheme.

Urgency of 'black' property rights stressed

By Sol Makgabutlane

The process of obtaining property under the new black property ownership rights should be expedited to ensure success, said Ms Jill Strelitz, the housing policy manager of the Urban Foundation.

She was commenting on the implications of the Black Communities Development Amendment Act, which came into operation on September 15.

The Amendment Act removes the restrictions in the principal Act which prohibited blacks from acquiring full ownership of immovable property.

In announcing the implementation of the new Act, Constitutional Development and Planning Minister Chris Heunis said it had opened the way for land ownership by blacks.

The Amendment Act brings blacks on a par with other race groups as far as property ownership is concerned.

Ms Strelitz said this would encourage private sector involvement in the supply of land and housing for blacks. It would also cut out the red tape that previously applied to sales of sites and housing, she said.

"Successful involvement of the private sector will be directly related to how effective the public sector is in implementing the regulations. The capacity of the public officials to expeditiously process township applications is the key to success."

She said it would now be easier for those wishing to be township developers to do so without first getting approval from the Minister of Constitutional Development and Planning.

A new flexibility had also been incorporated to allow property owners greater freedom in how they use their properties.

"For example, residential properties can be used by the owner for his profession, trade, occupation, including retail trading. It is very important that the income-generation potential of a house is facilitated," Ms Strelitz said.

s Report

OCTOBER 30, 1986

123 (123) CAG Times 30/10/86

Keep up with
the times ...
the Cape Times

Surplus capital for 'socially rewarding projects'

By GORDON KLING
Financial Editor

SURPLUS capital available for investment is likely to be channelled into more socially rewarding projects than has been the case in the recent past, according to Murray & Roberts (Cape) chairman, Roger Veysey.

"Instead of building a glossy office block, contractors will now be building on the more practical side — sewerage works and the like."

Veysey believes the change of accent will prove country-wide. He regards it as "sensible utilization of institutional money".

With regard to government spending, he thinks site and service schemes financed by the state and undertaken by the private sector are an excellent concept. "Without increasing taxes

you get a lot more benefit for the population."

The recession has left most major contractors in SA with excess capacity, which must be used more efficiently.

Hence the recent rationalization of M & R's operations in the Cape which Veysey maintains provides greater flexibility than existed under the previously more fragmented structure. In many ways, this entails a return by M & R to the old Murray & Stewart (M & S) type structure.

The building division in Cape Town, the Boland and half the coastal civil side have now been combined in one company, M & R Cape. This, he says, has left a much more flexible vehicle better placed to handle entire construction packages, particularly housing schemes.

He believes one of the biggest

cost housing savers that could be implemented relatively easily is still further streamlining of bureaucracy relating to housing.

"We save costs whenever the transfer of property ownership is sped up. If you can halve the time taken for transfer of ownership, you greatly increase the capacity to build houses because of the reduction in bridging finance required."

And, of course, it also reduces the cost of houses.

Recent M & R schemes have experienced a period of 36 weeks from completion of the house until transfer to the new owner. Expensive time, that has to be added to costs.

Veysey believes there is a great deal of money from all races in building society coffers which should be lent out across a broader spectrum of the population.



Roger Veysey ... instead of building a glossy office block, contractors will now be building on the more practical side.

CAPE TIMES 31/10/86

Warning on housing emergency in SA 123

ROODEPOORT. — The housing position in South Africa could develop into an acute emergency with far-reaching social and political consequences if the problem was not addressed in time, the general manager of Saambou National Building Society, Mr A J B Strydom, said last night.

Addressing a meeting of the Roodepoort Afrikaanse Sakekamer, he said a great process of urbanization could be expected over the next decade in South Africa as a result of the lifting of influx control.

Mr Strydom said that, in the past, the state had provided most housing for black and coloured people.

However, because of the enormity of the anticipated housing need, the state alone would not be able to meet the demand and banks and building societies would have to enter the market.

Mr Strydom said that, although it was often claimed that too much of the country's available capital resources had been used for housing, building societies had over the years helped make South Africa one of the best housed countries in the world.

Mr Strydom said there was no reason to believe that the conversion of some building societies into public companies would lead to increased interest rates on housing bonds. — Sapa

Insufficient revenue has harmful effects - Heunis

NEW MOVE ON UNPAID RENTS

3/1/86
Soweto
123

A GOVERNMENT body has recommended that legislation be introduced to help local authorities collect unpaid rent and service fees.

SAPA
This was announced by the Minister of Constitutional Development and Planning, Mr Chris Heunis, yesterday after a meeting of

the Council for the Co-ordination of Local Government Affairs in Johannesburg.
Mr Heunis said in a statement after the meeting that one of the most serious problems

facied by local authorities was a lack of funds to provide services.
In some cases, insufficient sources of income played an important role, but the inability of some local authorities to collect revenue due to them "has had a particularly harmful effect," Mr Heunis said.

The council had appointed a sub-committee to suggest solutions. "The report was considered by the council and the council has recommended that appropriate amending legislation be enacted to facilitate the collection of rent and service fees," Mr Heunis said.

Progress

Considerable progress had been made with the demarcation of Regional Services Councils and the first could be established by January 1 next year, Mr Heunis said.

He said the impression may have arisen in some quarters that the RSCs would not be established.

"This impression is possibly the result of the time gap between the publication of the Act and the actual establishment of the councils, which entails a complex procedure under the guidance of the provincial administration," he said.

Legislation providing for the councils, which

To Page 2

Gun law will now apply — Radebe

THE chairman of the Soweto Council Management Committee, yesterday said councillors will now use their guns to administer township affairs.

Mr Letsatsi Radebe said this at the council's monthly meeting yesterday.

"We have behaved like teachers and priests," said an angry Mr Radebe, adding "it is time now that we used our guns to show those who are against us that we are determined to administer Soweto's affairs."

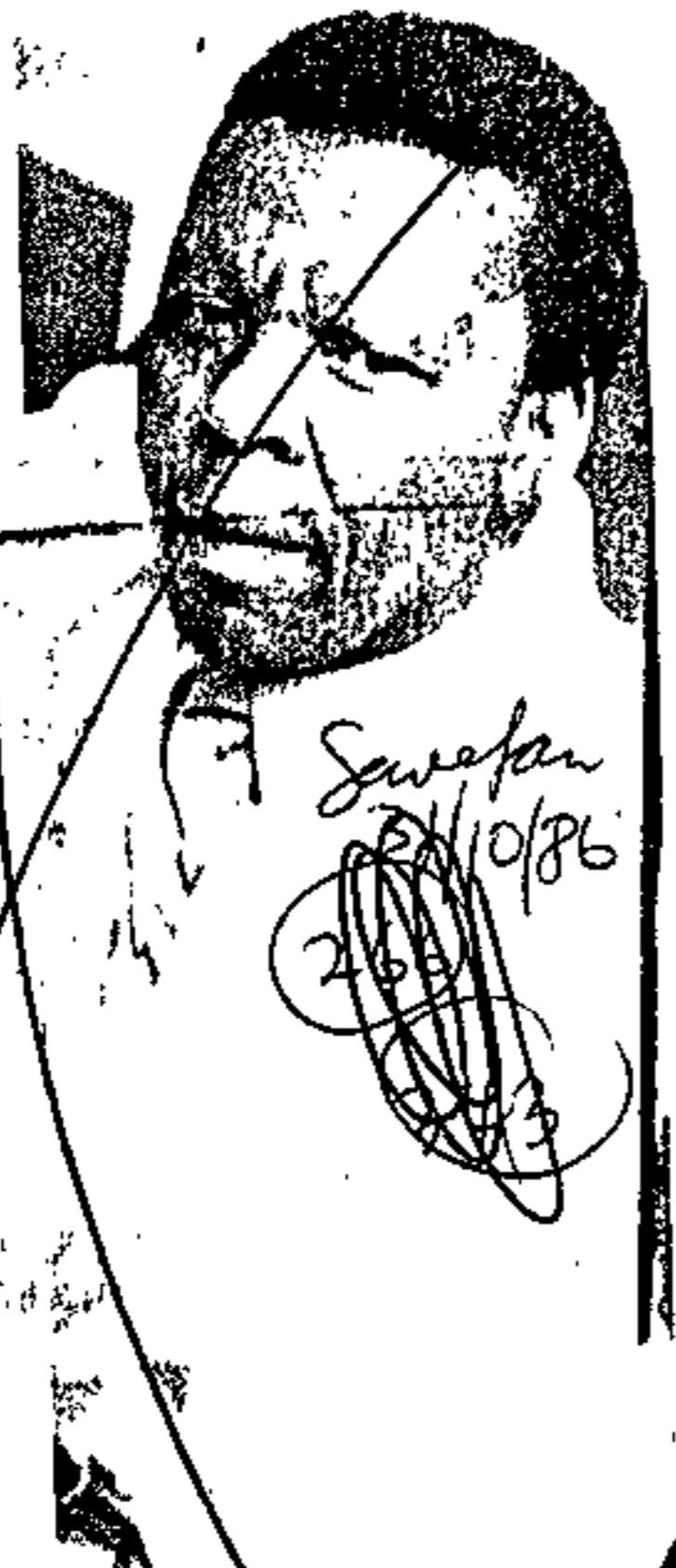
He said the council will give "siyayinyovas" and other people who regarded themselves as bosses of Soweto their match.

Pointing at his colleagues, Mr Radebe said: "These are the men who run Soweto. They will now take up their guns to show their might".

The public gallery was packed with spectators mostly old men and women, some wearing the Sofasonke Party sash.

It has been expected that there would be more controversy when the suspended mayor Mr E T Tshabalala was to give his first address. He got to the chambers early and later left without attending the meeting.

A number of councillors during a meeting called for Mr Tshabalala's suspension or resignation.



Mr LETSATSI Radebe ... warning.

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MANNES

12 MONTHS TO PAY. 9ct GOLD WEDDING SETS.

R699,00
R155 Dep.

R499,00
R110 Dep.

R699,00
R155 Dep.

R499,00
R110 Dep.

New move on rents

From Page 1

are planned as multi-racial local government bodies providing joint services for adjoining metropolitan areas, was first passed in 1984.

Since then, the Act has been amended by Parliament several times. The deadline for the establishment of the first RSC, in Bloemfontein, was set for January this year but officials of

Mr Heunis' department said the complex procedure for the setting up of a council did not make that deadline feasible.

However, Mr Heunis said yesterday that considerable progress had been made with the demarcation of RSCs.

"The possibility still exists that the first regional services councils will be established by January 1, 1987".

SUNAME? 2/11/86.
BANDAY

Black housing bonanza for estate agents

123

ESTATE agents stand to make a fortune from the sale of houses in black townships under the Government's privatisation project.

About R4,5-million has been paid in commission to local authorities and their agents in black urban areas. There is still more than R30-million in commission to be made.

Estate agents receive R100 commission from the Government for each house sold. The houses cost between R800 and R10 000, most of them in the low-price category.

Prices slashed

Although the commission payments have been available almost since the launch of the scheme in July 1983, sales are going slowly.

Prices have even been slashed by 40% to encourage buyers.

Sale co-ordinator Alex Weiss says the Government will not consider giving houses away because that would go against the spirit of privatisation.

"We aim to encourage the development of a thriving secondary property market in the townships and to promote the concept of capital accumulation and free enterprise.

"Giving the houses away would denigrate the value of home ownership and would undermine the development of an infrastructure similar to that enjoyed by coloured and Asian communities.

"It would also risk the creation of further squatter type townships, with no infrastruc-

By Ruth Golembo

ture and cause a deterioration in living standards. While it would obviously be unfair to the families who have already bought their own houses and paid for them.

"The houses are cheap and their prices can only increase as the shortage of urban housing becomes more acute."

In the past three years only 47 000 of the 345 640 nationwide houses have been sold.

But Mr Weiss says sales have shot up in the past month — increasing by 30% to 988.

The decline in sales in the past few months was caused by deepening recession, high unemployment among urban blacks and unrest in the townships.

Employer help

The increase in sales was prompted by improved marketing methods and the fact that employers were taking a more active role in helping employees to buy houses.

"Employers are increasingly appreciating the positive influence of home ownership.

"I expect the trend to continue, particularly with the introduction of full property ownership rights for blacks. Employers and financial institutions will become much keener to help with finance.

"Houses can be bought either on 99-year leasehold or with full ownership rights."

He says the State finances lower-priced houses and allows 60 months for payment.

Surge in Reef retail sales

Rent boycott sparks boom in spending

123
BUSINESS DAY
3/16/86

RETAIL sales are being boosted by between R60m and R80m a month because of the rent boycotts in black areas throughout the country.

Economists say the boycott is effectively a massive subsidy to the black consumer.

The huge cash injection into the economy is said to be as high as R400m and is money which should have been remitted in rents.

Blacks have withheld rent in 54 townships nationwide and retail executives report a direct correlation between rent boycotts and increased sales.

Reef retailers, while reluctant to release exact figures, say sales have risen by 10%-20% in real terms in the past six months.

Checkers MD Clive Weil explains: "Blacks do not put their money aside as more sophisticated consumers do. The (rent) money is being spent."

Edgars MD Vic Hammond says consumer spending is strong, particularly in black areas. Edgars recently increased sales by a massive 24% to R423m (R341m) for the 26 weeks to September 28.

Business Day Reporter

OK Bazaars sales director Ken Coote says it is difficult to quantify the effect of the rent boycott. Still, he says, OK will show an increase in sales in real terms for the past six months — and he admits the rent boycott has played a role.

At Spar, volume is up 5% in real terms for the current six months compared with the same period last year. Spar executive-director Sidney Matus says turnover has been particularly high at stores popular with blacks.

The rent boycott and a feeling of safety among black shoppers explains Spar's success, says Matus.

Mark Swilling, head of the University of Witwatersrand-based Community Research Group, conservatively estimates that black councils are losing R40m a month, but says he would not be surprised if the figure were closer to R60-R80m.

Real gross domestic expenditure in the third quarter increased at a runaway annual rate of 20% and real gross domes-

● To Page 2 →

Councils lose out in boom

tic product by 2% to 3% in the third quarter.

Market research shows black spending has been on the upswing for six months. Retail industry sources report blacks also feel more comfortable shopping in white areas since the state of emergency was imposed.

A private market survey on buying trends, commissioned by Checkers, confirms the boost in grocery sales since the rent boycott was imposed.

Using 100 as a base figure, black spending jumped from 86 in February, 1986, to 109 by July.

Private stockpiling by black buyers anticipating another consumer boycott has also spurred sales to some extent.

Township unrest has provided an added boost for large retail chains as black shopowners have been reluctant to carry large stocks, fearing burglary and looting.

← ● From Page 1

Metro Cash and Carry MD Cecil Smith says this has sent many blacks into white shopping areas with their rent money. Metro expects to achieve its 31,5c share earnings target forecast and to pay an interim dividend of 6c.

Meanwhile, the rent boycotts have led numerous township councils to the brink of bankruptcy.

In Soweto, where 94% of residents are not paying rent, town clerk Nico Malan estimates the council has lost R59m since the boycott began in June.

Tom Boya, deputy president of the Urban Councils Association of SA, explains: "The fact that rent — the main source of income — has not been paid has rendered the townships ungovernable and has resulted in their collapsing."

123

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Mercury Correspondent

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Bankruptcy

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● See also Page 5

Blacks spot ash within rent money

2/11/80

12

own at the
Seaman Brett
Mr and Mrs. Not
and Robyn, 23,
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A keen sport
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As a young's
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CAPE TIMES 3/12/86 123

Housing scheme a 'turning-point'?

By ROGER WILLIAMS
Chief Reporter

SOUTH AFRICA'S biggest-ever housing venture, a R1,2-billion scheme aimed at stimulating the economy through creation of new homes and job opportunities, could prove to be a turning-point in the country's history, financier Dr Fred du Plessis said yesterday.

"We see this action as an opportunity to depoliticize housing and to redistribute wealth in a practical way," he said in an interview with the Cape Times.

"It is my firm belief that the time has come to stop burning and to start building. If we do this — and I honestly believe that 90 percent or more of South Africans want it — we all have a future in this country."

Special share offer

Dr Du Plessis, chairman of Sanlam, said that although the new venture was not directly linked with the Urban Foundation, it would in many ways complement the work being done by the Foundation, with which it hoped to work closely wherever possible.

He was expanding on the announcement he made in Johannesburg at the weekend about the launching of a non-profit company, the South African

Housing Trust, which plans to build houses on a large scale, mainly for blacks, "within the boundaries of the old South Africa".

The government is putting R400 million into the new venture, and R800 million is to be raised from the private sector with a special share offer.

Dr Du Plessis said he wished to emphasize that although the government was putting money into the scheme, it had been agreed that the State would not become directly involved in its implementation, and that private enterprise should be left "to get on with the job".

Community leaders would be invited to join the board in the various areas in which housing schemes were undertaken by the trust.

"In this way," Dr Du Plessis said, "we hope to help develop a strong community spirit, with full participation of the people involved."

"We believe it is wrong just to build houses and then put people into them. There must be involvement of members of local communities right from the outset, and we believe we will get requests from communities to look at possible schemes in their areas."

□ Unemployment and the housing shortage are two of the most-pressing socio-economic problems facing South Africa. At the last official count, 533 000 South Africans were out of work and the shortage of houses stood at around 300 000.

Unpaid rents boost sales

JOHANNESBURG. — Rent boycotts in black areas have boosted retail sales by between R60 million and R80 million a month, economists say, but have brought numerous township councils to the brink of collapse.

Economists describe the boycott as a huge subsidy — some say as much as R400 million — to the black consumer. This was money which should have been paid for rent.

Reef retailers' estimates — they are reluctant to give exact figures — put the increase in sales by between 10 and 20 percent in the past six months.

Mr Mark Swilling, head of the Wits University-based Community Research Group, puts the loss to black councils "conservatively" at R40 million a month.

They could be as much as R60m to R80m a month.

Real gross domestic expenditure in the third quarter increased dramatically to an annual rate of 20 percent and the real gross domestic product by two percent to three percent in the third quarter.

A private market survey on buying trends, commissioned by Checkers, confirmed the boost in grocery sales since the rent boycott.

The managing director of Checkers, Mr Clive Weil, said that the black consumer did not put aside money and the money was being spent.

The sales director of OK Bazaars, Mr Ken Coote, said sales were higher in real terms during the past six months, but it was not easy to quantify the effect of the rent boycott, but it had played a part.

The managing director of Edgars, Mr Vic Hammond, said spending in the quarter to September was 30 percent higher.

The executive director of Spar, Mr Sidney Matus, said turnover had increased by 19 percent for the current six months.

Because black shop owners who feared burglary and looting would not carry large stocks many blacks spent their rent money in white shopping areas, Metro Cash and Carry managing director Mr Cecil Smith, said.

BUDDA 6/11/86 123

Mass housing: affordability is bottom line

THE provision of affordable homes is a problem which has recently caught the public's eye.

Cynics might argue that the building industry and property developers are entering this market simply because they perceive it as the major future growth area of the property industry, but nevertheless it means much-needed research and development is taking place in the low-cost sector.

One thing which has been made clear is that traditional standards cannot continue to be applied if the homeless are to be housed — high Western norms are being imposed on a mass of people who are currently, in many cases, sharing makeshift shacks.

An indication of the change in attitude towards low-cost, alternative building methods is displayed by the building societies' willingness to be flexible.

At the SA Perm, for example, new guidelines on standards demand solid walling structure, acceptable foundations, safe roofing structures to SABS standards, access to water on site and an acceptable sewerage system. The society lends on a range of 14 innovative building methods.

Affordability is a primary concern at the bottom end of the market — while there are hundreds of schemes around the country with homes falling just within government's first-time-buyers subsidy limits, few projects are available from the private sector at a much lower level than this.

In recent months, however, a rash of new building products have come on the scene, showing that a home for about R10 000 is a possibility.

The problem now is to ensure these homes reach their intended

JANE STRACHAN

buyers. This requires a new approach to marketing, targeting and sales techniques. It is advisable, for example, to offer a choice of self-build or professional erection methods.

Many of the new methods call themselves "DIY", but in fact would be difficult for the layman to assemble without assistance.

A point for the developer to bear in mind is that the low-cost buyer is often an unsophisticated person to whom innovative systems may not be acceptable. This buyer usually wants a home that doesn't look like a matchbox, but which generally resembles the conventional brick-and-mortar construction.

Some have recognised this. Turner Blocks, on entering the market, noted that the entrepreneurs missed, in their explorations, the question of acceptability of the new materials and ingenious methods of construction to the prospective owner.

Chris Sullivan, chief town planner for the Cape Divisional Council, believes traditional building materials and methods of construction will continue to be the predominant method for some time to come.

Ideally, he says, what is needed is a different set of standards that reflect different levels of expectations and affordability.

"At the lower end of the informal settlements there are continual improvements being brought about to the basic shanty," he commented at a recent seminar. "In fact, it is ironic that in the informal settlements there is a profusion of innovative applications of materials, systems and organisations."

Housing: call for business initiative

Excerpt 6/11/86 123

JOHANNESBURG — Industrialist Mr Mike Rosholt has called on the private sector to help provide the half million houses needed to alleviate the housing shortage in South Africa.

Experience in developing countries generally indicated the "vast majority" of housing was supplied as a result of private initiative and resources, he said.

Mr Rosholt, chairman of the Urban Foundation's residential development and construction division, told a foundation meeting that the provision of housing represented a significant opportunity for stimulating social and economic development in low income communities.

South Africa's immediate housing shortage of an

estimated 500 000 units was the equivalent of a quarter of all houses built in South Africa to date, he said.

His division was poised to provide 35 600 serviced stands and 19 400 homes in developments across the country.

Its current commitments would provide about 12 600 serviced stands and 8 500 completed homes. In addition, the division had planned projects countrywide, which, if all were implemented, would provide a further 23 000 serviced stands and 10 900 homes in the short term.

"The division will seek to expand its scale of operations with a long-term focus on affordable lower cost housing, the provision of serviced sites

and the upgrading of informal settlements.

"However, the division does not merely view itself as a housing supplier. More importantly, we view ourselves as a catalyst for the private sector in the housing field."

The aim was to "lead the way in the development of lower income housing and to highlight the viability of these markets for private sector developers, employers and financial institutions".

Mr Rosholt said his division comprised five housing utility companies operating around the country. Current commitments included 28 developments.

"While the Urban Foundation's direct investment in these develop-

ments represents R38 million, the ultimate private sector investment resulting from them is expected to top R608 million, the vast majority of this money coming from the building societies."

He said the foundation's ability to achieve its objectives rested almost entirely on resolving three "structural barriers" to the provision of housing. These were the availability of land, the availability of housing finance and the promotion of effective local government.

At present the Group Areas Act inhibited the economic supply of land and created artificial shortages of residential sites and often unnecessarily high land prices. — Sapa

Housing crisis spurs alternative building methods

CURRENT interest in low cost housing has spawned a new generation of alternative building methods. Most are geared towards offering an option to the buyer: either for do-it-yourself or for paying manufacturers to erect it.

The systems and materials range from the obvious to the odd ... cardboard shutters, cement sausages, foam walling and shuttering, asbestos-cement cladding, timber, moulded silica resin panels, portal frames, fibre cement panels and glass reinforced cement.

Developers had a chance to show their wares recently at the Belhar Easy Homes Exhibition in the Cape. They demonstrated houses which started with what were in effect temporary emergency shelters for under R1 000 to comfortable family places for R9 000 on a DIY costing.

Some examples of what is available include:

CARDBOARD: Cardboard shuttering, strange as it may seem, is being used by at least two companies.

D&M Developments has produced a 51m² house for R8 928 using the Sandsleeve System, which utilises corrugated cardboard shutters and can be built using available materials and virtually unskilled labour. The cardboard sandsleeves, which are waxed and stitched, are slotted together in a simple operation and the fill is then shovelled into the top.

Bricks are made as the wall is built. Little water is required and there are no restrictions on the amount of cement or type of sand used in the mix. After the solid wall

Today you can build a house with cardboard, polystyrene or cement sausages. The latest construction methods may sound odd, but they're just the thing for DIY enthusiasts... and the new homeowner on a tight budget

structure has been created the sleeves are peeled off and the walls can be either painted or plastered.

The Steyn Housing System, by Ceres Meester Bouers, uses cardboard shuttering with weldmesh wire shuttering on internal and external surfaces. The wall consists of two layers of gunit concrete or plaster 25mm to 30mm thick with a cavity of 100mm between them.

Emergency housing, constructed of flame-retarded cardboard on a sandbag-surround foundation is offered by P Greathead at R875 for 16m². The roof is timber-trussed and the glazing is plastic.

FOAM, POLYSTYRENE: The Compu-Homes SA unit comprises precut timber poles fastened with polyethylene netting and sprayed with polyurethane hardfoam. Life expectancy is more than 30 years. Suppliers say the system presents no health hazards and has a fire performance of B1 or B2 to German Din standards.

Material is supplied in kit form and a three-bedroom unit can be erected by the owner in two days, according to the manu-

facturers, who claim 10 spray teams could complete 1 000 units in two weeks. A 45m² unit home was on show at Belhar for R8 880.

The Argisol Swiss building system comprises styrofoam building blocks with interlocking metal spacers. When stacked the blocks lock together and a lightweight cement is poured into the lower part of the walls to give weight and anchorage. The blocks are not cheaper than conventional products — the saving is on labour. A 15m² wall weighs 1kg and takes five minutes to erect.

Engineered Building Blocks has a two-bedroom home for under R9 000 comprising patented Lego-like bricks with 40% ground polystyrene content. A slurry is poured over the blocks and outer walls need no further surfacing for weather-proofing.

CEMENT SAUSAGES: This innovative construction form was designed for CPA Community Services specifically for labour-intensity. Walls are made using shuttering between gunpoles and the cavity is filled with layers of mortar alternating with layers of "cement sausages", made by filling bags with dry cement and sand. The house is plastered and roofed in the conventional manner. A two-bedroomed sausage home was displayed at Belhar, costing R7 806.

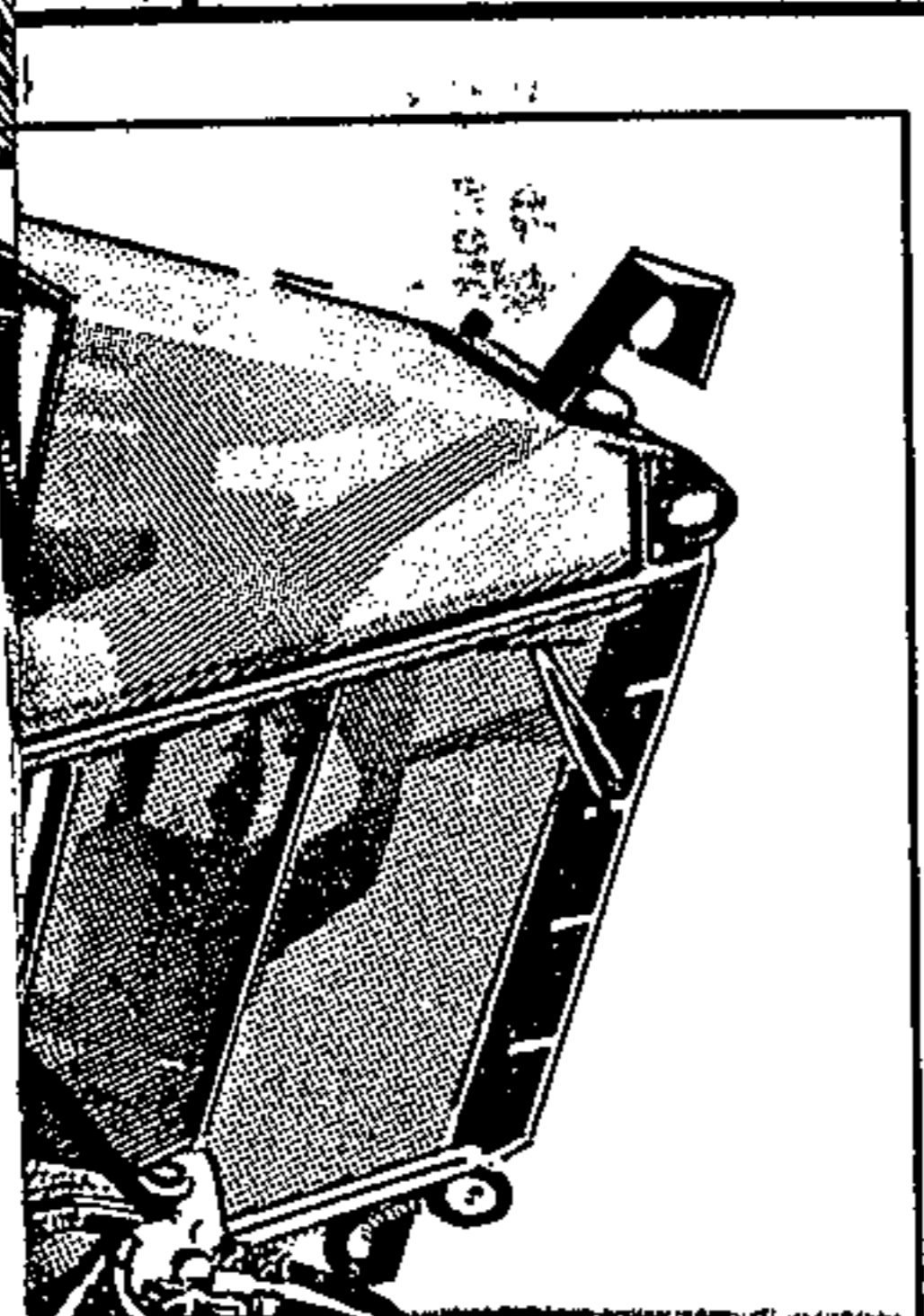
GALVANISED STEEL: The Sterling Homes module consists of a lightweight all-welded steel space frame, using high quality double skin, composite constructed panels as walls. The frame is Iscor steel sections hot-dip galvanised after fabrication and finished with protective paint. It can be erected in a day by unskilled labour, costing R8 378 unassembled for two bedrooms.

CONCRETE/CEMENT: A number of concrete and cement methods are on the market. Federated Blaikie/Turner Homes have come up with a three-phase system with DIY concrete building blocks, approved for building society finance. Prices range from R3 698 to R8 642.

The George Wimpey system, devised to meet the great demand for homes in Europe after the Second World War, is built of cellular concrete comprising an aggregate of 10mm to 20mm mixed with cement. The mix is poured between steel shutters the height of the building and plastering is not necessary, as the walls are waterproof. A two-bedroomed house is available for under R9 000.

The Multibrick home uses drystacked interlocking concrete bricks and can be built in three days without the use of mortar.

Some of the more unusual concepts have yet to be tested on a large scale and have not faced the local market acceptability test. Nevertheless, the housing crisis is demonstrating what can be done when necessary and developers are quickly latching on.



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Call for private sector involvement in housing

JOHANNESBURG. — Housing represented a significant opportunity for stimulating social and economic development in low income communities, a housing expert said yesterday.

The chairman of the Residential Development and Construction Division of the Urban Foundation, Mr Mike Rosholt, told the annual meeting of the Foundation's Family Housing Association that the key to the development process lay in the involvement of the private sector.

500 000 houses needed

SA's immediate housing shortage — estimated at about half-a-million units — was the equivalent of one quarter of all houses built in SA to date, he said.

His division was poised to provide some 35 600 serviced stands and 19 400 homes in developments across the country.

Current commitments included 28 developments with a budget of R81 million for this financial year.

The division would seek to expand its scale of operations but did not see itself merely as a housing supplier.

"More importantly, we view ourselves as a catalyst for the private sector in the housing field," Mr Rosholt told the meeting.

The aim was to "lead the way in the development of lower-income housing and to highlight the viability of these markets for private sector developers,

employers and financial institutions".

"While the Urban Foundation's direct investment in (current) developments represents R38 million, the ultimate private sector investment resulting from them is expected to top R608 million — the vast majority of this money coming from the building societies."

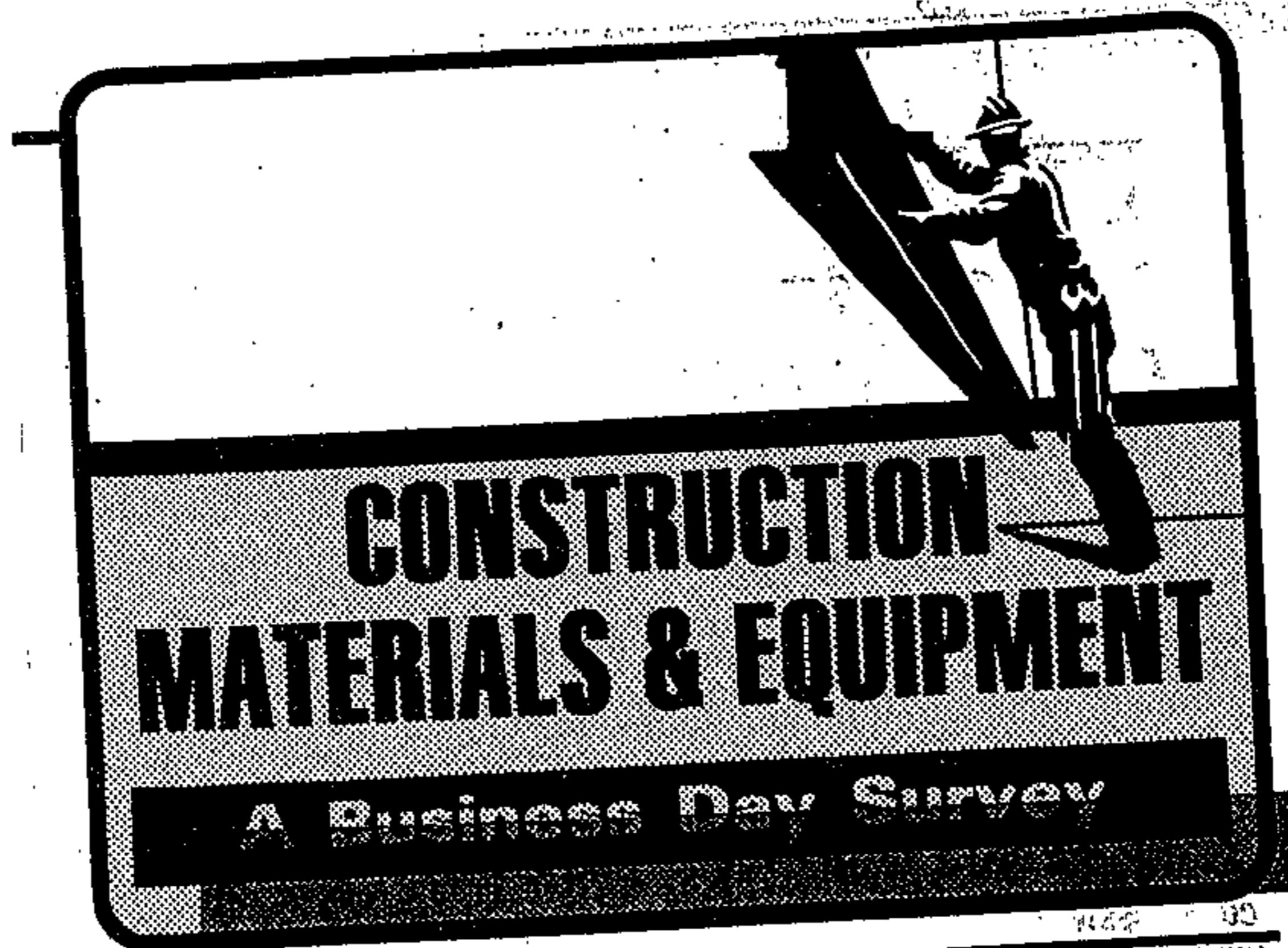
He said the Foundation's ability to achieve its objectives rested almost entirely on resolving three "structural barriers" to the provision of housing — the availability of land, the availability of housing finance and the promotion of effective local government.

Private initiative

Calling on the private sector to become more deeply involved in the provision of housing — particularly to lower-income black communities, Mr Rosholt said experience in developing countries generally indicated that the "vast majority" of housing was supplied as a result of private initiative and resources.

It had been recognized with growing clarity that the establishment of a local home-building industry was fundamental in developing a community's ability to house itself, he added.

In the meantime, the Group Areas Act inhibited the economic supply of land and created artificial shortages of residential sites and often unnecessarily high land prices. — Sapa



Edited by **MELANIE SERGEANT**

SA lags behind with timber-frame houses

JANE STRACHAN

TIMBER-FRAME construction has long been part of the home-building scene in a number of countries abroad. In SA, however, the use of this method has been limited.

In spite of efforts to expand the use of timber in wall and floor construction, conventional brick building is still the dominant method.

A recent survey by the National Timber Research Institute (NTRI) of the CSIR shows that only a few builders have tried their hand at timber-frame construction, and that municipalities, housing-finance organisations and house-insurance companies have little experience or knowledge of the concept.

The researchers say since the national building regulations came into effect in September 1985 it should have become easier to have plans passed for timber-frame houses. Yet 21% of the municipalities surveyed did not allow these structures.

They generally felt timber-frame housing was pricing itself out of the market.

The NTRI responds by saying that timber-frame houses can be erected in half the time it takes to build a brick-and-mortar house. Builders appear to be charging about 12% more for timber-frame. But it is foreseen that, once this type of construction is accepted in SA, builders will benefit from the speed with which they can be erected and will pass financial benefits on to buyers.

Of the financial institutions surveyed, only one was unwilling to finance the building of timber-frame houses. The reason given was the high demand for funds to build conventional brick houses.

Insurance premiums differed from institution to institution. Some premiums quoted to the NTRI were 66% higher than for brick dwellings.

Looking at some other countries, it emerges that in North America, Japan, New Zealand and Scandinavia the domestic building industry is dominated by timber-frame construction, with more than 90% using this method. In Australia about 90% of houses have timber frames.

Comparing timber-frame to brick-and-mortar construction, the NTRI detects numerous differences:

- Setting out:** No setting out of foundations is needed for interior walls in timber frame as they are non-load-bearing and light.
- Walls:** Timber frames can be standardised and manufactured in a factory. Erection, bracing and cladding is done quickly and, once the exterior walls and roof are erected, interior walls can be built in without weather influencing interior construction.
- Bricks:** If bricks are used for cladding exterior walls, face bricks are used in a single layer, reducing the number of bricks used to about 33% of that of brick construction.
- Plastering:** Plastering is not usually needed on the exterior and the interior frames are clad with board.
- Labour:** Timber frame construction can reduce the trades needed to carpentry only, with wall construction carried out in a factory.
- Construction time:** A timber-frame house can be completed in six to eight weeks, while a brick house normally takes about 16 to 18 weeks.

SANCTIONS

Housing boost from Uncle Sam

Tucked away in the latest US anti-apartheid legislation is a clause which could have a significant impact on the South African residential property market.

In terms of section 206 of the Act, the Secretary of State is required to buy or lease housing in white areas for the use of black US government employees in SA at "equitable rentals." About R23m (US\$10m) has been authorised for the purpose in fiscal 1987 alone, although specific appropriations will have to be approved by Congress.

Predictably, the Act does not specifically refer to blacks, but to "victims of apartheid" which appears to mean the same thing.

Nor does it specify "white" areas, but "neighbourhoods which would be open to occupancy by other employees of the US government in SA." Again, it evidently amounts to the same thing.

But the question, of course, is whether blacks employed by the US diplomatic service will be permitted to move into white areas. The Group Areas Act, after all, remains.

Congress's financial allocation excludes US diplomatic staff who already live in homes owned or leased by the US government. Black diplomats (by permit) and white staff already qualify to live in white areas. At issue, therefore, are the rights of black office staff and others who are not diplomatically accredited.

US embassy officials at this stage are as much in the dark over the implementation of the instruction as anyone. A spokesman says clarification is awaited from Washington.

Acting press attaché Elizabeth Pryor says about 170 South Africans are employed at the mission's offices in Pretoria, Cape Town, Johannesburg and Durban. And since the US does not keep data on colour lines, it is impossible to determine just how many staff would be able to take advantage of the grant. Pryor says it is hoped that clarification will be received soon.

According to the Department of Constitutional Planning and Development, permission for blacks to live in white suburbs can be obtained by permit and this system is already in force.

However, government's reaction to applications to house, say, cleaning staff in white suburbs remains to be seen. As a department spokesman puts it, approval is more readily given to a black professor, for example, than a labourer.

There could also be a problem over the definition of a "victim of apartheid." Some white staff feel they are also victims of the system.

Institute of Estate Agents' past-president

Norman Nel points out that the number of blacks living in white areas is already increasing significantly.

Often such occupation is illegal, but it is a de facto situation on which the police are becoming increasingly reluctant to act, he says.

Nel says the "greying" of areas is happening in a number of ways. Many blacks who are technically living in servants' quarters in white suburbs are, in effect, living in the main house.

Also, the number of blacks legitimately renting offices in white areas has risen sharply, but what is not mentioned is the large number of office tenants who stay on at night. "Who is to challenge them," he asks, "if they claim they have fallen asleep at their desks?"

Furthermore, many properties are being bought by companies, he says. "Who can blame the company for installing a black man to look after the place? Technically they are supposed to stay in the servants' quarters, but in most cases this doesn't happen."

He believes the Group Areas Act is on the way out anyway. He points to the way property prices have reacted in places like Windhoek, Harare and Mafikeng since they became multiracial.

Says Nel: "The significant increase in prices shows that the fear among many South Africans that values will plummet is unfounded."

JOHANNESBURG CBD

Double thrust

The Dorbyl and the United Building Society pension funds have joined forces to develop an R18m office block in the Johannesburg CBD. The scheme will comprise a nine-floor office building with a small retail element at the corner of Von Wielligh and Market streets. Development cost includes the price of land.

Construction started this week under the project-management of Anglo American Property Services (Ampros). As part of the deal, the JSE-quoted Anglo American Properties (Amprop) has taken a 20-year headlease on the building.

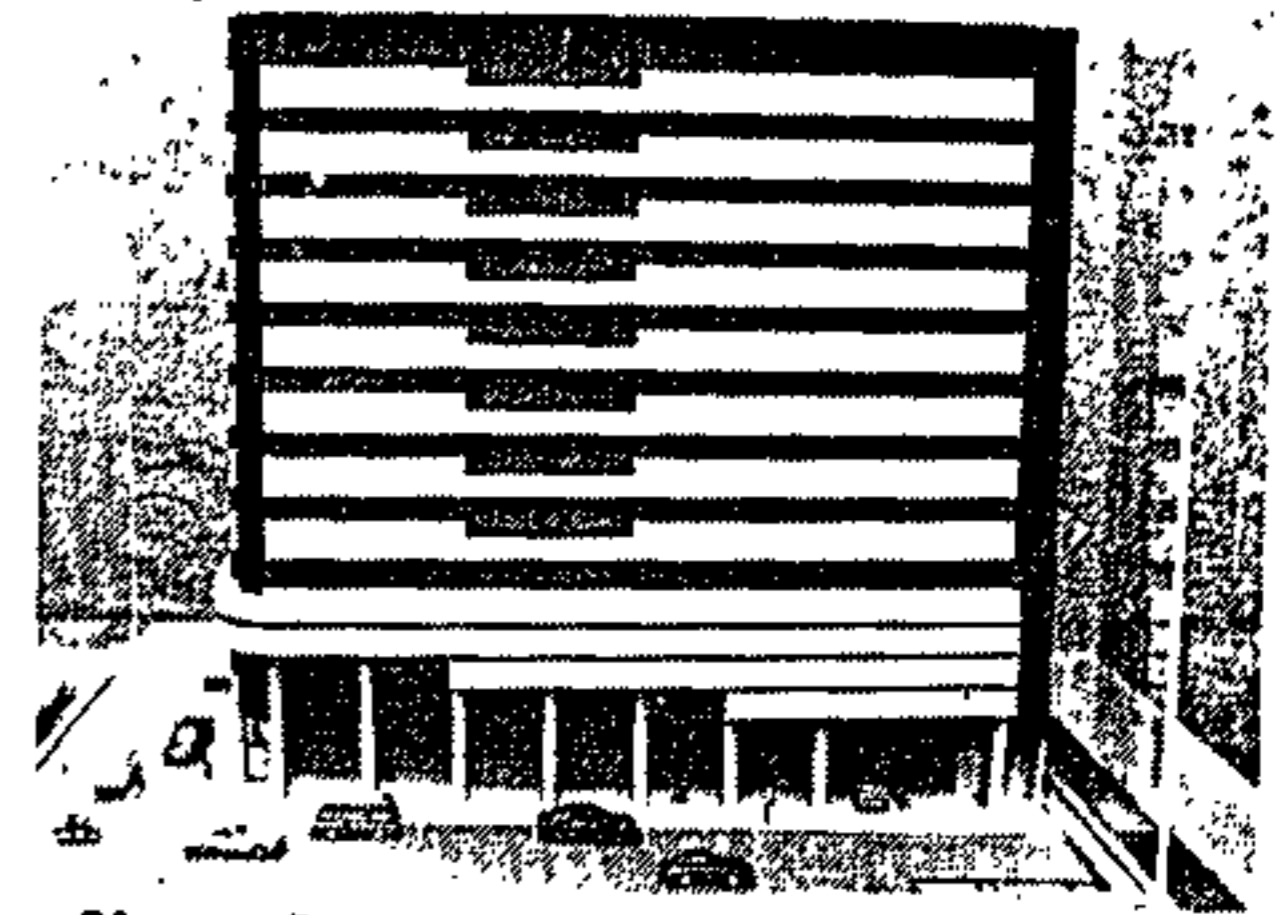
Although headlease rental has not been disclosed, it has been structured to guarantee the two pension funds an initial return of about 10%.

Moross and Partners designed the building which will have 9 000 m² of rentable office space, 500 m² of retail and above-

ground parking for 125 cars. Planned completion date is September 1988.

At the other end of town Ampros is finding that, with its 11 Diagonal Street office tower now full and new developments on the cards, parking is becoming a major problem.

While there are voids in parking garages elsewhere in Johannesburg, there is a distinct shortage in the financial sector. As a



New Ampros scheme ... joining forces

result, Ampros MD Gerald Leissner is looking to double up parking in the old bus sheds which Ampros leases from the Johannesburg council. The sheds are immediately behind its Diagonal Street glass tower and currently provide parking for 289 cars.

Leissner says Ampros is looking to build an internal steel deck within the 12 m high structure to increase the number of bays to 489.

One problem is that its lease with council has only two years to run. Ampros is now negotiating renewal terms as well as access and egress to and from the enlarged parking lot. Proposals are also awaited from consulting engineers for the design.

Despite the lease uncertainty, Ampros is keen to go ahead. Even on a short lease, explains Leissner, the numbers make sense. With the present bays full, the sheds are generating about R34 500 a month. Decking-over would increase that to more than R58 000 a month or around R700 000 a year.

OLD MUTUAL

Spreading out

Hemmed in between a railway line and Jan Smuts Drive in Cape Town, Old Mutual (OM) is to demolish and reconstruct a wing of its Pinelands headquarters at a cost of some R57m.

The decision makes it the second major life insurer to redevelop this year. In Febru-

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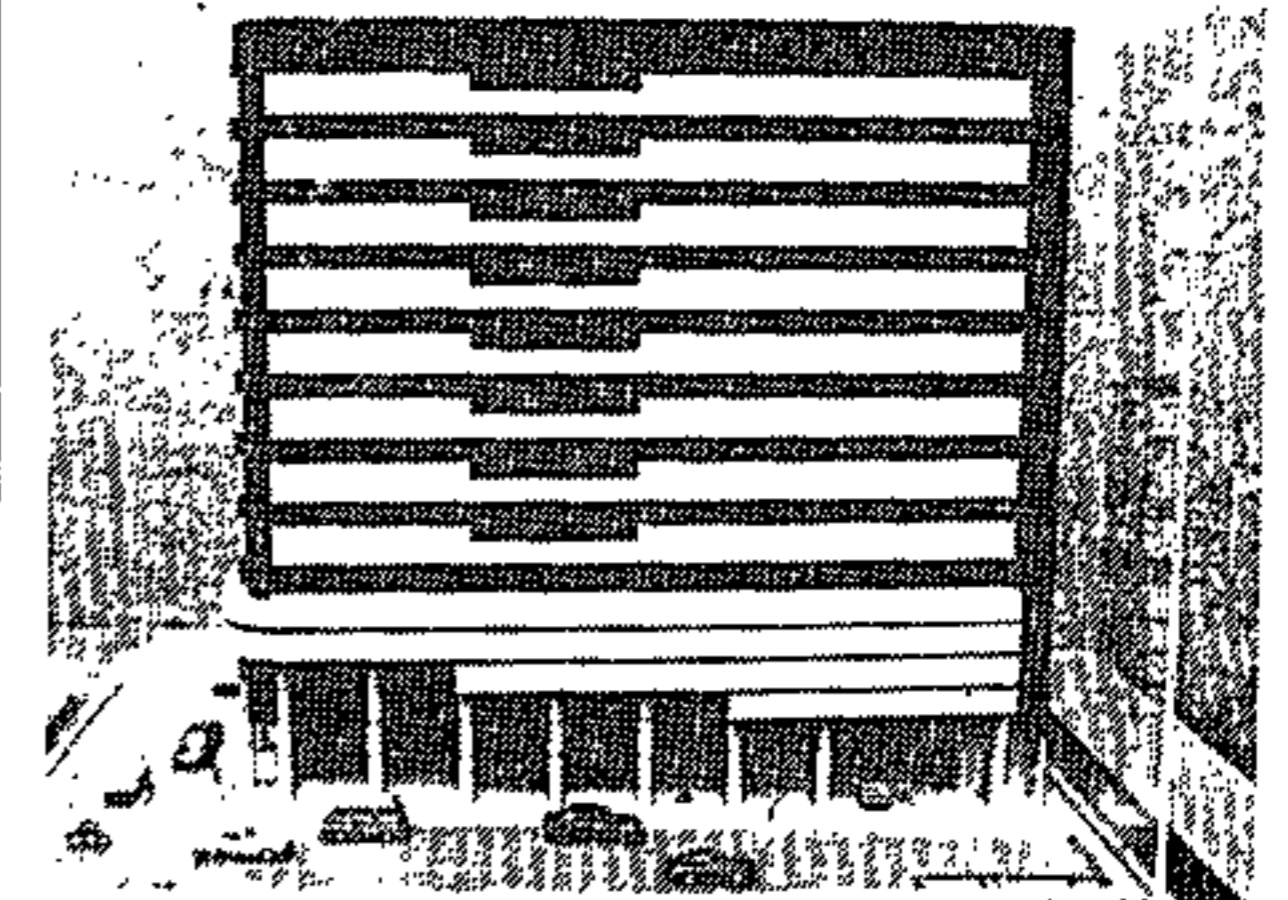
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The decision makes it the second major life assurer to redevelop this year. In Febru-

ary, Southern Life announced a R40m extension to its Great Westerford head office in Rondebosch (*Property* February 7).

Demolition of one wing of the OM property, Mutualpark, will start next year and will be replaced by a five-storey wing. The project includes a parkade for 1 000 cars. Completion is scheduled for 1989.

In the interim, some departments — including Old Mutual Properties (OMP) — will move to premises in N'dabeni where some 4 000 m² will be leased from competitor Southern Life for three years.

The new block, says OMP property manager Martin Buss, will provide office accommodation for 1 125 people. OM's head office staff currently numbers more than 3 000 and the projected staff complement for 1995 is over 4 000.

The new office block is the first in a long-term, three-phase expansion programme. Phases two and three will involve the building of two similar office blocks to replace existing buildings which were part of the original head office complex built in 1951, says Buss. No dates, or future plans, have been established for the final two stages.

With life policy sales growing by about 30% a year, OM is on a growth trend that requires increased staffing and additional space. Says OMP's Derek Stuart-Finlay: "With our site restricted we have to go up and also use wasted space once used for courtyards."

The design of the new wing will include provision for banking facilities, a supermarket, post office, gymnasium, hairdresser and an auditorium on the ground floor. The fifth floor, which will house senior management, will be slightly set back to allow for a terrace around the entire floor.

The building was designed by Cape Town's Kent, Miszewski and Hockly and the quantity surveyors are Nicholson and Nel. The building contract has been awarded to Dura Construction. ■

FINRAND

Slow going

Just how extensive is the use of financial rand (finrand) in the property market? Despite claims from some estate agents that they have numerous inquiries, official confirmation is hard to come by.

Reserve Bank spokesman John Postmus, for example, will only confirm an earlier statement that there have been a good many applications for the use of finrand in general. And he denies allegations in some quarters that the Bank is dragging its feet on applications.

He says delays are often caused by the way the commercial banks submit applications. But he is willing, he says, to look into complaints. ■

Landmark's John Murray is one of the complainants. He says he is still awaiting a decision on an application submitted seven weeks ago. Mike Smythe, who is working on a large finrand deal in Sunninghill, Sandton (*Property* October 31), is also concerned about delays. As Murray says, this is hardly the way to encourage overseas investment.

Another concern is that the parameters for the use of finrand in property investment have never been spelt out. Each case is "treated on merit," according to the Bank, but the industry maintains this is not good enough. It wants something more concrete to work on.

Deputy Director General of Finance Gerhard Croeser, who chairs the committee looking at the use of finrand, says the whole matter will be reviewed later this month.

The Bank was asked to report back to his committee three months after the decision to allow finrands to be used for property dealing.

The report should spell out how the system has worked to date and recommend whether or not it should be continued in its present form.

Croeser says the idea was to keep the system as flexible as possible which is why no hard and fast rules were laid down.

However, this policy will also be re-assessed this month. But whatever is decided, says Croeser, "the matter will be treated in a low-key manner". ■

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Bureaucrats baffle black housing developers

By David Southey

BUREAUCRATIC delays — not lack of money — are the biggest obstacles in the way of private-sector development of black housing, say consultants.

In spite of the Government's intention to assist in every way possible with black housing and its setting aside of R750-million for it, delays in approving land purchases are impeding private-sector involvement.

A Treasury spokesman confirms that Government's R350-million share of the R750-million package for housing is being spent, but there is an unexplained delay in the announcement of plans for spending the rest.

Support

At least one area where extensive black and Indian housing schemes are well advanced in the planning stages — with the support of building societies — is in Natal.

Durban-based consultant Alan Mountain, who has been associated with private-sector housing schemes involving R300-million since mid-1984, says: "Whereas 2½ years ago it was impossible to gain approval for projects in the homelands from the building societies, they are now keen to be involved.

"We are now in a totally different ballpark."

Mr. Mountain is involved in negotiations with the Government on behalf of clients for the construction of 8 000 black houses in Natal at a cost of between R20 000 and R55 000 each, including purchase and servicing of land. Most of the loans granted by societies have been underwritten by employers.

Mr. Mountain says many more employers are becoming

interested in similar schemes. Plans are also under way for the construction of houses in the Transvaal.

He confirms "frustrating delays" in land approvals.

"We applied for land in August 1985 and in spite of numerous inquiries at the local level and to officials in Pretoria, we have had no response. We have identified 22 steps in the process for land approval and there can be intractable blockages at any one or more of them.

"It is vital that the procedure for land acquisition and approval be speeded up and simplified."

He believes the least the Government can do is to make known its procedures for land applications, indicate how long the queue is and when the applicant can expect an answer.

Some officials, he says, claim to be "every bit as frustrated as I am".

Director of the Urban Foundation's Family Housing Association Matthew Nel says his organisation is involved in planning, development and sale of 11 000 units in the Pretoria-Wiwatersrand-Vereeniging area on behalf of the private sector this year.

He says turnover soared from R2,5-million in 1984 to R20-million last year and R26-million in 1986-87. The number of stands involved is projected to rise from this year's 3 300 to 7 900 in 1987-88.

Mr. Nel attributes the major obstacles in the allocation and approval of land to the Group Areas Act.

"The Government needs to take action in land assembly on a basis which cuts across all legal and bureaucratic inhibitions caused by the Group Areas Act. We need areas well situated in relation to job and commercial opportunities and where servicing can be provided."

'Rent law will be opposed'

By JOSHUA RABOROKO

the people were deter- said many homes in still continuing to make said the new law will be that the Government
mined to fight for their black residential areas families pay rent. challenged. could introduce new leg-
liberation from shackles were long paid off and A spokesman for the Vaal Trade Union Co- Vaal Civic Association is-
of apartheid. A UDF spokesman were making profit by ordinating Committee said they were surprised lation to collect rent,
and aspirations. He said

BLACK organisations have condemned the Government's intention to introduce legislation to help local authorities collect unpaid rent and service fees.
The organisations, including the Azanian People's Organisation (Azapo), the United Democratic Front and trade unions, said the Government could go ahead with new laws, but the people's fight for their liberation would not stop.

They were reacting to the Minister of Constitutional Development Mr Chris Huenis' announcement that one of the most serious problems faced by local authorities was a lack of funds to provide services.

According to the University of Witwatersrand Community Research Group the Government was losing over R2,5-million a month due to the rent boycott which is taking place in 55 black residential areas.

The Government has used various strategies to break the boycott, like evicting people from their homes. But these actions have not succeeded to break the residents' morale, the CRG's spokesman said.

Azapo's George Wauchope said the new legislation would be one of many laws which the Government used to

Builders 'rip off' black home-owners

DRBMS 10/11/86
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The Argus Correspondent

JOHANNESBURG. — New black home-ownership regulations have opened up a new area in which black people are being "ripped off", says Mrs Pauline Lipson, director of the Legal Aid Bureau here.

Mrs Lipson was speaking at a seminar to mark the Checkers award for consumer journalism.

Her bureau handled many cases of builders who collected deposits, but never built.

White building contractors sent an agent to a black house owner who wanted to improve his home, she said. The owner paid a deposit — in one case, the company took a deposit of R5 000 — but seldom, if ever, was the owner told what was required of him.

Shown small print

He was not told that he had to arrange a bond or submit the plans to the Soweto town council.

Some time later, when the owner asked why building had not started, he was told it was because he had not made financing arrangements or submitted the plans for approval by the council. He was then shown the small print on the contract which said that if he did not do these things he forfeit-

ed his deposit, she said.

Many of the people that the Bureau worked with were poor, semi-educated and semi-literate, but ruthless entrepreneurs adopted the attitude that if they could not read or understand the contract it was "tough luck", she said.

Many people who decided to improve their homes responded to advertisements advertising good terms. They went to the office, saw the plans, signed a contract and paid a deposit of R1 500. The builder promised to start within six weeks, but did not do so.

When they went to the builder's office, there was no sign of the builder — only a group of disgruntled people who had also been deceived, said Mrs Lipson.

The contract often stipulated that the owner had to supply the building material himself, so he lost his deposit, had a pile of material rotting in his backyard, and could not afford to pay a deposit to another builder, Mrs Lipson said.

Mrs Lipson refrained from naming any of the "rip-off" builders, because she said she still had to negotiate with them, so exposing them would not be in her clients' interest.

Most white homes in PWV

Bus Data 11/11/86

GERALD REILLY

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NEARLY 40% of SA's white dwellings are in the PWV area, says a survey released yesterday by Unisa's Bureau for Market Research.

Last year, all the dwellings in SA and the TBVC homelands — occupied and unoccupied — totalled 5,6-million.

Blacks occupied 3,4-million of these and whites 1,6-million.

Just more than 29% of black dwellings are in Natal, KwaZulu and northern Transkei.

The Johannesburg district has the most white dwellings (157 000) and Wynberg, Cape, the most coloured dwellings

(89 000).

A significant finding indicating the extent of the platteland-depopulation process was the low occupation figures in a large number of rural areas.

The highest percentage of permanently occupied white houses was in the PWV area (4% more than the national average) and the lowest was in the Northern Cape (16% below average).

Standerton had the highest growth in the number of white homes between 1980 and 1985 — 37% above average.

The height of stupidity — expert

Govt under heavy fire for town-planning role

THE heavy-handed role government's political ideology has played in township planning in SA — particularly in the creation of black dormitory towns — was criticised yesterday as "the height of stupidity and destined to create ongoing and costly problems for the country".

Also the target for condemnation was government's White Paper on urbanisation, slammed for entrenching a policy under which decisions concerning all new residential locations

CHRIS CAIRNCROSS

and virtually every other matter dealing with urban development had to be made within racially defined structures.

These criticisms were raised in Cape Town during a seminar — organised by the Southern Africa Road Association (Sara) — on urban transportation.

Cape Town director of town planning Peter de Tolly described government's dormitory town policies as an outright tragedy.

They had created a demand for

extremely capital-intensive infrastructures in transport networks and housing that in no way ameliorated the inefficiencies created by ideology and "plain bad planning".

De Tolly said the planning of new townships — in white as well as black areas — had focused on low densities and development which was widely spread out, with few employment opportunities.

This, in turn, had created low user thresholds which had made public transport uneconomic.

Because most workers could not afford high transport costs, many factories had relocated.

The implications which these forms of urban relocation held for transport planners were far-reaching.

It was ironic that legislation related to planning and development was so structured as to make a co-ordinated approach to these problems virtually impossible.

"We have a plethora of Acts — such as the Physical Planning Act, the Urban Transport Act and the Financial Relations Act — which all contradict one another," De Tolly said.

Dockers lose jobs to hi-tech

GENEVA — Tens of thousands of dockers had lost their jobs because of new push-button technology, and around a million others would have to be retrained for more skilled tasks, the International Labour Organisation (ILO) said yesterday.

An ILO study on new cargo handling techniques found some port equipment, now being introduced, incorporated micro-chip devices and that robots could soon follow. About

80% of container terminals are using computers for administrative tasks, and 43% for operational control.

It said few new jobs were likely to be created to compensate for those lost through the introduction of new equipment removing the need for human operator skills and simplifying complex maintenance tasks.

Dockers would have to be retrained to acquire versatile skills enabling them to move between jobs. — Sapa.

Hong Kong where the price of... 13/11/86 (123)

Uncertainty hits house prices

JOHANNESBURG. — White emigration and lack of confidence in South Africa's future has sent house prices plummeting, a leading building society reports.

"The downward trend in house prices continued and even accelerated during the third quarter of 1986," the United Building Society said in a housing review.

The average price of a medium-sized house dropped by four percent from the second quarter of the year to about R69 000.

After adjusting for inflation, house prices had fallen by about 31 percent

from their peak in 1983, the society said.

Some whites, concerned at escalating violence in black townships, had sold their houses either to emigrate or to make it easier to move overseas.

With the economy improving, house prices should be bottoming out, the United said. But it did not foresee a sharp rise in prices next year.

While there were enough houses in white residential areas, hundreds of thousands of homes were required to meet a shortage in black townships.

Lack of accommodation had been cited as one reason for the political unrest of the past two years. — Sapa.

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Lack of housing funds highlighted

Eve Rex 14/1/80

LACK of Government funds to house elderly people featured prominently today in an address at a UPE seminar.

A spokesman for the Department of Local Government, Housing and works, Mr J Weyers, said: "Owing to a lack of funds, a delay of several years is being experienced before approved projects can be launched.

"This gives rise to expectations and causes frustration among those wishing to embark on projects. During the waiting period, planning often becomes outdated, which leads to fruitless expenditure and wasted time and energy."

To convert housing planning into a purposeful programme of action,

his department would implement a new procedure "aimed at ending the disadvantages of the previous procedure".

The stages determined for the disposal of loan applications included:

- Once a project's need had been confirmed by the Department of Health Services and Welfare, the application must be submitted "via the municipality to my department".

- Each year priorities in projects approved must be submitted

- Having been informed that a project had been included in the building programme, applications for loans for the land, survey costs and consultant fees, must be submitted.

Housing prices ⁽¹²³⁾ decline — survey ^{DD 14/1/86}

JOHANNESBURG — The average price of a medium-sized house has dropped by about four per cent since the second quarter of this year, according to the latest United quarterly housing review.

The downward trend accelerated during the third quarter, with the average sagging to about R69 200.

In real terms, house prices have declined by about 31 per cent from their peak, towards the end of 1983.

Larger houses were generally not as severely affected by decreases.

In some areas they picked up substantially over the previous quarter.

Prices in the Vaal Triangle were particularly hard hit, deteriorating by 18 per cent.

Although house prices are considered to be close to bottoming out, no sharp increases are expected during 1987, partly due to the effect of net emigration on the property market. — DDC

1. Overtime hours — The maximum hours overtime that may be worked per week is not stipulated.
2. Sick leave — No provision is made for paid sick leave.
3. Special Provisions — These are stipulated for artisans, as well as for drivers and conductors operating in New Brighton township.
 - i) For artisans, the lunch break is 60 minutes, while the Sunday work rate is double the normal rate
 - ii) For drivers and conductors working in New Brighton, the spreadover per shift from Mondays to Fridays is 13 hours, on Saturdays 12 hours and on Sundays 11 hours.

Footnotes

Parties Employer Organisation: PE Trammways Ltd
 Trade Union: Port Elizabeth Bus Workers' Union

Area Magisterial Districts of Port Elizabeth and Hankey*

ROAD PASSENGER TRANSPORT INDUSTRY, PORT ELIZABETH

Reintroduction of rent control pleases

By JIMMY MATYU

(123)
See last 14/11/71

INDIAN and Coloured leaders have welcomed the official re-introduction of rent control measures in their areas from today and see this as an end to the exploitation of backyard tenants by landlords of private dwellings.

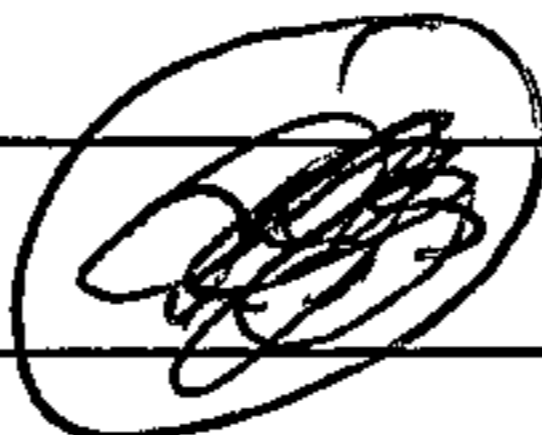
They also feel it will bring relief to thousands of people on long waiting lists who, forced to live in backyard dwellings, have had to pay astronomical rents since rent boards were abolished from January 1.

In the Durban Supreme Court recently, Dr L A P A Munnik, Minister

of Communication and Public Works, and Mr Arnie Venter, Minister of Local Government, Housing and Public Works, agreed to withdraw by today a Government Notice abolishing rent boards from January 1.

Mr Willie Dietrich, MP for Bethelsdorp, said today it was necessary that some form of rent control be exercised.

He knew of a case where a person occupying a backyard dwelling consisting of a bedroom and a kitchen was charged R350 a month — apart from water and electricity.



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18/11/86
BUS DAY

ABOUT 14 200ha of additional land would have to be provided to meet the housing needs of the black population. There is no detailed assessment on the critical shortage of land and housing available to the black population in a draft Guide Plan for the central Witwatersrand released by the Department of Constitutional Development and Planning. But it is recognised that a backlog exists and that land must be provided for future needs.

Town Planner Pauline Morris has made an assessment of the plan and proposals by the Guide Plan committee which, she says, will not improve the living conditions of blacks and it is likely that the social environment of the whole metropolitan region will deteriorate.

And unless sufficient, suitably located, adequately serviced and affordable land is made available many people already living in, or moving into, the region will have no option but to move on to vacant land.

The proposals are therefore central to the question of how unaccommodated black people will be included, or will continue to be marginalised, notwithstanding the total abolition of influx control.

On the basis of its population projections — and assuming population density of 97,5 persons per hectare (white density is given at 25 persons per hectare) — the committee estimates that about 14 200ha of additional land would have to be provided to meet the needs of the black population. According to Morris, the size of greater Soweto is some 6 400ha.

Morris's assessment highlights the fact that the amount of land allocated for black residential development takes little account

Black housing being sold short

SOPHIE TEMA

of the critical housing and land shortage in the region or of the extreme disparity that exists in the distribution of land available to the various groups.

At present the estimated black population in the region represents at least 58% of the total population. However, this group has legal access to only 10% of land available for residential purposes.

According to the committee's own estimates of the availability of residential stands and probable number of flat units for the white population, there is an existing surplus of 103 880 units.

The shortage of accommodation for black persons in the region is difficult to calculate. The figure for the entire PWV region is given as about 200 000 units. Other indicators of the extreme shortage are the high occupancy rates within existing houses and the fact that, in certain townships — such as Katlehong, near Germiston, and Alexandra, in eastern Johannesburg — there are more backyard shacks than houses.

In Soweto an informal settlement of more

than 2 000 families has developed over the past four months on vacant land in the township and has been described as "uncontrollable". The site was previously a golf course and is unsuitable for residential development, since large areas are subject to flooding during summer months.

Conditions are unhygienic, as the basic service infrastructure is inadequate and there's little evidence that the pressure on housing is leading to the "illegal" movement of black persons into "white" areas.

Public attention has also been focused on the Norweto township proposal — to the north-east of the guide plan area. Neither of these processes, nor the large number of people expected to move into central Witwatersrand, have been taken into consideration by the guide plan committee and the proposals to accommodate them are totally inadequate.

But, says Morris, the document warrants a more comprehensive and careful appraisal to assess its ability to cater for rapidly changing socio-economic and political processes, both within metropolitan regions and throughout SA.

100 000 homes for blacks next year

By Frank Jeans

Nearly 100 000 homes for blacks will be built throughout the country next year, cutting the backlog in this sector — estimated at more than 500 000 — by almost 18 percent.

This is revealed in a housing survey undertaken by SA Capital Projects Register of Johannesburg company Systems Publishers.

About 55 percent, or 53 130 homes, will be built in the Transvaal, 21 830 in the Cape, 16 170 in the Free State and about 5 880 in Natal.

The housing figures cover both private and public sector projects but exclude schemes in the homelands and neighbouring countries.

A spokesman for the register says: "More than 800 local auth-

orities and administration boards were contacted so as to compile a comprehensive register of residential projects.

"Some 724 responded to the questionnaire, although 134 respondents claimed to have no plans for development due to shortage of funds or land."

As the private sector's involvement in black housing gains momentum, one Reef company has lost no time in pushing ahead with a wide spread of developments nationally.

Indeed, Pretoria-based Habitech, part of construction group, Stocks and Stocks, has recorded a tally of 100 black homes sold in October alone.

While the company has a 50-50 participation of the white and black homes business, there is little doubt that it has built-in expertise in the company's

black division in the form of its managing director, Mr Alex Rabie, formerly a director of the West Rand Administration Board.

Habitech's main target is well away from the traditional concepts in the provision of black housing and more towards the community living.

"We try to approach the market with a bare piece of land and end up with a township to meet the requirements of the people," says Dr Wessel Smuts, managing director of Habitech.

This trend is seen in the group's 400-stand development at Atteridgeville in Pretoria — an upmarket black housing project where homes are selling from R25 000 and upwards.

Habitech, too, has structured this development so as to bring smaller contractors into the

process.

And there is no doubt that officialdom welcomes the advances the company is making in the black housing area for there has been no bureaucratic bogging down.

The Atteridgeville contract was signed in June and Habitech building teams were on site in September.

Dr Smuts emphasises, though, that it is not just the higher priced markets which is the Habitech concern but the lower income area as well.

"We have a construction facility which can do one-off homes as well as mass housing schemes in conjunction with Stocks Housing," he says.

"But we regard our mission in housing not to serve just the upmarket area but the whole spectrum of the people's needs.

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Self-help housing — The answer to Sri Lanka's and perhaps the 3rd World's housing crisis.

According to an International Labour Organisation report received in Johannesburg this week, an imaginative experiment to improve the housing of a million families in Sri Lanka may hold the seeds of the solution for the immense problem of the Third World's urban and rural housing shortage.

The "Million Houses Programme" of the island republic was launched only two years ago, but it has already had an impact on thousands of families, with comparatively little cost to the state. Most of the investment has come from private sources, with proportionate government funding acting as a catalyst.

A recent ILO study notes several features of the housing programme which should interest those involved in formulating and implementing housing policy. The Sri Lanka programme relies heavily on the "participation" of the people for its implementation, albeit with financial and technical support from the state. Implementation is carried out through a decentralised institutional structure which responds to grass roots' needs. The programme is also expected to generate employment and improve the income earning capacity of the communities it reaches.

In the rural housing sector, it caters to families with monthly incomes of between 300 and 1000 rupees. Loans ranging from 3000 to 16000 rupees are available to these families, depending on whether the money is required for building a new house, repairing or improving an existing one or for provision of services such as electricity, domestic water supply or construction of tube wells. The loans carry interest rates of between 3 and 10 percent and are to be repaid over a 15 year period.

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Overcrowding
A housing census carried out some years ago showed that for a population of just under 15 million, Sri Lanka had a total of less than 3 million shelters. The housing problem in Sri Lanka is, however, not simply one of shortage. It is further aggravated by congestion, overcrowding, inadequate or deteriorating construction and an acute shortage of basic amenities.

Labour
But the villagers who borrow have to supplement the loan amounts by contributing their own labour. Indeed, an

Active intervention to solve this congestion and to provide basic shelter for the homeless would involve massive investments which the

holds. In 1984, these village councils received on an average 46500 rupees to finance rural housing programmes. By mid-November of that year, over 39000 loans were actually disbursed. This figure may appear modest, but considering the difficulties of straightening out administrative red tape and procedures in the launching of a completely new scheme, it augurs well for the smooth operation of the programme in the years ahead.

Slums
In the urban sector, the programme lays special emphasis on assisting occupants of slums and shanties to upgrade their shelters and on improving the amenities in

ernment-owned state mortgage and investment bank, and commercial banks as well as the remittances of Sri Lankan workers employed abroad. A striking feature is the low level of state funding, with the state progressively withdrawing from direct construction programmes. The Government's financing strategy consists of a flexible programme of loans to house-builders and for improvement of existing shelters. The expectation is that this strategy will contribute to more effective mobilisation of household resources. Indeed, latest available statistics show that about 80 percent of the total investment on housing in Sri Lanka today comes from private (household) resources.

20/11/86

state can hardly afford. The authorities have sought to overcome this problem through a new housing strategy which places emphasis on mobilising "domestic resources".

The state does not want to be actively involved in the production of a million houses. Instead, the guidelines stipulate "minimal intervention, maximal support by the state: maximal involvement of the builder families." The philosophy of the programme and its ambitious goal is to reach a "million or more mainly poor families — at a lesser cost to the nation but more satisfaction to the actual builders". The programme will be spread over 10 years.

The programme covers rural as well as urban

essential criteria for entitlement of the loan is that the borrowing family should provide evidence of self-help such as collection or production of building materials.

The entire operation is decentralised to the village level with the *Gramodaya Mandalayas* or village development councils responsible for distribution and recovery of the loans. The scheme is not only aimed at providing shelter for the homeless, but also at improving existing semi-permanent structures into permanent ones, and at providing amenities such as clean drinking water, latrines and electricity.

There are some 4405 *Gramodaya Mandalayas* in Sri Lanka, each containing about 500 house-

neighbourhoods of Colombo and district towns. The programme also provides for improving the quality of shelter in derelict barracks where municipal or department labourers such as scavengers or casual workers are housed. The shelters in these run-down areas are owned by the local authority or Government agencies which are "unable" to keep them in good repair because of financial and property management problems.

By the end of September 1985, the urban programme had covered 4442 households in 49 of the 51 urban local authorities in the country.

The financing of the rural and urban housing programmes comes from a variety of sources — the state, the Gov-

Strategy

Overall, the Sri Lankan Government's strategy of shifting the emphasis on the role of housing institutions in planning and implementing housing projects to giving financial and technical support for self-help building initiatives appears to be producing results. In less than two years, the million houses programme has reached 1000 of Sri Lanka's 25000 villages and 49 out of the 51 urban local authorities. During the first nine months of 1985, over 35000 rural families who received loans ranging from a modest 3652 to 9000 rupees, pitched in with their own labour and other resources, to improve their existing homes or build new ones.

"The million houses programmes does not purport to provide a single, generally applicable solution to the housing problem" notes the ILO study. "It provides a framework: An overall orientation conducive to the exploring of all the dimensions to the housing problem and for developing a series of strategies to improve levels of access to housing for all groups in Sri Lanka.

"The scope for innovation appears to be considerable and future evaluations will have the opportunity and the responsibility to deal critically with many of the issues which have arisen and which will arise, particularly concerning the question of popular participation in the formulation as well as the implementation of housing programmes."

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[Handwritten signatures]

BUSINESS SNAK
20/11/85

Private developers welcome new deal for black housing projects

By Frank Jeans

The entire area of black housing is being opened up with the Black Communities Development Amendment Act which will cut through bureaucratic red tape and remove state shackles on private development.

Welcoming the Act, Mr James Crosswell, chairman of the Housing Committee of the South African Property Owners Association, says township developers no longer need to seek ministerial approval and private landowners can now ask for a portion of their land to be designated as a black development area as well as having the right to sell sites and housing units directly to blacks.

"It clears the way for a true free market system," says Mr Crosswell, "allowing private developers a greater flexibility to meet the needs of the consumer by directly securing suitable land which will suit a particular market."

However, Mr Crosswell, a civil engineering consultant to private township

developers such as Anglo American, believes there is still need for caution in getting projects underway.

By initiating proclamation of development land, developers should understand that if schemes are deemed to be undesirable by local authorities or adjoining landowners, they could well face long and drawn out costly legal wrangles.

"The recent Norweto skirmishes are a warning of the warfare which could explode," he says.

"Prospective developers must have adequate backing of the surrounding communities and have full motivation if their townships are to get off the drawing board and become reality."

Overall, though, the property industry is enthusiastic over this latest move which establishes black freehold without hindrance or qualification and certainly the private sector's pending large-scale entry into township development will depolitice the low-cost housing field.

Mr Crosswell also welcomes provision in the Act for dwellings to be

used as business premises.

"This point eliminates transport costs to places of employment as work can now be undertaken at home," he says.

"It simplifies, too, the entry of entrepreneurs into the market and obviates the need to rent 'officially-zoned business premises' as well as cutting through much red tape."

Supporting the advance to privatisation in housing, Mr Ian McPherson, general manager (property), of Johannesburg Consolidated Investments, believes low-cost home projects should not be located on expensive land.

"Market forces are such that land north of the city commands higher prices as it is scarcer there," he says.

"As it is a sheer supply and demand situation, we believe market forces should dictate who can afford to live where."

Mr McPherson has no doubt that the market place is "the great leveller of people" but at the same time stand prices must be market related and accordingly, let a town develop for those

who can afford to buy a home in an upmarket area.

"There is much cheaper and more suitable land south east of Johannesburg which already has the bulk of infrastructure needed for any new town," he says.

"Should the State wish to buy land for townships, it should be prudent to release it to the private sector developers who probably have better marketing skills and are willing to experiment with various forms of housing at a variety of price levels."

● In a pilot project, the Perm Building Society is developing 10 homes in Naledi Extension 2 in Soweto in the R20 000 to R30 000 price range, including land.

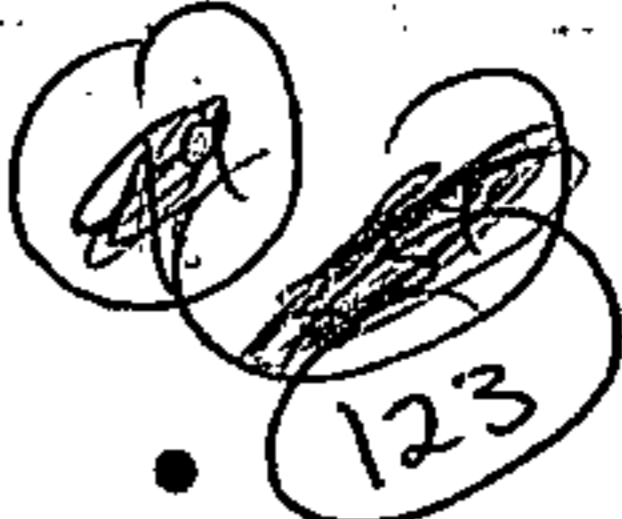
And it's a fast housing operation, with construction of the homes scheduled for completion by December 5.

From the following day to December 13, the homes will be on exhibition "to test the reaction of the community".

Two new building methods will be used on the project along with conventional structures.

Little progress seen since August

R400m housing scheme seems to be hitting snags



CHRIS CAIRNCROSS

LITTLE progress has been made in getting the R400m housing trust fund up and operating since the idea was first announced by Finance Minister Barend du Plessis in August.

The scheme was proposed by government as a private sector vehicle for promoting/financing self-build schemes.

It has apparently hit a number of snags, not least of which is in deciding whether the vehicle to handle the fund should be in the form of a trust or a company.

The lengthy delay is being viewed with some wry amusement by Department of Finance officials, who are so often the butt of private sector criticism for dragging their heels.

Four months ago Du Plessis announced the appointment of a steering

committee of three -- Fred du Plessis of Sanlam, Meyer Kahn of SA Breweries and Derek Cooper of Barlows -- to devise the fund's structure and functions in liaison with government.

He indicated that R400m would be made available to get the fund started. This amount would be supplemented by the issue of special housing bonds carrying a market-related interest rate, which would probably qualify as prescribed investments.

The chief purpose of the trust is to promote work-creation by enabling the unemployed not owning a house to build one under a self-build scheme.

The idea was that the trust would work in conjunction with relevant public sector bodies and existing organisations within the private sector.

At the time of his August announcement Du Plessis stressed the urgency of getting the scheme off the ground, and declared that the fund's trustees, to be nominated by President P W Botha, would be announcing details of their objectives and *modus operandi* as soon as possible.

This has yet to happen, and cannot be expected to happen for some time, according to Joe Taylor, head of the Economic Advisory Service in the Office of the State President.

Matters were still very much at the discussion stage, said Taylor, who is likely to be nominated MD of the housing trust.

Finality still has to be reached with government on the structures, functions and people who will become involved.

What has become clear so far is that the trust will not be set up to duplicate the funding services already provided by building societies and other institutions.

It is more likely to be a wholesaling operation, with the target market for revenue being the big financial institutions.

New top men for Finance

DOMINIQUE GILBERT

GERHARD CROESER, Deputy Director-General of Finance has been appointed CE policy of the department, Finance Minister Barend du Plessis confirmed yesterday.

Treasury Secretary Ronald Peter Wronsley is now CE taxation.

A statement from the Minister's office said that by virtue of these appointments Croeser resumes responsibility for the division of public finance, treasury and financial institutions, and Wronsley for inland revenue and customs and excise.

Dr Arnold Pretorius, Chief Director of Public Finance, succeeds Croeser as Deputy Director-General. Dr R Burton, at present Registrar of Financial Institutions, becomes Treasury Secretary.

The appointment of Dr Burton's successor is still being considered.

The man whose

JOB IT WAS TO WRECK HOMES

Saw 2/11/84
123



A CHILD crying in the squalor of the Overline squatter camp in Katlehong in the East Rand.

SOUTH Africa is sitting on a volcano that can erupt at any time — the volcano of homelessness. Thousands of desperate families will do anything for a roof, anything, over their heads. Sowetan writer SAM MABE has interviewed some of the people caught in this crisis.

FOR many homeless families who live in backyard shacks in Katlehong, Natalspuit, the name Snyman has become a synonym for destruction.

Mr G J Snyman was an official of the East Rand Administration Board (Erab) who earned himself a reputation a few years ago of being the most hated and probably the most feared man

in Katlehong. He led a team of board policemen and other officials who demolished thousands of shacks in the area, leaving many families destitute.

The housing crisis was so serious in Katlehong that in 1983 there were 35 000 shacks, 15 000 more than the number of conventional houses in the area.

The demolition of the shacks did not succeed in bringing an end to squatting. Many homeless families are still erecting shacks in the backyards of houses in

the township and a squatter camp called Overline is mushrooming on the outskirts of the township.

Mr Standard Mbotye, who stays in a worn-out tent in Overline, said he had lost count of the number of occasions he had his shack demolished by Snyman.

In many instances his shack was demolished while he was away at work, he said: "I would arrive home from work only to find my possessions lying in the open and some of them badly damaged. Then I would know that Snyman had been around."

Suffering

"I have lost many of my things which went missing during the demolition and there is no way that I could claim damages from anybody. I even sent my wife to the Transkei because I could not bear seeing her go through the suffering we went through in this place.

"It cost me money to buy material to build the shacks and it was all lost whenever our shacks were flattened by board officials."

"It was our money going down the drain. We did not know what else to do because we needed housing, but no housing was being provided by the authorities in this part of the world.

"If you had no house of your own, you were not wanted here. All that the authorities were prepared to do for us was to send us to the

bantustans.

"My wife and I once slept in the open veld for four nights. We had nothing over our heads.

"I felt like my manhood was being put to the test. There I was, confused, angry and embarrassed that I was helpless to protect my wife against the harassment we suffered at the hands of the authorities.

"I still wonder what would have happened had it rained on those nights," said Mr Mbotye.

The squatters were saved by officials of the Witwatersrand Council of Churches (WCC) who provided them with tents after reading about their plight in the newspapers.

After some negotiations between the WCC and Erab officials, the squatters were moved to an Erab training camp where they had water and toilet facilities.

But this did not bring an end to their miseries. They were raided from time to time by officials who threatened to repatriate them to their "homelands".

This was carried out with the brutality which provoked a national and international outcry from opponents of apartheid.

About 60 "black-jacks" arrived at the scene armed with batons and knobkerries. They

launched an indiscriminate attack on the squatters, who included women and children.

A number of churchmen and journalists who were there at the time, paid heavily for bearing witness to the ferocious and unprovoked barrage of blows which rained on the defenceless squatters. The attack turned on them as well.

Some journalists were seriously wounded and one of them, Mr Montshiwa Moroke, suffered two fractures in his arm.

Desperate

In 1983 13 000 shacks were demolished in Katlehong, resulting in about 68 000 people being temporarily left destitute. There were 9 000 people who were sent to the homelands the following year, also after their shacks were demolished.

Erab officials said that about 80 percent of the sewerage network in Katlehong was out of order because of overloading. Water supplies also ran short at times.

At the KTC squatter camp in Crossroads, near Cape Town, many people have also had their shacks repeatedly flattened with bulldozers.

There have also been numerous clashes between rival factions at the camp where many people have died and others injured.

Many people today may have forgotten some of these incidents, but the root cause of the problems — homelessness — remains. Shacks are demolished only to be erected again.

Many people do not build the shacks out to defy the authorities, but out of desperation because they need roofs over the heads.



Political comment in this issue by J Latakgomo and A Klaasté. Sub-editing, headlines and posters by S Matlhaku. All of 61 Commando Road, Industria West, Johannesburg.

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UBS drops bond rate to 15pc

Cape Times
22/11/81
123

By AUDREY
D'ANGELO

THE United Building Society last night cut its lending rate from 16 percent to 15 percent — and all bond rates are now likely to fall by one percent.

The lower rate will come into effect from Monday for new loans and from January 1 for existing loans.

This will give badly needed relief to hard-pressed homeowners and a fillip to the slow-moving housing market.

A further fall in bond rates has generally been expected since the last cut in the bank rate to 10 percent in September.

This resulted in a fall in the prime lending rate banks charge favoured customers to 13,5 percent.

Barclays has been charging 15 percent for home loans and Syfrets, which normally charges 0,5pc above prime rate, 14,5pc.

Since then, the gap between building society and bank lending rates has appeared too wide.

However, the building societies have pointed out that a fall in the lending rate means a fall in interest rates paid to depositors.

In the case of fixed deposits, the building societies were "locked



Mr Kingsley Loney

in" for months to a comparatively high rate of interest.

The Cape Regional manager of the Natal Building Society (NBS), Mr Kingsley Loney, said last night that he had received no official notification but anticipated that the NBS would fol-



Mr Hadden Steer

low suit in cutting its bond rate.

He said there was no doubt it would do so, since it would otherwise be uncompetitive in the mortgage market. Like all the others, his society had plenty of money to lend for housing.

Estate agent Mrs Ursu-

la Ehrentauf, the owner of Home News, welcomed the "very good" news and said she hoped it would create optimism in the pre-Christmas period.

"It is wonderful and is the best news we could have had before Christmas."

Ronald Morris reports that one of Cape Town's leading estate agents, Mr Hadden Steer, said it was "fantastic news and something the public's been waiting for for some time".

The dropping of the interest rate was an indication that the market was turning and he was sure it would be stimulated.

"A lot of people have been waiting on the sidelines trying to afford a house. The more people who can afford a house, the better and, the lower the interest rate, the more people will be able to afford a house."

He hoped that other building societies would follow suit, Mr Steer said.

The cut in the UBS mortgage rate has come at a time when the downward trend in short-term money rates has aroused speculation that another cut in the bank rate may be in the offing.

The average weekly treasury bill rate fell to 8,62pc at yesterday's tender from 8,78pc last week amid strong demand.

22/1/86
S.M.A.C.
(123)

'Let's get on with job of building homes'

By Winnie Graham

The debunking of the Government's Draft Guide Plan has been labelled an excuse for inactivity.

The accusation was made this week by Mr James Croswell, chairman of the South African Property Owners' housing committee, after the guide plan had been derided as "unscientific" at a seminar.

He suggested there were too many committees sitting around pontificating about how "horrendous" the plan was.

"They try to anticipate Government's every move, and then attack it, instead of trying to solve the housing problem by taking matters into their own hands," he said.

"We are using the debunking of the Draft Guide Plan as an excuse for inactivity. As there is an urgent need to house millions of low-income blacks, let us actively address the housing needs now, rather than sit back and academically discuss the demerits of the plan."

SELF-HELP

Mr Croswell suggested that private enterprise move actively into housing development, start building its own townships and test the degree to which bureaucracy would tolerate unofficial "unsanctioned" self-help.

He added: "If we wait for the Draft Guide Plan to be amended or approved, it might take another two years of inactivity by which time the socio-economic scenario of South Africa will have changed yet again and perplex the whole matter."

Developers should realise the Draft Guide Plan was meant to be nothing more than a "guide" so they should not be deterred in planning townships.

It was not enough, he said, to dish out conscience money — such as handing over millions of rands to the Family Housing Association — when the syndrome was one of inactivity. The same corporations, he said, would serve the housing needs better if they started building their own developments in anticipation of the removal of the Group Areas Act.

"The Draft Guide Plan should stop thinking in terms of population under-concentration or over-concentration as blacks (like all low-skill landless rural people) will converge on metropolitan areas where they perceive the best job opportunities to exist," he said.

"No type of intervention will prevent this typically Third World population flood into the cities, as witnessed in Mexico City and Cairo, a city built for two million and which now supports 13 million, including the squatters in graveyards."

CMC Times 22/11/86

SA needs to build '600 houses a day'

By BARRY STREEK
Political Staff

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THE housing shortage in South Africa has assumed gigantic proportions and could escalate to a shortfall of four million homes by the year 2000 if the present rate of building is maintained.

This was said by a University of the Witwatersrand social scientist, Mr Matthew Kentridge, in a paper published this week by the University of Cape Town's Southern African Labour and Development Research Unit.

He is studying for a master's degree at Cambridge University.

"In every urban or semi-urban area in South Africa there is a shortage of housing for the lowest-income groups," Mr Kentridge said.

Although there were differing estimates of the shortage, "all statistical sources are in agreement that the shortage is enormous.

"The housing shortage in South Africa has assumed gigantic proportions and is growing annually."

Mr Kentridge reached these conclusions after summarizing the papers on housing delivered at a conference organized by the Second Carnegie Inquiry into Poverty and Development in 1984.

"Taking the backlog to the year 2000 as four million, approximately 600 units would have to be built each working day for the next 20 years."

Mr Kentridge also said the quality of township housing was serious.

Home loan interest rate is chopped

JOHANNESBURG—The cost of home loans has been chopped. The United Building Society (UBS), largest building society in the country, has taken the lead by dropping its interest rate from 16% to 15% from Monday, and from January 1 next year for existing loans.

At the same time, the United has announced changes, from November 26, in its deposit rates, down by half a percentage point for periods up to 60 months for fixed deposits, reports Sapa.

Our Financial Editor writes that the move has apparently caught other building societies on the hop, but they are expected to move fast to drop rates.

Signals

The UBS now leads the market. But the tough medicine will be the drop in many savings rates, with pensioners and the elderly, who rely on fixed deposits and other long-term deposits, seeing their incomes slashed.

The money and stock markets have been giving signals that a drop in interest rates is due, but the Reserve Bank has been unwilling to bring rates down.

Most observers see this 1% drop as being the bottom of the dip, with interest rates starting to move up again in mid-1987.

Special savings rates have also been shaved, starting with amounts of

not less than R10 000, above which the cut is again half a percentage point — for instance from 8,5% to 8,0% for amounts from R10 000 to R14 999 and 9,75% to 9,25% for amounts between R20 000 and R50 000.

The changes follow 'strong downward pressures in the money market,' says the United.

The realigned rates bring the UBS into line with the interest rates of the major banks, with the exception of longer-term fixed deposit rates, which remain marginally higher. Mr John Bennett, managing director of the Natal Building Society, said: 'This was expected. There is little doubt we will follow suit as far as the mortgage rate is concerned.'

He added that 'the tragedy of reducing mortgage rates' was that investment rates also had to be cut.

'There must be a lot of people suffering already as a result of the rate reductions in past months.'

Mr John Russell, managing director of the Provincial Building Society, sounded the same warning about reduced returns on investments.

He said: 'We've been aware that we all have a surplus of funds and that the rates are softening.'

'But my society was reluctant to lead on this. Any reduced bond rate means a reduced investment rate.'

No home for the masses

COPY PIES
123
23/1/86

CP Correspondent

EVERY day for the next 20 years, 600 homes will have to be built – just to catch up with the massive housing backlog.

And at the present building rate – less than 20 units per day – a solution to SA's chronic housing shortage seems nowhere in sight.

"Clearly no dent can be made in the housing shortage if the present building rate is maintained," Cambridge University student Matthew Kentridge writes in the second Carnegie Inquiry into Poverty and Development in SA's latest report.

He slams the government for its recent shift in housing policy "towards minimal government regulation and free market practice".

The responsibility for providing housing is increasingly being handed over to the private sector, Kentridge writes.

Only families earning less than R150 a month are eligible for a government subsidy in terms of current housing policy.

"Beyond that point the government aims to bring rents into line with market rates – which will mean a major increase in rentals for all black income groups."

● Rents can be expected to increase by as much as 300% in some areas, he says.

He claims that the State – in shifting the responsibility of housing provision to the private sector – has actually worsened the housing crisis. "Policy does not cater for the very poor – the group most in need of immediate housing relief."

Research in the Western Cape has found that private sector involvement in

housing development has been of little benefit to the very poor. It showed that private developers could not build houses for under R30 000. Buyers would need an income of at least R1 472 (or R1 360 for subsidised first time buyers).

"The evidence is conclusive. Despite endless invocations of the private sector solution to the SA housing shortage, the goods are not being delivered and will not be until the market grows.

"This in turn will not happen until wages rise significantly. Again, this will not happen for some time to come," Kentridge writes.

"In fact, despite the failures of past policy, many commentators observe that the old practice of State provision of all black housing stock was far more successful than the present policy."

But Kentridge warns that a return to extensive government intervention in providing housing under the present dispensation would not be a solution.

"State involvement is inextricably linked to state control – which in turn is a prerequisite for maintaining apartheid in SA. Greater State financial involvement in housing may increase the units built per annum, but will not alter that fact."

Kentridge urges future planners to consider squatting as a viable strategy in the struggle to provide houses for all.

He writes: "The quality of life in squatter settlements is often much higher than in State townships – even if the quality of the dwellings is much lower."

Gigantic housing shortage

123

~~Section~~

Scientist: situation critical

CAPE TOWN — The housing shortage in South Africa had assumed gigantic proportions and could escalate to a shortfall of four million homes by the year 2000 if the present rate of building was maintained, a University of the Witwatersrand social scientist, Mr Matthew Kentridge, has concluded.

"In every urban or semi-urban area in South Africa there is a shortage of housing for the lowest income groups," Mr Kentridge said in a paper published this week by the University of Cape Town's Southern Africa Labour and Development Research Unit (Saldru).

Although there were differing estimates of the housing shortage, "all statistical sources are in agreement that

the shortage is enormous.

"The housing shortage in South Africa has assumed gigantic proportions and is growing annually."

Mr Kentridge, who is at present studying for a masters degree at Cambridge University, reached these conclusions after summarising the papers on housing delivered at the conference, organised by the Second Carnegie Inquiry into Poverty and Development in South Africa in 1984.

The Venter Commission had estimated that 3,5 million housing units were needed between 1980 and 2000 while the Urban Foundation had said four million units were needed.

"Taking the backlog to the year 2000 as four million, approximately

600 units would have to be built each working day for the next 20 years.

"At present the building rate is below 20 units per working day.

"Clearly, no dent can be made in the housing shortage if the present rate of building is maintained," he said.

Mr Kentridge also said the qualitative state of black townships was serious.

"Many black houses are in a serious state of disrepair, and a gigantic programme of renovation is needed to make these houses decent habitations.

"The present official housing situation is critical: it is physically insufficient and decrepit, environmentally sterile, ideologically tenuous, politically sinister and economically inadequate," Mr Kentridge said.

BRUNDA 11/18/86

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SAS housing shortfall is even more gigantic than most official estimates and destined to deteriorate even further, as government rapidly abrogates all responsibility for dealing with the problem and attempts to shift the task on to the shoulders of the private sector.

That is one of the more disturbing conclusions to emerge from follow-up studies of the findings of the Carnegie Inquiry into poverty and development in Southern Africa — initiated about two years ago — which highlighted as never before the enormous extent of poverty in the region.

In a report just published by UCT researcher Matthew Kentridge, SA's projected housing backlog to the year 2000 is put at four-million units. This means about 600 units will have to be built each working day for the next 14 years to make up shortfalls of this magnitude.

But even with government's recently-announced capital expenditure programme — and growing private-sector involvement — the current building rate remains at well below 20 units a day.

Aside from this quantitative problem, the Carnegie researchers note that scant attention is being paid to the serious qualitative state of black townships in SA. Many urban black houses are in a serious state of disrepair, and a gigantic programme of renovation is needed to make these

Study: SA house shortfall far exceeds govt estimates

CHRIS CAIRNCROSS

houses decent habitations.

In addition, the belief that urban blacks were temporary sojourners in the white areas of SA has meant that black townships are designed as dormitory suburbs. Consequently, there is a lack of facilities and infrastructure, making these environments sterile, over-crowded and socially stunting.

It is concluded that any well-founded national housing policy must seek to address both the quantitative and qualitative aspects of the problem — a factor which is in no way being addressed at present.

But what is even more striking about government policy, the report states, is — given the size of the problem — the extent to which the State is disengaging itself.

In the past, government assumed responsibility for providing low income housing. This policy has now

been reversed, and is increasingly focused on privatisation via three pillars — formal self-help schemes, private-sector housing development and the sale of State-owned rental stock.

All three are patently failing to resolve the housing crisis, the report says. The response to government's great house sale has so far been poor, with less than 10% of the 1 500 000 saleable stock taken up. New rental policy, which aims at applying market-related rates, places most dwelling units beyond the reach of the population group that most needs assistance.

The entire process of private housing development has proved to be complicated and expensive. The number of houses built by the private sector in black areas, although vastly greater than in the past, is limited by the extremely small market for housing in these areas at the prices demanded.

The range of housing might be greater than in the past, but the num-

ber of units provided is actually less. Self-help schemes promoted so far by government are also heavily criticised as failed solutions in the way they have been applied.

The researchers note that many self-help schemes have their roots in forced removals, a process whereby people are relocated in sterile, undeveloped environments and simply forced to survive.

They say: "Moreover, self-help in SA is under strict government control, eliminating many of the positive features of spontaneity and innovation which should characterise most self-help schemes."

It was suggested that government's schemes merely represented a shift in the coercion, in which black urban residents had no choice but to rent government housing stock, to that in which they have no choice but to participate in self-help schemes.

The new policy penalises the poorest strata of society as the quantity of

sub-economic housing falls relative to population growth. It is concluded that a completely new approach will have to be adopted as the existing system is totally unworkable. Policy does not cater for the very-poor, the group most in need of immediate housing relief.

The report declares that state housing ideology cannot succeed for the following reasons:

□ The continued existence of apartheid, despite protestations to the contrary, forms the basis of escalating urban struggles, which the new ideology is designed to contain. The report says: "As long as removals continue, the bantustan system is maintained and the Group Areas Act remains on the statute books, resistance will increase."

□ The conscious, non-provision of housing by government, coupled to the inadequate self-help and private sector schemes, ensures that the housing shortage will grow.

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123

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Study: SA house shortfall far exceeds govt estimates

CHRIS CAIRNCROSS

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Best time for 4 years to buy a house

By DEREK TOMMEY,
Financial Editor

THE reductions announced in mortgage rates in the past few days have made this a better time to buy a house than any other period in the past four years, say the money and property men.

The cost of a mortgage bond is at its lowest level since 1982, they point out. And with house prices some 20 percent to 30 percent below their recent peaks, property is beginning to be good value again, especially when the drop in the purchasing power of money and the cost of building a new house is taken into account.

The surprise decision by the United Building Society at the weekend to reduce its mortgage bond rate from 16 percent to 15 percent (which is likely to be followed by all the building societies in the next few days or so) has brought its rates into line with those charged by Barclays, though it is still half a percent above that of Syfrets Bank.

The reduction has had the effect of cutting the monthly repayment on a 20-year building society mortgage from R13,91 to R13,17 for every R1000 bor-

rowed, a UBS officials said today. This means that the monthly cost of a R60 000 bond has been cut from R834,60 to R790,20 a month.

This a huge improvement on the position early last year. Then the mortgage rate was 21,50 percent and the monthly repayment on a bond was R18,17 for every R1 000 borrowed. The result was that anyone with a R60 000 bond had to pay R1 090,20 a month to his building society.

The fall in interest rates since then, therefore, has cut the monthly cost of a R60 000 bond by R300. People with smaller bonds have benefited proportionately.

An important aspect of the decline in interest rates is that it enables an increasing number of people to qualify for larger bonds. Building societies normally insist that a borrower's income must be four times his bond repayments. So 18 months ago a house-buyer had to earn more than R4 000 a month to qualify for a R60 000 bond. Today a borrower with an income of R3 200 a month is eligible for a R60 000 bond.

The drop in interest rates will

also make it easier for the first time buyer.

People in this category receive a subsidy equal to a third of their repayments for the first five years of the bond. But the buyer must receive no other subsidy and must buy a newly built property.

The maximum bond a buyer is entitled to under this scheme is R40 000. At a mortgage rate of 15 percent this will cost him R526,80 a month, or R351,38 after taking into account the subsidy.

Rising building costs, however, are limiting what is available for R40 000. Therefore the building industry has asked the Government to raise the limit, and a figure of R55 000 has been mentioned, said Mr Sam Seeff, a director of Seeff Properties.

He confirmed that house prices were now between 20 percent and 30 percent below their 1984 peaks. But added that sellers were starting to resist further declines.

House sales had picked up and were buoyant, he continued.

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11/6/86
25/11/86

2 more societies cut bond rate

123
2/25/11/86
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JOHANNESBURG —
Saambou and the Natal
Building Society have
followed the UBS and
SA Perm in reducing
their bond rates by one
percentage point to 15
per cent.

Existing bonds hold-
ers with Natal Building
Society — in line with
UBS bondholders — will
only benefit from the
new rate from the begin-
ning of next year.

The lower rate will
apply immediately to all
new loans.

Saambou will also re-
duce its rate on existing
loans but no date has
been given. — DDC

Sharp rise in black home loans

By Sven Lünsche

Although building society lending to blacks is increasing rapidly there was still a conservatively estimated shortage of 300 000 housing units, says Perm's MD Bob Tucker.

Speaking at a media conference yesterday, he said that blacks were determined to stay in the urban areas, as home ownership was one of the means to ensure permanent citizenship.

"Over the six months to the end of September, 1986, 23 percent of total money lent went to non-whites, compared to 13 percent in the corresponding period last year," Mr Tucker said.

Deputy MD Brian Kemney added: "The Perm has granted more money to blacks than any other building society.

On the savings front, Mr Kemney said that the net growth over the six months to September for the building society movement as a whole was R362 million, of which the Perm accounted for over 44 percent.

Flats: Top ¹²³ hedge against inflation ^{CMT Texts} _{26/11/86}

JOHANNESBURG. — Residential flats have beaten many other forms of property hands down in the past decade as a hedge against inflation.

This was shown from the results of a survey by P G du Plessis and S A Lategan, of the Stellenbosch University Business School, in an address to to the National Productivity Institute in Potchefstroom yesterday.

In a paper they noted: "Residential flats (for letting purposes), which had been neglected to a large extent by institutions in the past, provided the best hedge against inflation.

"To some extent this may be due to the fact that sectional titles became very popular during the eighties and that supply of residential accommodation in the letting market lagged behind demand."

By contrast, they said: "Multi-tenant properties do not provide a hedge against inflation during recessionary periods when cost push inflation is dominant."

Of shopping centres, they said these "have a natural tendency to respond to increases in inflation, having the benefit of turnover clauses in leases".

They concluded that large property portfolios do provide a long run hedge against inflation to the institutional investor. Also, that certain types of properties do provide a better hedge against inflation than other types.

Signs of hots'

ARGUS 27/11/86

HOUSING

123

Home loans to blacks increase by 10pc — Perm

By SVEN LUNSCHÉ

JOHANNESBURG. — Although building society lending to blacks is increasing rapidly there was still a conservatively estimated shortage of 300 000 housing units, says Perm's managing director, Mr Bob Tucker.

Speaking at a media conference this week, he said blacks were determined to stay in the urban areas as home ownership was one of the means to ensure permanent citizenship.

"Over the six months to the end of September, 1986, 23 percent of total money lent went to blacks, compared to 13 percent in the corresponding period last year," Mr Tucker said.

Deputy managing director Mr Brian Kemney added: "The Perm has granted more money to blacks than any other building society, and loans of R150-million over the six months represents a marked improvement on last year's figures.

"ENCOURAGE OWNERSHIP"

"The average amount of a loan to blacks is R30 000, compared to R41 000 for the total market, but we are achieving enormous success with the granting of loans to borrowers in instances where the combined income of all adults in the household is as little as R380 a month," Mr Kemney said.

These loans were used to fund self-help houses in the R7 000 to R10 000 price bracket and aimed "to encourage homeownership among people in the lower income groups".

On the savings front, Mr Kemney said that the net growth over the six months to September for the building society movement as a whole was R362-million, of which the Perm accounted for over 44 percent.

APPOINTMENTS

ARGUS 27/11/86

PROPERTY

'Flats inflation hedge'

Property Editor

LETTING flats has beaten many other forms of property hands down as a hedge against inflation, claim two researchers.

Dr P G du Plessis and Dr S A Lategan, of the Stellenbosch University Business School, say a survey showed residential flats (for letting purposes), which had been neglected to a large extent by institutions in the past, provided the best hedge against inflation.

"To some extent this may be due to the fact that sectional titles became very popular during the eighties and that supply of residential accommodation in the letting market lagged behind demand," they report.

"REDUCE SUPPLY"

"Also, existing residential blocks of flats previously available for letting were converted into sectional title units, thereby further reducing supply."

By contrast, "multi-tenant properties do not provide a hedge against inflation during recessionary periods when cost-push inflation is dominant".

"They do, however, provide a supernormal return during periods of demand-pull inflation, compensating the property investor to such an extent that an overall hedge against inflation is achieved in the long run."

Shopping centres, they said, had a natural tendency to respond to increases in inflation, having the benefit of turnover clauses in leases.

"The performance of business centres lagged behind the inflation rate during the seventies, but the boom during the earlier part of the eighties showed that once the historic leases had expired, supernormal profits could be experienced from this investment avenue during demand pull inflationary periods."

Super centres also per-

formed during the demand pull inflationary period of the eighties.

Leasebacks helped stabilise a property portfolio during recessionary times. On the other hand they did not provide the lucrative returns that may be expected from multi-tenant properties during demand pull inflation.

But they provided a hedge against inflation in the long run.

Suggesting strategies for investors, Drs Lategan and Du Plessis said the degree of hedging that investors may expect from their property portfolios will in the short term be dictated by prevailing inflationary conditions.

"Cost-push inflation dominates the present economic environment and there seems to be little sign of abatement in the foreseeable future. It may therefore be expected that input cost will continue to rise without commensurate increases in rentals, exercising a negative effect on portfolio yields."

The next round of demand inflation, however, would result in a repetition of the property boom of the early eighties and it was hoped, will compensate the investor for his earlier sacrifices.

Although only certain types of properties significantly outperformed the inflation rate, in no case could it be said that any portfolio performed worse than the inflation rate and every portfolio provided a hedge against inflation in the long run.

"A structural change may occur in the residential market if the Group Areas Act is scrapped and also in the retail market where investors will be forced to place greater emphasis on the black consumer.

"Multi-tenant properties provide exciting returns during periods of demand inflation, but leasebacks have a stabilising effect on portfolio yields during recessionary times."

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BUSINESS
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Housing funds announcement in the wings

Economics Reporter

SANLAM chairman Fred du Plessis will make an announcement today on government plans to allow housing funds to be classified as prescribed assets.

Du Plessis is head of a three-man committee which has been considering the proposal.

Government has already agreed to the idea and the committee was set up to finalise the details.

Government will have to subsidise the end-borrower because the funds are intended for low-cost housing and, in line with other prescribed assets, there is a need to offer a return on them.

It is believed that an initial amount of about R400m will be made available for housing projects.

more than 1000 by way of Wright's issue that it knows of such moves. excuse for declaring war on the HINI: smp, if this w

123 BUS DAY 28/11/76

SAAU to see govt on housing scheme

THE SA Agricultural Union (SAAU) is to make representation to government to improve the housing scheme for farm workers.

MICK COLLINS

been set aside. "The union believes that good worker housing is a prerequisite for sound community development," said a spokesman. "Farmers with inadequate housing facilities for their labourers are urged to apply as soon as possible so that they can participate in the scheme," he added.

The move comes after successful SAAU negotiations with the Department of Agriculture which secured funds for the scheme for the current financial year.

The union has appealed to farmers to use the scheme to enable the utilisation of funds that have

Outlining the scheme, he said

that, subject to certain conditions, all owners of land on which farming activities were practised could apply for a loan — at a 3% interest rate — to erect workers' homes.

"Two loans are available. One of R4 000 for a three-roomed house and one of R5 000 for a four-roomed house. Loans for extensions come to half these amounts.

"Further loans of R300 each are available for water and elec-

tricity supplies per living unit."

He said terms of repayment must not exceed 20 years and loans must be secured through a mortgage on the applicant's fixed property.

"Under the scheme, an applicant is authorised to erect or upgrade a maximum of 10 houses."

Application forms are available at the nearest magistrate's office or from the Department of Agriculture, Private Bag X118, Pretoria, 0001.

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R1,2 billion housing project launched

STAR 29/11/86 (123)



Sanlam chairman Dr Fred du Plessis announcing the R1,2 billion housing scheme.

By Winnie Graham

South Africa's top companies last night launched a non-profit company which plans to raise R1,2 billion for the construction of houses in the next two to three years.

The Government will pour R400 million into the new company and R800 million will have to be raised from the private sector with a special share offer. The company, "The South African Housing Trust", will try to raise a billion rand via the Johannesburg Stock Exchange.

The establishment of the trust was announced by Sanlam chairman Dr Fred du Plessis who said emphasis would be both on the creation of job opportunities and on the provision of homes.

Building of the first houses starts in January when materials will be delivered to sites. The first three or four projects will be pilot schemes so that problems can be resolved before going "full steam ahead".

Dr du Plessis said blacks would be the main beneficiaries of the trust and most of the self-built houses would be "core" homes costing between R10 000 and R15 000. Interest would be lower than market rate.

"We are talking of helping people whom

building societies cannot help because they have no security," he said.

He was aware of the shortage of suitable land but emphasised that the trust would find and buy ground if necessary. The Government had already agreed to cut red tape to hasten township development.

The trust will be controlled by a board of directors, initially Dr du Plessis (chairman), Mr Joe Taylor (managing director), Mr Derek Cooper, Mr Boet Viljoen and Mr Meyer Kahn representing the financiers. Community leaders will be asked to join the board.

The capital base of the new company will be 10 000 ordinary shares of R1 each. The State will subscribe for 1 000 shares and make R400 million available. The private sector and individuals will be invited to subscribe.

Dr du Plessis said: "The private sector is taking full responsibility for the trust. Apart from the interest-free loan, the State will not be involved in the management of the new company in any way. The trust will be not profit-making. We will plough back anything we may make."

The new company will not establish an infrastructure to handle applications for houses. MD Mr Taylor would be responsible for a "tight and lean" management structure.

Cape Times 29/11/86 123

Govt, private sector in self-help housing project

JOHANNESBURG. — The South African Government and private companies have formed a partnership that will raise over one billion rand in South Africa's largest housing venture.

The capital base of the company, the South African Housing Trust Ltd, will be structured by the issue of 10 000 ordinary shares at R1 each.

The government will subscribe for 1 000 shares and make R400 million available.

The company will issue loan stock with an objective to raise about R800 million.

The loan stock will be listed on the Johannesburg Stock Exchange and the stock issue will facilitate access to private-sector funds.

The trust aims to stimulate the economy through job creation and skills development by providing "mass self-help housing". — Reuter

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(123) SUNDAY TIMES 30/11/86

HOUSES, SWEET HOUSES

THE largest-ever partnership between the State and the private sector — which will raise more than a billion rands in the short term — is poised to make a dramatic dent in South Africa's housing shortage.

The South African Housing Trust Limited, under the chairmanship of Dr Fred du Plessis and a high-powered board of directors, will begin pilot schemes in January for a massive self-help building programme.

Thousands of low-income earners and jobless people across the racial spectrum are set to benefit — and basic core-houses could be built for as little as R10 000 to R15 000.

Blacks in particular — hard hit by unemployment and the recession — are expected to be among the immediate beneficiaries.

Shares

Announcing the launch of the Trust, Dr du Plessis said yesterday: "The time has come for us in this country to stop burning and to start building, because by burning we won't have a future."

The Government is injecting R400-million into the scheme. The capital base of the company will be structured by the issue of 10 000 ordinary shares of R1 each — the State will subscribe for 1 000 shares.

Companies and individuals in the private sector will be invited to subscribe for the balance at par. The Articles of Association of the company will limit single shareholders to no more than 10 percent of the capital of the company.

Dr Fred heads billion-plus bid to make cheap housing available for the low-paid

SUNDAY TIMES SPECIAL REPORT by DAVID JACKSON

company. These will be of prescribed status and are to be guaranteed by the State in terms of their interest and capital repayments. They will be market-related and will be listed on the Johannesburg Stock Exchange.

The objective is to issue loan stock of about R800-million. It is envisaged that a billion rands will be raised during the next two to three years.

Other members of the board are Mr Joe Taylor (managing director), Mr Derek Cooper, Mr Boet Viljoen and Mr Meyer Kahn. The articles of association allow for 25 directors — and it is expected that representatives from other communities will join the board later.

Start

Dr du Plessis said: "The whole idea is to get as many people as possible to build for themselves. The idea is not to get a number of large contractors building houses all over the country. We would very much like individuals to become involved in building for themselves."

This will be done through community leaders, who will help select the potential land sites for pro-

suitable applicants for homes. In the case of whites, the initial application would probably be done through local authorities.

Dr du Plessis added: "We are going to start off by allowing people who took the training course with the Department of Manpower and the building sector (about 74 000) and who have some experience of building.

Controlled

"We expect that quite a number of people in this category are not employed at present. We will provide bridging finance so that they can start repaying for the materials supplied as soon as they get jobs.

"We are going to distribute building materials on a controlled basis on stands allotted to them, and they can decide what kind of house they want to build. We will give them a choice of various models. These houses would be initially core-houses which could be added on to and developed.

"We want to get the local communities involved from the word go." Dr du Plessis said the emphasis will fall on areas where there are "problems" — such as



FRED DU PLESSIS

industrialised areas, but this did not preclude other growth points. The first priority in the initial stages will be on direct employment.

"With R1 200-million we can really make a dent... it's no use talking about political reform and to create expectations and then, when political reform one day is finished, to find out that expectations were not satisfied in the process.

"It's important that we start doing something tangible that could have an effect on the lives of many thousands of people even before we reach our goal in terms of political reform."

Red tape

Quality control will be monitored by the Housing Trust in collaboration with organisations such as building societies to ensure that houses conform to building standards.

Said Dr du Plessis: "We are talking about the kind of people whom building societies in the present circumstances can't help because they haven't got the security at this stage to satisfy the ordinary building society criteria." The State's primary involve-

ment is with the funding. But the Trust has an agreement with Government to cut red tape in terms of the proclamation of townships. Said Dr du Plessis: "We'll have a very quick process by which we can convert farmland to land for building on. We are not going to go through the normal three-or-four-year process of getting a township proclaimed.

Niche

"Between those extremes we believe there is a niche in the market that is not being catered for at the moment."

A *modus operandi* would be employed to move housing forward by a "quantum leap".

● The board of the Trust has emphasised the imperative need to use existing agencies to the fullest extent.

● The Trust will, as a priority, identify — with the assistance of suitable agencies — projects in areas where unemployment is at a high level.

● Previously employed and now unemployed breadwinners, who are homeless, will be identified — and land will be earmarked and made available in consultation with the local communities.

The supply of land and materials to identified homeowners will be made against a loan agreement to enable self-help building to begin. In the event of the homeowner being unemployed, a proviso will be made that payments will start as soon as he is once again employed.

Govt's R4-m for houses

THE Government will make available R400-million to the South African Housing Trust Limited to help it stimulate the country's economy in the short term through job creation and skills development by the provision of self-help housing.

Sarrafan

123

1/2/86 Sarrafan

The project will follow a broad based approach to ensure success by the substantial involvement of both urban and rural communities, according to managing director Mr H J Taylor.

The Trust will, as a priority, identify, with the assistance of suitable agencies, projects in areas where unemployment is at a high level.

Previously employed and now unemployed breadwinners who are homeless will be identified and the supply of land and materials to them will be made against a loan agreement to enable self-help building to commence.

In the event of the homeowner being unemployed, said Mr Taylor, a proviso will be made that payments commence as soon as he is once again employed. This arrangement could be in the form of a stop order on his future employer.

In announcing the establishment of the Trust on Friday, the chairman, Dr Fred du Plessis, called the venture the largest ever into housing and heralding the largest partnership ever entered between the State and the private sector.

SUN MGS 21/12/86

Guide to black housing

By David Soutkey

EMPLOYERS and their black workers will soon have access to a step-by-step guide to assist them in cutting through red tape involved in acquiring a house.

Pent Up (Private Enterprise Upgrade Project) — a Durban-based group of private businessmen involved in black housing schemes — is to produce a manual detailing the procedures to be followed for black workers wishing to secure a house. The group has established a company which will undertake the co-ordination of research, writing, editing, design, printing, distribution and promotion of the manual.

Businesses will be canvassed to contribute advertising material to the loose-leaf manual in the hope that the publication will be funded from this source.

The manual will cover such aspects as:

- How to secure land, the different systems of tenure and the practical differences in the development trust areas compared with so-called black areas in white South Africa.
- Understanding of conditions under which townships can be developed by private developers, including the various costs of the three different systems of land tenure (deed of grant, 99-year leasehold and deed of transfer). It will also cover the definition of what it takes to be declared a "competent person" — one who is granted permission to develop homes and townships in black areas.
- Procedures to be followed by a township promoter, with a summary of the legislation applying to both development trust and SA areas — a procedure involving more than 20

steps.

- Subsidy schemes for first-time house-owners, what they mean, how to take advantage of them and what benefits accrue.
- Information on who is available to build and the variety of self-help facilities and systems in force.
- How to obtain finance, including a practical list of the many schemes available and whom to get in touch with.

BLACK HOUSING

Accommodating the masses

While the formation of a R1,2 billion SA Housing Trust (SAHT) has been widely welcomed as a major move against the country's 538 000-unit black housing backlog, the private sector has deep reservations about the practical implementation of the massive scheme.

The trust has been launched with a R400m interest-free State grant and will be funded with another R800m in private sector loan stock, to be issued as prescribed assets. It has been billed as "the largest ever venture into housing and the largest partnership ever entered into between the State and the private sector."

The project will also boost business for basic building product suppliers. But serious concern is surfacing about the viability of the project in its announced form and the sentiments expressed by SAHT chairman Fred du Plessis.

Critics, however, are quick to point out that they favour the joint private and public sector funding initiative, and that too little detail is available for balanced criticism.

Du Plessis says the SAHT will finance individual, unemployed borrowers on a self-help basis. Community leaders must identify candidates who would qualify for funding in the R10 000-R15 000 price range, and building societies and builders will not be involved, at least in the early stages.



Black housing ... all set for growth

Family Housing Association (FHA) GM Matthew Nel says the operational feasibility of the scheme is vitally important to its success. Any self-help project must be approached on a "concentrated" basis to ensure proper management control with high quality back-up services.

"We can easily help manage self-help projects of 1 000-5 000 erven. A major concern must be affordability, but this could be enhanced by subsidised repayments, an incremental building system and by reducing building standards," he tells the FM.

Another major issue is the provision of essential infrastructural services.

"On a low-cost, self-help basis, 50% or more of total costs could go on the provision of basic infrastructure like access roads, water, sewerage and electricity alone," says

Kees Lagaay, executive director of the SA Federation of Civil Engineering Contractors. "But nothing has been disclosed about how SAHT will go about financing such massive civil engineering projects or about the basic standards that would apply."

Lagaay says although all the implications of the project have probably not been thought through, it will take time to show how it develops in practice.

Du Plessis says the project has national importance and that R1,2 billion is a small price to pay for creating jobs and, at the same time, also partly meeting the housing backlog. He underlines the fact that new home owners will feel the benefit of early capital appreciation. The SAHT focus will be on assisting some of the 70 000-odd individuals who have recently completed private and public sector-sponsored building courses and may be unemployed.

But scepticism remains.

"It will take months to devise the organisational structures of the proposed scheme," says Murray & Roberts executive director André van der Colff. "I do not expect anything substantial to happen before mid-1987. One must ensure that funds are properly utilised and building efficiency is vital. It might have been better to allow private sector expertise to handle the whole operation."

Before the first brick is laid, land will have to be bought — and a project this size will clearly need a lot of land.

"We are glad funds are being provided, but the availability of land is still the prime consideration," says Urban Foundation housing manager Gill Strelitz. "In the central Witwatersrand area alone, we need about 30 000 ha to meet existing demand. A large proportion of the funds would have to be used to buy land and provide bulk infrastructure."

Strelitz says experienced agencies could help the SAHT to manage its project properly. The foundation's building utility company is one such agency with a proven record in self-help housing projects.

The FHA currently has three similar pro-

SWEETENING THE PILL

Local South African drug companies — particularly the big three, Noristan Group, SA Druggists and Adcock-Ingram — stand to benefit handsomely from multinational disinvestment.

The international companies, and US subsidiaries in particular, are under severe pressure to pull out. But most of their brands on the local market will almost certainly continue to be made here under licence.

The rush began last October when US giant Baxter-Travenol sold 40% of its share in Sabax-Keargrams to Adcock-Ingram for R22m. At that price it was considered a steal.

If multinationals follow Kodak and withdraw all their products from SA, it could be more of a problem. But Adcock MD Norman Nossel sees this as unlikely.

As he says: "No morality could be claimed if medicines were no longer available to the 70% of the population that the protagonists of disinvestment claim to be

helping.

"It's a very competitive market and most decisions to disinvest tend to be made for financial reasons."

SA Druggists deputy MD Antony

Karis points out that disinvestment has been all in SA. All although opportunity is that leaving local

Noristan position to although disinvestm in the long

This year created R37,2m. R3,9m to R268 000

projects, involving about 4 500 erven, in the ground. Nel says they provide about 100 houses in the R11 000-R25 000 price range each month. Private sector, market-related funding finances the projects and to qualify applicant families must earn a minimum of R350 a month. See Leaders

More than bricks and mortar

After a great deal of delay and much speculation, the SA Housing Trust, chaired by Sanlam's Fred du Plessis, was finally announced last weekend. The trust propose a R1,2 billion injection into low-cost housing over two to three years, starting in January 1987. But will it succeed — and is it the correct approach to a serious socio-economic

The home-building programme for blacks is getting underway. But major constraints, such as the Group Areas Act, high and rising unemployment, and poverty, are not being addressed.

problem? Perhaps the plan addresses itself to a symptom — lack of housing — rather than the cause: lack of freedom.

To alleviate the black housing backlog could cost around R4 billion. Even if the money is found, where's the land? Where do blacks want to live? And, more to the point, where will they want to live in a few years'

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FINANCIAL MAIL DECEMBER 5 1986



time — if and when they find jobs?

Du Plessis sees the trust's function precisely: "We're creating employment more than anything else. Housing is an effective way to do this." The trust will concentrate on areas, like the established townships, where there are future job opportunities; people with suitable training will be given preference.

Simon Brand, chairman and CE of the Development Bank of SA, comments: "The assumption is being (made) that people are only temporarily unemployed because of the recession." He notes that "other measures to stimulate the economy have already been taken by government. So revival should be reinforced by the housing effort."

The land issue remains vexing. Sheena Duncan of Black Sash argues: "This is the key. Until government zones land for townships you won't get anywhere. If we didn't have the Group Areas Act much of the problem would disappear."

She says Pretoria must also take a hand in providing and paying for site-and-service schemes. "The housing emergency was created by government policy, and it should bear some of the cost."

Mike Morkel, senior housing policy planner for the Urban Foundation, says: "According to our estimates, some 60 000 ha are required by the year 2000 in the PWV region alone merely to accommodate the projected growth of the black population. Norweto will be 3 000 ha; the balance is supposed to be made available outside the Witwatersrand area — but nobody knows where."

The trust's plans allow initially for core-houses which can be added to and developed. Sewerage, water and electricity would be made available. Finishing off would be done by the owner at his expense, but under technical guidance. Some building societies are keen to help provide just such technical advice and control standards, Du Plessis adds.

Deregulation is central to the development of black housing. Without this, onerous building regulations and red-tape make costs too high. Jill Strelitz, housing policy manager at the Urban Foundation, believes: "The housing challenge will only be met if a substantial amount of planned informal settlement is developed."

Government has set aside some R1,3 billion for black and low-cost housing; R311m from the annual budget; R328m out of the



Du Plessis . . . houses where jobs may be

special R1 billion package for "upgrading the infrastructure;" and R750m from the Central Energy Fund, of which R400m is for the trust, the balance of its R1,2 billion to come from the private sector through a R800m offer of loan stock, which will have prescribed asset (PA) status.

Duty to shareholders

Other avenues of funding are still being explored. Says Small Business Development Corporation MD Ben Vosloo: "When I was in Singapore I was amazed to see how institutional funds were used to finance mass housing."

When chairman of the Life Offices Association (LOA), Southern Life CE Morris Bernstein set up the Development Capital Committee (DCC). This was after government indicated interest in diverting funds towards housing and job creation. "Our response was, yes, we hear you, but we have a fiduciary duty to policyholders to optimise returns," he says.

One way to get round this is for funds to be lent as a PA, and the insurance industry had been calling for this. Says Sanlam MD Pierre Steyn: "If an instrument, such as

housing bonds, were introduced as a PA life offices would want to participate provided there was a reasonable market-related rate of return."

Other ideas include: making returns from investments in designated black areas tax-free, and/or pooling investments on an industry basis to spread the risk and even out the lower return.

Says Steyn: "Assets of life companies are approaching R50 billion." Putting just 2% of this into a housing pool would not be onerous. Taking private pension funds into account you might end up with a pool of about R2 billion.

Such monies could also be channelled through the trust. Steyn doesn't see any point of conflict between the two, though it is apparent the trust has taken the lead from the DCC and is testing the water.

But, says Brand: "It's not so much a shortage of funds; more a question of taking affordability into account."

According to Strelitz, building society lending is biased in favour of the upper income groups of the black community, and those receiving housing assistance. She points out that around 70%-80% of all black loans are "subsidised by either the State or employers."

To make funds more accessible, Strelitz says institutions must "change the rules of the game" and become even more flexible.

For example, "affordability" does not necessarily imply the smallest house possible since this overlooks the rent potential of larger accommodation units. Nor should interest rates on smaller bonds be lower since this would encourage the diversion of funds towards the upper end of the market.

Says Johan Grotius, CE of the National Association of Homebuilders: "The lack of consultation with the building industry concerns us. I can't see a large section of the black community building its own shacks on site-and-service land without serious waste of effort and material.

"Adequate land, affordability and the whole building supply chain has to be taken into account." He says quality and levels of service required should depend on the circumstances, and, again, affordability.

Indeed, one must ask how unemployed blacks can afford any housing when repossession of white houses are sky-rocketing.

□ See *Business*



Duncan



Brand

Big housing venture 'could ring changes'

Mercury Correspondent

CAPE TOWN—South Africa's biggest housing venture, a R1,2 billion scheme aimed at stimulating the economy through creation of new homes and jobs, could be a turning-point in the country's history, financier Dr Fred du Plessis said yesterday.

'We see this action as an opportunity to depoliticise housing and to redistribute wealth in a practical way,' he said in an interview.

'It is my firm belief that the time has come to stop burning and to start building. If we do this — and I honestly believe that 90% or more of South Africans want it — we all have a future in this country.'

Dr du Plessis, chairman of Sanlam, said although the new venture was not directly linked with the Urban Foundation, it would in many ways complement the work being done by the foundation.

It was hoped that those engaged in the project

would be able to work closely with the foundation.

Dr du Plessis was expanding on an announcement he made in Johannesburg at the weekend, about the launching of a non-profit company, the South African Housing Trust, which plans to build houses on a large scale, mainly for blacks, 'within the boundaries of the old South Africa'.

Invited

The Government is putting R400 million into the new venture, and R800 million is to be raised from the private sector with a special share offer.

Dr du Plessis said that although the Government was putting money into the scheme, it had been agreed that the State would not become directly involved in its implementation and that private enterprise should be left 'to get on with the job'.

Community leaders would be invited to join the board in the various areas

in which housing schemes were undertaken by the trust.

'In this way, we hope to help develop a strong community spirit, with full participation of the people involved.'

'We believe it is wrong just to build houses and then put people into them. There must be involvement of members of local communities right from the outset, and we believe we will get requests from communities to look at possible schemes in their areas.'

'We want to get our feet wet in this as soon as possible, and to start a number of pilot projects early in the new year.'

'We are not deluding ourselves into believing this is not going to be tough going.'

'But we also believe the time has come for someone to take the initiative, and to undertake a bold venture that could well prove to be a turning-point in our history.'

● See Editorial Opinion

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15 percent rise seen for house prices in '87

By TOM HOOD
Property Editor

HOUSE prices could rise by 15 percent next year in spite of the huge overhang of white residential property on the market, forecasts the Stellenbosch Bureau for Economic Research.

Prices have kept relatively stable this year but real estate business has increased in recent months, indicating greater interest in the property market, reports the bureau's latest building industries survey.

"With interest rates on bonds below the inflation rate, we can expect a greater demand for housing in the next few months.

"Salary increases are expected to remain below the inflation rate next year, so potential buyers will not put too much upward pressure on prices."

However, the building industry is still in a downswing phase and is expected to remain so for at least another six months. Value

of house building plans passed in the first seven months of this year is up by 23 percent on a year ago.

"Indications are that the residential building industry will be the first to experience an improvement in business conditions. It will, however, take some time for non-residential activity to improve."

A leading valuer and property economist, Mr Koos Jonker, forecast this week that spring could return to the property market next year.

He believes the property cycle has its winters and summers and that in the past three years few people, if any, have been able to make profits by owning property.

"Some people ask if the spring will ever come again. I believe we are back in the late winter conditions we experienced towards the end of 1978," says Mr Jonker, who is also chairman of

Masterbond Trust.

Present leading indicators are comparable to those of late 1978, with more than a year of positive balance of payments, while interest rates had dropped to their lowest levels since 1980.

The rates would start rising only when there was a demand for money — and the property market was a very large user.

An increased demand for money through property development and purchases would cause a drain on liquidity and force up interest rates.

"The property market also lags the stock exchange and we have all seen the tremendous activity on the JSE over the past few months.

"All this, with the persistent increase in building costs indicates an upturn of property values in 1987. After all, nobody will develop new properties unless their values exceed replacement cost."

Bank flooded with queries on bond rate

8/12/86
 (scribble)
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STANDARD BANK's surprise announcement at the weekend that it would reduce the interest rate on mortgage bonds by 2,5%, had already had an impact in Port Elizabeth by mid-morning today.

In what has been described as "the best-kept financial secret" of the year, the bank announced yesterday that it would offer new mortgage bonds at 12,5% and that from December 30 it would reduce the rate on existing bonds from 15% to 12,5%.

A spokesman at Standard's head office in Johannesburg said "numerous inquiries" were made telephonically and personally in PE today, but it was too early to say whether they would translate into actual business.

While the bank had always had a small presence in the bond market, he said, the new bond rate represented a "major thrust into the market", in which it wanted to "become more in-

involved".

The deputy manager of the bank, Mr Denzil Busse, said existing bonds and bonds approved at 12,5% would be fixed for a year. However, should rates rise, the bank reserved the right to increase rates for new loans, he said.

● Executives of the major building societies in the country were scheduled to meet in Pretoria this afternoon to plead with the Reserve Bank to speed up the process of granting them banking licences which would allow them to offer a wider range of services to attract deposits.

Societies are unlikely to match Standard's offer on their existing loan portfolios, but they will probably be forced to come down at least 1% on their mortgage loans to 14% to save face. Most major building societies have already announced that their interest rate will drop from 16% to 15% at the end of the month.

Home loan rates slashed: 'Flood' of buyers expected

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By TOM HOOD, Property Editor
SLASHING of home-loan rates by Standard Bank will lead to a flood of buyers into the property market, says the president of the Institute of Estate Agents, Mr Bruce Wilson.

"Many people who want to buy homes have been putting off a decision and now, overnight, the repayments have been cut by about a quarter," he said in Cape Town today.

"Building societies and other financial institutions must either live with it or bring down their own bond rates."

Previously, prices stopped going down when building societies reduced their rates but now, with greater demand, prices could rise again, he said.

Home-owners with a R50 000 bond from Standard will now save R100 a month in their repayments because of the rate dropping to 12,5 from 15 percent, the rate charged by building societies.

In the past, most borrowers have opted to maintain their repayments at the same rates and pay off their bonds earlier, saving thousands of rands in the process.

Rates have now fallen from between 21,5 and 25 percent at the peak two years

ago. Standard, like most banks flush with funds, has a loan book of only R200-million.

The lower repayment rates also lower the affordability threshold, making it easier for first-time buyers to enter the housing market.

Standard says it will maintain the low 12,5 percent for the whole of next year, irrespective of changes in the bond rate.

Mr Harry Schwarz, MP for Yeoville and PFP spokesman on finance, said today that a drop in the mortgage rate must be welcomed by all house-owners and potential buyers.

In a statement to Sapa, he said mortgage rates were unlikely to remain at 12,5 percent in the long term. Potential borrowers were advised to look at the small print in the mortgage bonds to insure they knew when and how rates could be increased.

He said the public should remember the old adage about bankers lending umbrellas when the sun shines and wanting them back when it rains.

"Make sure if you are being given an umbrella that you can keep it for as long as you need and at a cost you can afford," he said. "Negotiate the terms and take advice when you think you need it."

Perm and Syfrets drop their rates on home loans

JOHANNESBURG — The Perm Building Society has dropped to 14% from today new mortgage bond rates on domestic loans.

The reduction on existing loans will take effect from the end of March, a news statement from the Perm said.

Syfrets Bank has also cut its home loans bond rate by 1,5%, responding to the fierce competition in the home loans market.

The Syfrets bond rate, which until the weekend was the lowest in the market, is being reduced to 13%. This is only 0,5% above the lowest mortgage rate available to new borrowers on the market and is 1% cheaper than the 14% rate available from most building societies.

The Syfrets home loans rate is calculated at 1% above Nedbank's prime interest rate of 12% and fluctuates in line with the

prime rate.

Mr Brian Button, managing director of Syfrets Bank says: "This 1% differential between prime and the mortgage rate is a set policy. This means that, though interest rates might move again, Syfrets' home loans borrowers always know where they stand — and to what rate their monthly bond repayments are linked.

"In our view this consistent pricing policy is essential as it enables private borrowers to plan their finances accurately and to budget.

"This is not the case with the other major institutions, where there seems to be an element of uncertainty about the stability of home loans rates."

Syfrets' new rates will apply to all borrowers, both new and existing, from January 2, 1987. — Sapa.

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PROPERTY

Fears that RSCs may impede black housing

THE introduction of Regional Services Councils (RSCs) may present new problems for property developers in black areas.

White local authorities could place obstacles in the way of black township development, once RSCs come into being, says James Croswell, chairman of the SA Property Owners Association (Sapoa) housing committee.

He believes local authorities would be reluctant to increase their expenditure on services, upgrading and infrastructure by increasing the number and size of townships under their jurisdiction.

"There would be no incentive for the local authorities to promote black urban development," he says.

LINDA ENSOR

Croswell stresses that local authorities can impede developments by saying they cannot provide services or delay applications for lengthy periods of time.

However, the Progressive Federal Party's constitutional affairs spokesman Nic Olivier discounts these fears, arguing that legally one of the priorities of RSCs is to provide infrastructure.

He adds there is a built-in right of appeal and points to the fact that the source of income of the RSC — the levies and service charges — are independent from those on which white local authorities rely, namely rates and taxes.

"Theoretically it is possible, but

unlikely that RSCs will impede development," Olivier says.

"RSCs are not primarily a vehicle for local authorities to advance themselves."

And Sapoa and other organisations examining the question of land availability estimate that about 30 000ha of land will be required for black housing on the Witwatersrand by the year 2000.

Government estimates of 14 200ha required for housing units alone — contained in the Draft Guide Plan for the Central Witwatersrand — are regarded as too low.

They suggest about 30 000ha — and possibly much more if land for open spaces, roads, schools, and shopping complexes is included.

ARGUS 19/12/86 (123)

Perks tax boon on home loans

By TOM HOOD, Property Editor

THOUSANDS of employees of banks, building societies and companies who receive soft housing loans will benefit from perks tax changes announced today by the Minister of Finance, Mr Barend du Plessis.

But home-buyers with subsidised housing loans — including State employees — will not be affected.

The trade union of bank employees, however, sent a telegram today to the Minister expressing "extreme shock and dismay".

From January 1 the official rate of interest on fringe-benefit loans — the criteria for calculating perks tax on these loans — will be cut by two percent to 13.

Employees are taxed on the cash value of the difference between the "official rate" and the amount of interest they actually pay.

The cut follows representations by the Society of Bank Officials.

The society said the major banks had reduced their bond rate to 12,5 percent and it believed the rate on fringe benefits tax should be cut by a third to 10 percent.

"CURB ON FREE ENTERPRISE"

The society's assistant general secretary, Mr Graeme Rowan, said the society has been trying since May to persuade the Minister to ease the criteria for taxing fringe benefits.

The society urged scrapping the tax on housing loans, which it saw as "a curb on free enterprise and a negative influence on the property market".

Mr Rowan said today the society expressed its extreme shock and dismay at the reduction in the official rate to 13 percent while home loans were readily available to the general public from banks at 12,5 percent.

Booklets give guidelines on black housing

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GOVERNMENT has commissioned 40 000 copies of two bilingual brochures on black housing.

The booklets — "Formulating a Company Housing Policy" and "Major Implications of the Revised Legislation Affecting Black Urban Areas" — were commissioned by the Department of Constitutional Development and Planning, and are to be distributed by FCI, Assocom, Afrikaanse Handelsinstituut, Seifsa and Bifsa.

Arguing that "a well-structured and efficiently executed assistance programme can contribute substantially to both company image and the improvement of industrial relationships", the booklet on "Formulating a Company Housing Policy" stresses the need for liaison with staff.

The brochure gives information on the basic elements of a company housing policy and also details of state-assisted schemes.

It suggests two forms of aid, administrative and financial, the latter being provided through loans or subsidies or by putting up sureties, collaterals and guarantees for loans from financial institutions.

Physical involvement in the procurement process "is a decision which can be taken in isolation on an ad hoc basis depending on the market conditions", it says.

The other brochure outlines the major implications which the Black Communities Development Amendment Act of 1986 and the subsequent regulations have for black urban development. The Act provided for full property rights for blacks and for private development of townships.

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BLACK HOUSING

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Subsidisation plan

The new R1,2 billion SA Housing Trust (SAHT: *Business*, December 5) provides an ideal opportunity for a housing strategy for SA, say housing experts. But, to create maximum benefit for the economy and help solve the housing crisis, the strategy must be correctly structured.

"Central to the initiative — and meeting the crucial question of affordability by low-income earners — must be acceptance of the principle of subsidisation," says National Association of Homebuilders' (NAHB) executive director Johan Grotsius.

Existing expertise and facilities must also be used, he adds.

Llew Lewis, president of the Institute for Housing in Southern Africa and member of the NAHB's housing finance committee, agrees: "This initiative could privatise low-income housing across the board — from site-and-service and self-help schemes right through to privately-funded buying and building of middle-class homes in the R40 000-50 000 price range."

And, Lewis says two existing State-aided subsidy schemes show how to achieve maximum benefits from SAHT's funds. These are:

- A 33,3% interest rate subsidy for five years to first-time buyers on dwellings costing less than R40 000 to build; and
- A maximum loan of R31 500 granted in conjunction with a building society to householders earning less than R10 800 a year who neither own another dwelling nor have the resources to acquire one. Total cost of land and improvements should not exceed R35 000. The State provides a third of the loan at 11,25% and a building society the balance at normal rates, while the recipient contributes between 10%-15% of total cost.

"These successful schemes set the tone for solving the massive low-cost housing crisis. By subsidising interest repayments on hous-

ing, the opportunity is created for the private sector to provide financial and practical expertise and services," he says.

Private builders and financiers, township developers and owner-builders would therefore all participate. This was not the case with the original announcement of SAHT, whose chairman Fred du Plessis recently stated that unemployed township dwellers who completed certain building courses would receive preference for self-help building schemes.

"The idea is to create a system whereby various levels of subsidisation can be used to meet housing requirements of different income and affordability levels of society. The result will be privatisation right through the whole spectrum of housing," says Lewis.

The Institute of Housing in Southern Africa will soon meet to discuss with NAHB its housing finance committee report containing a proposed subsidisation system that would meet low-income housing requirements over alternative periods of five or ten years.

The proposals will also be submitted to SAHT early in the new year says Lewis. ■

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SA housing shortfall: Wiped out in 5 years?

JOHANNESBURG. — SA's critical low-income housing shortfall could be eliminated in five years, at a cost of R18 billion or R3,6 billion a year, if the subsidization proposals of the National Association of Homebuilders (NAHB) are accepted, say industry leaders.

To clear the backlog in 10 years would cost R28,2 billion, or R2,82 billion a year.

Over five years, an additional housing subsidy of R267,4m a year would be necessary to cover current annual housing needs, to give an overall requirement R19,33 billion.

"The total capital cost to eliminate the housing shortage in just one year would be R7,84 billion," says the report. This sounds a lot less, say analysts, but would require a much greater on-going subsidy, put at R583,5m a year by NABH.

The Group Areas Act remains a major stumbling block, says Tobie de Vos, chief economist of the CSIR's Building Research Unit. — Sapa

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Housing backlog plan

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The Group Areas Act remains a major stumbling block, says Tobie de Vos, chief economist of the CSIR's Building Research Unit. — Sapa.

R18-bn needed to wipe out SA's housing backlog in just five years

By Frank Jeans

South African could wipe out its chronic housing backlog in five years at a cost of R18 billion — or R3 billion a year.

This is the estimate if proposals by the National Association of Homebuilders (NAH) on a subsidy programme are accepted, say homebuilding leaders.

Over the five-year period, an additional housing subsidy of more than R267 million a year would be necessary to cover current annual housing needs and give an overall requirement of R19,3 billion.

"Subsidising interest on housing loans creates wealth, enabling the have-nots to break through into self-sustaining growth," says NAHB.

"It should be remembered, too, that R100 million spent on housing will create employment for 50 000 and the multiplier effect would further stimulate growth."

An important step in achieving the breakthrough was the sweeping away of the bottlenecks and restrictions which hampered black housing programmes. Township developers must now deliver fully serviced stands to buyers.

The "paper work" and departmental backlog have been removed and a simplified process means that black housing development procedures can now be completed in as little as six months compared with several years previously.

Local authorities "may not unreasonably refuse to release property to developers" and conditions for release will be approved at ministerial level. Local councils, too, must advance good reason if requests are refused.

The rules allow private developers to summons local authorities to explain why request are not approved. A developer might also ask that the services of a newly envisaged black township be linked to an existing white one if this is practicable.

This rule follows the establishment of the Regional Councils this year and the concept that different townships, irrespective of race, may negotiate for joint use of services.

Another major advantage for private developers is that they are now not automatically required to pay transfer fees on acquisition of the development but can now take transfer after

the development is completed.

Surveying of stands — for long a contentious point for developers — has also been dealt with. Registration of leasehold is now permitted prior to surveyance, provided that the stands are indicated on a diagram, aerial picture or general plan, which clearly indicates their position.

And coming further down to basics, a black buyer or seller now has the choice of dealing in property by leasehold or full property ownership rights, with the latter affording the same rights to black homeowners as to white, coloured or Asian counterparts.

Buyers who have bought by leasehold directly from the State have the right to convert to full property ownership rights at no extra cost, except for the normal conveyancing expense and transfer duties.

And finally, the regulations allow for any person, irrespective of race, to participate in the development of black residential areas.

A brochure outlining the implications of the regulations is available from Vallun Wilkins Associates, PO Box 3919, Rivonia, 2128.

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Capital crunch

To adopt the subsidisation proposals of the National Association of Homebuilders (NAHB) could eliminate SA's "low-income" housing backlog over a five-year period at a capital cost of R3,6 billion per annum.

Low-income housing is needed by all population groups. The ceiling for house plus land value is R40 000. During the same period, to meet current annual housing needs an additional housing subsidy of some R267,4m a year would also be required, says NAHB. That's a total of R19,33 billion.

NAHB's housing finance committee's report — to be discussed with the new R1,2 billion SA Housing Trust (*Business*, December 5) early in the new year — sees subsidisation as central to solving the housing backlog (*FM* December 19). Its tables show monthly interest subsidies required for specific income levels to create affordability for various housing costs at specified interest rates.

Over a longer period

To meet the same housing backlog over a longer, 10-year period would involve a capital cost of R2,82 billion per annum, plus annual housing subsidies of R209m for current housing demand — a total of R30,29 billion in 1986 rand.

"But the total capital cost to eliminate the housing backlog in just one year would be R7,84 billion." It sounds a lot less, but would require a much higher ongoing subsidy, which NAHB calculates would be R583,5m per annum.

Tobie de Vos, chief economist of the CSIR's building research unit, says capital subsidisation must also be considered. The State should provide serviced land for low-cost housing at nominal rates, so that low-income property-owners can develop their own housing.

Subsidising interest creates the problem of quantifying State assistance as rates fluctuate; capital subsidisation would be an easier budgetary exercise. De Vos says generating private sector funding through the prescribed assets avenue is not the only option — and major financial institutions are obviously seeking profitable investment avenues for surplus funds.

"There are various practical options for solving the housing crisis. These include controlled squatting, site-and-service, self-help, and core and shell housing up to complete housing units. Housing needs and income affordability will help determine the solution sought," he tells the *FM*.

SA can no longer afford First World "solutions" — housing is a Third World problem.

The Group Areas Act remains a major stumbling block, adds De Vos. Recent visits to Harare convinced him that absence of racial property legislation leads to a "natural" solution as citizens peacefully find their own level of housing affordability.

The NAHB report calls housing a "major instrument" for solving the inequities and imbalances of society in developing countries. By providing employment opportunities — from basic unskilled labour to the highest levels of craftsmanship, management and entrepreneurial initiative — increasing affluence and social advancement can also

be created.

Subsidising interest on housing loans creates wealth, enabling have-nots to break through into self-sustaining growth.

"Economic development theory recognises that the housing sector, as an engine for growth, can mobilise resources — material, financial and human — on a broad scale and so create a major multiplier," says the report.

"The housing and construction industries are the only major sectors in developing countries for which all basic materials are available nationally and for which there is no heavy import component. Hence this strate-

HOUSING BACKLOG

(As at September 1986)

| | Units |
|--------------------|----------------|
| Blacks | 538 000 |
| Coloureds | 52 000 |
| Asians | 44 000 |
| Total | 634 000 |

Source: National Association of Homebuilder

gy is non-inflationary and lays a heavy emphasis on internal reliance and capabilities." The two industries have a higher and faster multiplier effect than any other eco-

nomic activity. Little call is made on capital equipment, while there is relatively high input of unskilled labour.

"Suffice it to say that R100m spent on housing will generate employment for some 50 000 people. The multiplier effect would further stimulate growth. Investment in housing is therefore an important tool for macroeconomic development."

If NAHB's recommendations are followed, low-income housing would be given a major boost, with benefits to related industries and suppliers. Job creation would also be stimulated, a major impetus to economic growth. ■