House Chair,

South Africa may have the largest housing delivery programme in the world, as the report of the Human Settlements Committee accepts, but as I have said in our assembly before:

*A free house is not necessarily an affordable house.*

The spatial inequality and human settlement patterns that remain inequitable and dysfunctional across South Africa – as we acknowledge in this report – is a product of the manner in which we have delivered the largest housing programme in the world.

Dysfunctional human settlements are evidenced in nearly every BNG housing project across the country.

The dysfunction arises from a number of factors, that combine to create suburbs of poverty, which reinforce the spatial inequality and relegate the so-called beneficiaries of this free basic housing, to continued socio-economic exclusion and physical isolation.

These factors include:

* Firstly, the development of large scale housing projects, of hundreds or thousands, of BNG homes.

This creates new settlements – equivalent in scale to a suburb – where every resident is indigent. We would build functional human settlements, and begin to reduce spatial inequality, if we integrated smaller scale BNG housing in established neighbourhoods in our towns and cities.

* Secondly, the location of these human settlement developments which have perpetuated exclusion and isolation.

For as long as provinces, cities and towns allocate, or acquire, greenfield land on the outskirts of towns and cities, for the purposes of housing developments, we entrench the apartheid spatial logic and undermine spatial transformation.

House Chair,

*Where people live matters.*

We will only address spatial inequality when we deliberately pursue new human settlements that are physically integrated into the well established, properly developed and already serviced neighbourhoods in our towns and cities.

The identification of Priority Development Areas, as a strategy to resolve spatial transformation, will not succeed where these areas do not integrate various public housing typologies into well located areas.

We welcome the decision to increase the subsidy quantum so that the quality of the free basic housing, our BNG product, will improve.

We also welcome the commitment to installing solar-panels and water tanks so that our developments now include hot running water and are more affordable to live in.

However, if we are to achieve the intention of Sec 26 of the Constitution we need an overhaul of the individual subsidy system – in particular the household income thresholds.

Every town and city has its own unique property market and we need a flexible subsidy system which takes into account the local property market when determining who qualifies for BNG, Social Housing and First Home Finance.

For as long as we assume that the housing that is available and affordable is the same across the entire nation we perpetuate an unfair housing system.

A more responsive subsidy regime will go a long way towards making our large public housing programme fair and meaningful and perhaps we will achieve that elusive spatial justice.