**MINISTRY FOR HUMAN SETTLEMENTS**

**REPUBLIC OF SOUTH AFRICA**

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NO.: 602**

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**Mr M G P Lekota (COPE) to ask the Minister of Human Settlements:**

(1) Whether her department undertook an analysis of statistics of private home ownership in the period 1 January 1996 up to the latest date for which information is available with a view of determining whether transformation of home ownership was occurring at a pace commensurate with the present demographic representation of South Africa’s diverse population; if not, why not; if so, how many homes, in each value bracket, were owned by the different groups;

(2) whether her department was pursuing any policy to ensure that black home ownership, in particular, was surging ahead of the rest of the population to ensure that equity is obtained in respect of home ownership across all groups?  **NW713E**

**REPLY:**

(1) According to the latest the 2011 census 2011 conducted by Statistics South Africa, 4.9 million Black people owned fully paid homes as compared to just over 500,000 Whites, 415, 940 Coloured, 119,457 Indians/Asians. During the time when the census was undertaken, South African population consisted of 79% Africans, 8.9% Whites, 8.9% Coloured and 2.5% Asians and 0.5% other. These findings serve to prove that the majority population (Africans) in the country were the highest home owners, followed by Whites, Coloured then Indians/Asians. Therefore the pace of transformation already commensurate with demographic representation of the South Africa's diverse population.

 According to the General Household Survey of 2014 of Statistics South Africa, the Population Group of Households Heads at that time was 53,686,358. Of this, Black/African household constituted 80%, followed by 8.9% of Coloureds, 8.5% Whites, and 2.5% Indians/Asians. In terms of the private property ownership, South Africans owned 35,929,172 properties. These properties constituted those owned but not yet paid off to the banks/ financial institutions, owned but not yet paid off to the private lender, and owned and fully paid off. From these properties, Blacks/ Africans owned 85% followed by Coloureds with 7.3%, Whites with 5.6% and Indians/ Asians with 2.1%. These are indications that property ownership in overall is taking place at a rate that is proportionate to the demographics of the population.

 However, when considering different market values of properties, Blacks/ Africans, owned 92% of properties with the value up to R500, 000 and 66.2% of properties with the value above R500, 000. Coloureds owned 6.2% of properties with the value up to R500, 000 and 12% of properties with the value above R500, 000. Whites owned 1.1% of properties with the value up to R500, 000 and 17.3% of properties with the value above R500, 000. Indians/ Asians owned 0.7% of properties with the value up to R500, 000 and 4.6% of properties with the value above R500, 000.

 Moreover, government's effort contributed immensely in ensuring that the poor South Africans are also registered in the property register of the country. According to the General Household Survey of 2014 of Statistics South Africa, state subsidised dwelling constituted 9,265,544 properties of which 8,357,475 belonged to Blacks/Africans, followed by 863,529 owned by Coloureds, 30,865 owed by Whites, and 13,675 properties owned by Indians/ Asians.

(2) The above information does indicate that the effort of government ranging from the normalisation of the lending environment together with increasing access to housing finance, the transfer of government old stock to the needy South Africans and the provision of the fully subsidised housing units to the poorest of South Africans, immensely improved access to housing assets. In an attempt to strengthen housing finance for the gap market, Finance Linked Individual Subsidy has been adjusted to accommodate the newly introduced Government Employee Housing Scheme, which gives an opportunity for public servants who have enrolled for housing needs to make application for subsidies, and expand the application of the programme beyond mortgage finance.

 The Business Day Article dated 24 April 2016 titled “*The truth about blacks and home ownership”* addresses the question that the Honourable member is asking. Written independently of government, the article argues that providing housing and land ownership to black South Africans within the new democracy has been a huge success story. Indeed, we are on the right track and we will continue to make the lives of previously disadvantaged better. I am proud of the 4.3 million houses and opportunities delivered since 1994, benefiting over 20 million households.