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Macpherson reveals R83 million in losses from unused state properties

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Minister of Public Works and Infrastructure Dean Macpherson has revealed that the government holds a significant number of unused properties across the country, resulting in substantial financial losses. According to Macpherson, the state owns 1 259 vacant land parcels, 207 unoccupied houses, and 830 abandoned farms that have not been allocated for use.

Macpherson was responding to parliamentary questions from EFF MP Mothusi Kenneth Montwedi regarding the status of unused state properties. When asked about specific timelines for allo-

cating these properties, Macpherson cited security concerns. "Due to vacant properties being at risk of invasion should their details be made public, I am open to discussing this matter further with the member in my office in Cape Town," he said.

The financial burden of maintaining these vacant properties is considerable.

Macpherson said the estimated potential revenue lost in the 2024/25 financial year amounts to R83 million, based on holding cost calculations from the Property Management Information System (PMIS). Additionally, the government had spent R65 million on rates and taxes for these properties as of January 31, 2025.

To address the issue, Macpherson said the Department of Public Works and Infrastructure has implemented several initiatives.

"The department has initiated a programme of letting out unutilised state-owned properties to interested investors," he said.

"Currently, the department has placed 31 properties on the open market, inviting interested investors to submit proposals on optimal utilisation and revenue generation."

The deadline for proposal submissions regarding the 31 properties was recently extended to April 30.

This decision follows Macpherson's revelation that the properties, valued at R1.4 billion and scat-

tered across the country, are in high demand within the private sector.

Looking ahead to the 2025/26 financial year, the department plans to release approximately 30 additional properties for long-term leasing and re-advertise about 600 state-owned properties for general letting.

Additionally, it has committed to releasing agricultural farms not earmarked for the Department of Agriculture for long-term leasing and permanently disposing of non-core residential properties.

These measures aim to reduce the financial burden on the state while ensuring more productive use of state-owned assets.