

**Speech delivered by Minister of Public Works, Mr. Nathi Nhleko at the Property Sector Charter Council Meeting held on Tuesday 13 June 2017 in Sandton**

Chairperson of the Property Sector Charter Council - Mr Saul Gumede

CEO of Property Sector Charter Council - Ms Portia Tau-Sekati

Council Members

SA Council of Property Valuers Profession

Estate Agency Affairs Board

Representatives of commercial industry and voluntary associations

*Facilities Mngt SA RE properties  
Agency to transform our society  
Women's opportunities for women - set aside  
Empowerment policy  
within the industry in  
Market.*

*Get andes*

*Estate Agency Industry still  
white, lot of education is needed*

Despite significant progress since the establishment of a democratic government in 1994, the South African society, including the property sector, remain characterized by racially

based income and social services inequality. This is not only unjust but inhibits South Africa's ability to achieve its full economic potential.

Our society is underpinned by a colonially-structured economy and racial capitalism. Without effective structural interventions, the system will continue to reproduce racialised poverty and inequality.

The need for systemic interventions requires corrective, structural interventions which will not only be growth-enhancing, but which will also ensure that the pace and pattern of economic growth will unswervingly move South Africa towards a thoroughly non-racial and non-sexist society.

The democratic government led by the African National Congress is committed to managing the economy in such a way as to

promote employment-creating inclusive growth. This is fundamentally necessary if we are to effectively overcome the structural economic inequalities inherited from our colonial and apartheid past.

The objective of radical economic transformation must be to reduce racial, gender and class inequalities in South Africa through ensuring more equity with regards to incomes, ownership of assets and access to economic opportunities.

An effective democratic developmental state and efficiently run public services and public companies are necessary instruments for widening the reach of radical economic transformation enabling the process to touch the lives of ordinary people.

As government, we recognize that property touches the life of every South African. It is a unique, complex and multi-disciplinary

industry that is constantly evolving and sophisticated especially during tough economic times that we are currently facing as a result of credit downgrades.

Overall, government's programme to transform South Africa's society and economy must be judged on the extent to which it radically and systematically improves the lives and opportunities of those who were historically marginalised and excluded.

As stated by President Jacob Zuma in the State of the Nation address, by radical socio-economic transformation "we mean fundamental change in the structure, systems, institutions and patterns of ownership, management and control of the economy in favour of all South Africans, especially the poor, the majority of whom are African and female."

Proposed amendment amend to the Competition Act that President Zuma alluded to will among others address the need to have a more inclusive economy and to de-concentrate the high levels of ownership and control we see in many sectors.

It will open up the economy to new players, give black South Africans opportunities in the economy and indeed help to make the economy more dynamic, competitive and inclusive.

Price-fixing and other anticompetitive practices should be stamped out in the property sector and through-out the economy.

We are committed to tightening regulation to discourage hostile takeover of black property funds which remain a reality.

We commend the listing of funds that originates from black owned and controlled companies, partnership of established funds with emerging property funds, successful enterprise development initiatives that are also listed.

The partnership between the Services Seta partnered and Sapoa which contributed a R40m grant to sponsor 100 students across South Africa with bursaries for a four-year degree in property-related studies at Wits University is a game changer that must be celebrated.

The addition of the 55 bursary students funded by this grant increasing students sponsored by Sapoa to 88 gives us hope of youth involvement in the property sector.

More must be done to bring young people into the driving seat of our economy and property industry.

The development of shopping centres/malls as well as retail development in under resourced areas such as townships catering for small and mid-sized towns in rural areas that are providing fresh opportunities for retailers, franchisers and independent store owners to expand.

We are encouraged by the strides that the property sector charter council has made.

Radical economic transformation must translate into real wealth and opportunities to fight poverty, unemployment and inequalities to give practical expression to the injunctions of the freedom charter and vision of the National Development Plan.

We are committed to work together with all industry players to reverse the legacy of the Native Land Act of 1913 and

subsequent discriminatory policy legislation that were introduced by the apartheid government.

I thank you.