

**Minister of Public Works  
Ms Stella Sigcau  
13 March 2000**

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**Address at the Formal Hand-Over of State Land to the Western District Council**

Master of Ceremony,  
MECs,  
Management of SAFCOL,  
Distinguished Guests,  
Ladies and Gentlemen,

Today is really a day of happiness and warmth in my heart. It is yet another milestone of delivery by Government to ensure that black economic empowerment is appropriately facilitated and actively supported by co-ordinated endeavours of national, provincial and local authorities.

Please allow me to convey the apology of the Minister of Water Affairs and Forestry, Mr Ronnie Kasrils, who regrettably is unable to attend this function today, due to prior commitments that could not be shifted. He has however conveyed his best wishes for a wonderful event. I think we should all thank him also for his contribution, and that of his department in working with SAFCOL, to make the achievement of this milestone a reality.

Skewed property ownership and a lack of participation in the property industry by previously disadvantaged groups still persists in South Africa. As Government, we believe that property ownership needs to be extended to previously disadvantaged groups. The Department has embarked on a drive to unlock the latent value of the State's fixed properties. This is done by identifying and disposing of redundant property- progressively increasing the properties to be disposed of over the next five years.

The first phase of this project is disposal of all redundant State-owned houses by mid 2000. We have identified 82 State-owned houses and 352 residential erven under the control of the national Department of Public Works as superfluous to the needs of the State that will be offered for sale.

Since I took office at Public Works, I have made 27 159 hectares available throughout the country for low cost housing and community development. The land handed over today will add another more than 87 ha to this. A great deal more land will be released over the next five years, also including other forest villages and land no longer needed for forestry purposes.

Over the next two years we intend to put on the market for sale or lease, five large properties that are under utilised and 10 redundant military bases.

Research and development of a framework for the disposal of redundant military bases will be finalised at the end of July 2000. A programme for the disposal of the bases will be drawn up during August 2000, based on the results of the development frameworks.

We are in the process of drawing up an economic empowerment policy to address economic empowerment through fixed property transactions.

In the medium term when we acquire or dispose of property or grant management contracts, we will ensure that at least 20% of the transactions will benefit the previously disadvantaged. This figure will increase substantially in the longer term.

Large tracks of redundant state land that have the potential to unlock value from the property portfolio are also being identified for disposal. The disposal of five large properties are currently being dealt with:

- Midrand: 150 hectares, by inviting development proposals, to commence from April 2000 to January 2001
- Waterkloof Extension 7: 98 hectares, by inviting development proposals, to commence from June 2000 to March 2001
- Silvermine in Cape Town: 183,6 hectares, by inviting development proposals, to commence from April 2000 to January 2001

- Pietermaritzburg, on College Road: 11 148m<sup>2</sup> in extent, by invitation of proposal calls, to commence at least from August 2000 to May 2001
- Brookshill, Port Elizabeth: 7 000m<sup>2</sup> in extent, by invitation of proposal calls, to commence at least from August 2000 to May 2001

Currently there are inconsistencies, duplication and a lack of guidelines with regard to acquisition and disposal of State property. To correct this unacceptable situation, and to provide leadership in this sector, we will introduce in the second half of 2000, an overarching Property Bill, which will regulate the acquisition and disposal of State property.

I truly want to believe that by handing over this more than 87 hectare of land to the Western District Council, people who before have not been in a position to own their own homes, will now, for the first time, be able to enter the property market and become the proud owners of their own homes.

The land is transferred to the Western District Council for the purpose of township establishment and the development of low cost housing and related infrastructure and facilities. The existing forest villages of Puntjiesbos, Die Rye and Laurel Ridge are included in the envisaged development. The land handed over consists of:

- The farm Puntjiesbos 863 (in extent 36,8163 ha).
- The farm Die Rye 887 (in extent 32,5429 ha).
- Portion 1 of farm 407 (in extent 10,1363 ha) .
- Portion 2 of farm 407 (in extent 7,8771 ha).

All the land I am referring to is in the district of Humansdorp.

This land is given, free of charge, by the national Department of Public Works as custodian of State fixed property, to the Western District Council subject to the following conditions:

- Afforestable land to be made available to SAFCOL, at the cost of the District Council, for any afforested land that will be relinquished
- SAFCOL and the Department of Water Affairs and Forestry's employees/pensioners currently occupying residences in the Puntjiesbos, Die Rye and Laurel Ridge forest villages, (are) to be given the right of first refusal to purchase/lease the residences they occupy
- All survey and transfer costs (are) to be borne by the District Council.
- The last two conditions, the concurrence of the Department of State Expenditure and that of the Minister of Agriculture and Land Affairs, have already been met - hence our celebration today.

With the establishment of SAFCOL and the planned transfer of State land to the company, it was envisaged that some of the residences in these villages would be sold to the SAFCOL employees. This intended policy was conveyed to SAFCOL staff and naturally created expectations. The subsequent decision that State forest land would not be transferred to SAFCOL, meant that the company could not honour its "undertaking" to its employees.

Government, promoting black home ownership as one avenue of empowerment and economic participation, did however find a way of enabling the people in your area to still purchase or lease their own homes, in many cases homes they have been occupying for some time. As Government, we want people attain security of tenure.

The transfer of the forest villages to the District Council enables the Council to proclaim the existing informal townships and to transfer ownership of individual dwellings. The additional State land is intended for the development of essential infrastructure and much needed additional low cost housing.

It is with great pleasure that I now call on Mr Manentsa, the Chairperson of the Western District Council, to accept a symbolic certificate of hand over in respect of the land mentioned May your communities flourish under the care of the District Council and become proud, dignified, responsible citizens and new home owners.

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