

FACT PAPER ON THE HOUSING CRISIS IN SOWETO WITH PARTICULAR REFERENCE TO THE INCREASE IN RENTALS AND THE WEST RAND ADMINISTRATION BOARD.

In 1977 increased rentals were gazetted for houses in the West Rand Administration Area. Because of the level of public protest the introduction of the increase was delayed and it is now being phased in gradually at four monthly intervals. It seems likely that regular graduated increases will become a fact of life in the future. The causes of the alienation and human misery which are already resulting and which can only increase in the future cannot be divorced from the total inadequacy of the West Rand Board as an administrative body, or from the whole question of the financing of Administration Boards.

When the Bantu Affairs Administration Act No. 45 of 1971 was introduced the accompanying memorandum stated "It is intended that a Board shall in respect of its financial matters be independent and that it shall not be necessary to approach the Treasury for Funds".

This means that each Board must raise the money it needs itself. A Board is vested with the rights, powers, functions and duties of a local authority in terms of all legislation relating to Africans. This means that, in addition to all the normal functions of a local authority such as the Johannesburg City Council in relation to the white, so-called Coloured and Asian residents of Johannesburg, the Board also administers the influx control, housing and labour Regulations. This point cannot be stressed too strongly. The Board raises its money from the black people under its control and uses that money to administer the complex and expensive pass law system which is totally rejected by the people who have to pay for it.

The West Rand Board has never functioned adequately. The figures in this paper show that long before the disturbances of 1976/77 the Board was not providing housing to meet the needs of the people nor were the services such as refuse collection, maintenance of existing houses, making and repair of roads, erection or upkeep of recreational facilities etc., in any way meeting the needs of the community. The 'fabric' of Soweto had deteriorated markedly before the events of the 16th June 1976. However the rigid implementation of the pass laws has continued and expenditure on this has evidently been maintained at the expense of all other aspects of the Board's obligations.

The West Rand Board raises its money as follows: The figures given are from the Chairman's budget speech for the 1977/78 financial year.

|                                 |             |                                   |
|---------------------------------|-------------|-----------------------------------|
| From Consolidated Labour Fees : | R 8 753 000 |                                   |
| From House and Site Rents :     | 20 420 682  | (estimated on proposed new rent ) |
| From Sale of Beer :             | 15 281 000  |                                   |
| From Sale of Liquor :           | 13 600 000  |                                   |
| From Sundry Sources :           | 1 897 400   |                                   |
|                                 | <hr/>       |                                   |
|                                 | R59 952 082 |                                   |

The Consolidated Labour fees are paid by employers and can amount to R2.50 per month per black employee. The figure also presumably includes the R. per month paid by legally registered self-employed black people. Apart from the small amount from sundry sources the rest is paid by black people. As blacks are not permitted to have freehold title to land in so-called white areas the Board cannot draw on rates to increase its income. 48% of the Board's income is drawn from the sale of beer and liquor.

The income for 1976/77 of R59 952 082 represents a drop in income from previous years as shown in the following table (figures taken from Hansard questions on 4th and 8th February 1977)

| <u>YEAR</u> | <u>TOTAL WRAB INCOME</u> | <u>INCOME FROM RENTS.</u> |
|-------------|--------------------------|---------------------------|
| 1974 - 1975 | R 60 493 411             | R11 170 196               |
| 1975 - 1976 | 68 925 240               | 14 341 177                |

The drop in estimated income for the current financial year is mainly caused by the destruction of beer and liquor outlets during the disturbances. The progressive increase of income from rents is due to increases in site rentals as there has been no significant increase in the number of houses built for letting as illustrated by figures included later in this paper.

37.7% of the Board's income is spent on salaries, wages and allowances.

The Board budgeted for a deficit of R9 163 000 which they aimed to reduce to R579 000 by the increase in site rents.

HOUSING. According to the West Rand Administration Board the waiting list for houses in Soweto on 31st December 1976 was 10 739 families with another 10 000 families whose male head was not born in Johannesburg.

According to the Regulations Governing Urban Bantu Residential Areas published in Govt Notice No. R 1058 of 14th July 1967 only the following may be allowed to rent or purchase a house :-

A man who qualifies to be in the area in terms of Section 10(1)(a) or Section 10(1)(b) of the Urban Areas Act. who is over 21 years of age, whose wife has a permit to be in the area and who has dependents.

Section 10(1)(a) applies to a person who has lived continuously in one area since the time of his birth.

Section 10(1)(b) applies to people who have lived lawfully and continuously in one area for 15 years or who have worked continuously in one area for one employer for ten years.

The figures quoted therefore mean that the waiting list consists of 10 739 families where the male head is 10(1)(b). It is not clear to me what regulations give the Administration Board the power to separate the two lists but this division accounts for the fact that, both in Parliament and the press, the black housing shortage for the Johannesburg/Roodepoort area is sometimes given as plus/minus 10 000.

However even the total figure

However, even the total figure of 20 739 families does not represent the true shortage. All families where the head is a woman are excluded. There are many families headed by a 10(1)(a) or (b) widowed, divorced or unmarried woman with children and other dependents who are not accepted on to the waiting list. Women who, were allotted a house before 1968 and women who were already occupying a house when their husbands died or divorced them may now be the registered tenant. The Regulations allow the Bantu Affairs Commissioner to give such permission. He will usually allow this if a woman is 10(1)(a) or (b) and has minor children when her husband dies or divorces her. (Qualified women will now be given permission to purchase a house under the new leasehold scheme).

Also excluded from the waiting list are those families where the male head has not yet established a Section 10 qualification. There are many men who have not been able to establish sufficient proof for a 10(1)(a) endorsement and others who, although they have been in Johannesburg for a considerable length of time, much exceeding the 15 years, were not lawfully resident and have therefore been denied a 10(1)(b). I am not here referring to migrant workers but to those men who are accepted as permanent residents and who have no difficulty in being registered in work etc., but who do not qualify to be accepted on to the waiting list.

Then there is a large number of families who are not accepted on to the waiting list because the wife has no permit to be in the area although her husband has a 10(1)(a) or (b) qualification. Wives are not admitted to the urban areas to live with their husbands. The authorities often claim that the reason for this is that the husband does not have family accommodation but he cannot even get on the waiting list until his wife has a permit so has no hope of obtaining family accommodation. (A newly introduced concession will allow the wife of a man who purchases a house to come to the area to live with him).

All these families who at present can only live as lodgers in someone else's house must be added to the official list if there is to be any accurate estimate of the real housing shortage. It is impossible to obtain accurate figures but people who live in Soweto maintain that there are very few houses occupied by one family only. It is not uncommon to find between 15 and 30 people living in one four-roomed house as well as numbers of illegal shacks, outhouses, garages and foul runs which are occupied by people. Assocom gave evidence to the Cillie Commission that in ten urban areas the average number of people per house in black townships is 17.

Some years ago the Johannesburg City Council estimated that 200 new houses per year were needed to keep pace with the natural increase in the Soweto population (children born there, growing up and marrying).

With the increase in the population this figure must be greatly increased now. The Administration Board has not even been meeting the 2000 figure and are therefore not even maintaining the waiting list at a stable figure.

The following number of housing units have been built in Soweto

|      |   |      |                               |
|------|---|------|-------------------------------|
| 1974 | : | 1009 | (Hansard)                     |
| 1975 | : | 761  | (Hansard)                     |
| 1976 | : | 441  | (Sunday Express quoting WRAB) |
| 1977 | : | 422  | (Hansard question 3/2/1978)   |

NB. It must be noted that Government Policy since 1967 has been to discourage the building of family accommodation in the urban areas.

Figures for WRAB expenditure given in Parliament on 8th February 1977 are as follows :

| <u>YEAR</u>      | <u>TOTAL EXPENDITURE</u> | <u>ON HOUSES</u> |
|------------------|--------------------------|------------------|
| 1.4.74 - 31.3.75 | R62 751 374              | R1 196 980       |
| 1.4.75 - 31.3.76 | R67 802 358              | R1 423 299       |
| 1.4.76 - 31.3.77 | R57 778 600              | R 750 000        |

It is not unusual for the Black Sash office to receive enquiries from people who have documentary evidence that they were accepted on to the waiting list in 1969 and are still waiting.

This situation leads to the inevitable allegations of bribery, corruption and fraud involving both officials and private persons. It also leads to tremendous tensions, anxieties, family and community break downs, and social disruption on a wide scale.

LEASEHOLD TITLE. The re-introduced leasehold scheme is not resolving the shortage of housing in any significant way. In 1976 (from October when this scheme began) 1103 persons applied for and were granted leasehold title (Hansard 8.2.77). Some employers have initiated schemes to enable their employees to build quality houses but the numbers involved do not lead us to expect any material reduction in the waiting list. It is also reported that these firms are surprised and disappointed in the response to their offer. Their employees are often reluctant to sink money into immoveable property in the present uncertain situation.

There does not seem to be much demand for the purchase of new low cost houses on the standard pattern as the cost to the prospective owner is out of all proportion to the quality of accommodation offered. In 1977 the standard 5 1/6 four roomed house with external lavatory could be erected by the Board for R2 900 which involves the prospective buyer in a 25% cash deposit plus repayments over 25 years of R9,44 per month plus the site rental in perpetuity plus metered water accounts and sundry other financial obligations which make the total cost exorbitant. In January 1978 the Board announced an extra charge of R1000 "as a contribution to township development".

It is the site rental which is subject to regular increases so the ownership of a house makes doubtful economic sense and offers very little additional security given the past record of the Government in withdrawing freehold title and substituting 90 year leasehold, then reducing 90 year to 30 year leasehold, then abolishing leasehold altogether and later reintroducing 30 year leasehold followed by vague promises of "an indefinite period".

It seems that most of the applications to purchase are coming from people who already occupy a house on a one month tenancy and decide to buy it. These people do not figure on the waiting list.

Because there is no freehold/

Because there is no freehold title black people cannot borrow money from the Building Societies in the normal way to buy or build homes, although new legislation is promised to make this possible.

The rent increases - example after the full increase comes into effect :

The 51/6 in Zola - 4 rooms with outside lavatory and water tap, on stand measuring 40 X 70 feet.

Old rent : R 9,10 to R 9,50 per month which includes R 6,25 site rent  
Increased rent : 14,35 to 14,75 per month which includes 11,50 site rent

The 51/9 in Meadowlands - 4 rooms with inside bathroom and lavatory.

Old rent : R 11,90 per month which includes R 8,55 site rent.  
Increased rent : 16,20 per month which includes 12,95 site rent.

The 5-room de luxe in Orlando East.

Old rent : R 17.00 per month which includes R 6,25 site rent.  
Increased rent : 23,20 per month which includes 11,50 site rent.

The 2-room house in Orlando East.

Old rent : R 8,90 per month which includes R 6,25 site rent.  
Increased rent : 13,95 per month which includes 11,50 site rent.

There is an additional charge of R3.00 per month for water.

The Board claims that the site rent includes such things as sewerage, refuse, removal, street lighting, street cleaning, cemeteries, contributions to health services, school funds, ambulance costs, interest on and repayment of loans used by the Board (or the local authority in the past) to purchase the land.

Residents point out that refuse removal and street cleaning are totally inadequate, that they pay R1.00 for every visit to a clinic, that if they want an ambulance they must pay R3.00 and that there is hardly any street lighting.

It is the practice of the Board to insist that every son of working age and every daughter who is pregnant or has a child, whether she is working or not, is removed from the parents' residential permit and forced to take a separate lodger's permit for which the charge is R1.00 per month. This materially increases the total rent paid by a family. (E.G., a mother and father living in a 4-roomed house 51/6 in Zola with two grown daughters and three sons who are no longer at school are paying R9.10 rent plus R5.00 extra in Lodger's permits).

Hostel rents are also increased from R4.60 per month per bed to R7.00 per month. This is an intolerable charge on men who have to support themselves in the urban area as well as paying for the separate household of their families in their home area.

CONCLUSIONS./

C O N C L U S I O N S.

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There is no solution to the housing crisis without radical changes in Government Policy. The following are the only actions which could materially improve the situation.

1. That freehold title (or at the very least an indefinite leasehold) be introduced for black people.
2. That the proposals of the Committee of Ten for the local Government of Soweto be accepted.
3. That if influx control, labour, and housing regulations are to remain on the Statute book the central Government assumes responsibility for their administration.
4. Administration Boards would then have no function and could be abolished.
5. That free enterprise and the initiative of the community be allowed to function without restriction so that the 13 - 14000 empty stands in Soweto can be immediately utilised through site and service, core housing, starter housing schemes etc.

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