



South African Institute of Race Relations

The power of ideas

FreeFACTS

No 2/2018 / June 2018 / Issue 2

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What do the numbers tell us?

It is not an exaggeration to say that the proposed policy of Expropriation without Compensation (EWC) is one of the biggest threats yet to prosperity in post-apartheid South Africa and, as currently formulated, a threat to the rights of all South Africans.

There are a number of misconceptions around the new policy. It will affect not only the property rights of white South Africans but of all South Africans. Under the current proposals all land will be nationalised and all South Africans will lose their property rights.

One of the biggest crimes committed under apartheid was that black people lost their property rights. Conversely, one of the biggest successes of post-apartheid South Africa is the high proportion of black households that own their own homes (more than all other race groups put together). EWC would result in a situation where everyone's property rights were insecure, including black property owners.

In this edition of *FreeFACTS* the IRR provides you with data on the real picture of property ownership in South Africa. We also provide data which shows that land reform is not the pressing need that it is claimed to be – South Africans are far more concerned with the lack of jobs and poor education. Agriculture is also a small contributor to the broader economy, and it is unlikely a redistribution of land will result in any major economic boost.

The IRR is also not simply shouting from the sidelines that EWC is wrong and that there should be no form of land reform or restitution. What can happen immediately is that people living on government land in cities or tribal land in former homelands be given title. Giving people in these situations secure title will provide them with an asset, but also give them the dignity and security that comes with it.

The IRR has also suggested that instead of spending money on failing state-owned enterprises, money could be spent on creating new black emerging farmers. We have shown elsewhere how it would be possible to create 750 black farmers, with everything they would need to establish themselves, and be debt-free for at least three years. Given that there are only 30 000 commercial farmers in South Africa, these new farmers would be a significant number. This can also be a continuous, rather than once-off process.

The IRR has, since 1929, fought for the property rights of all South Africans, and will continue to do so. — **Marius Roodt**

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The IRR is an advocacy group that fights for your right to make decisions about your life, family, and business, free from unnecessary government, political, and bureaucratic interference. FreeFACTS publishes the evidence that communities are better off when individuals are free to make decisions about how they want to live, be educated, work, access healthcare, think, speak, own property, and protect their communities. If you agree with the issues we stand for then welcome to the team. There are millions of people just like you who are tired of South African politicians, activists, and commentators attempting to rein in your freedom to decide. Take back control and make sure your voice is heard by becoming a friend of the IRR.

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Property rights

Household tenure status by race and sex (actual numbers), 2016

Tenure status	Black		Coloured	
	Male	Female	Male	Female
Owned and fully paid off	3 586 000	3 810 000	308 000	271 000
Owned, but not yet paid off to private lender	48 000	30 000	7 000	— ^b
Owned, but not yet paid off to bank/financial institution	294 000	130 000	100 000	29 000
Rented	2 307 000	936 000	174 000	86 000
Occupied rent-free	1 349 000	840 000	91 000	76 000
Other/unspecified tenure status	105 000	77 000	— ^b	7 000
Total households^b	7 689 000	5 823 000	680 000	469 000

Tenure status	Indian/Asian		White		Total ^a
	Male	Female	Male	Female	
Owned and fully paid off	113 000	58 000	424 000	199 000	8 769 000
Owned, but not yet paid off to private lender	8 000	— ^b	27 000	15 000	138 000
Owned, but not yet paid off to bank/financial institution	58 000	12 000	332 000	77 000	1 032 000
Rented	86 000	23 000	294 000	191 000	4 097 000
Occupied rent-free	5 000	9 000	32 000	11 000	2 413 000
Other/unspecified tenure status	4 000	— ^b	15 000	5 000	213 000
Total households^b	274 000	102 000	1 124 000	498 000	16 662 000

Source: Stats SA, *General Household Survey 2016*, Statistical release P0318, 31 May 2017, Table 8.6, p131

a Figures should add up vertically and horizontally but may not, owing to rounding.

b Values too small to provide reliable estimates.

Household tenure status by race and sex (proportions), 2016

Tenure status	Black		Coloured		Indian/Asian		White		Total ^a
	Male	Female	Male	Female	Male	Female	Male	Female	
Owned and fully paid off	46.6%	65.4%	45.3%	57.8%	41.2%	56.9%	37.7%	40.0%	52.6%
Owned, but not yet paid off to private lender	0.6%	0.5%	1.0%	N/A	2.9%	N/A	2.4%	3.0%	0.8%
Owned, but not yet paid off to bank/financial institution	3.8%	2.2%	14.7%	6.2%	21.2%	11.8%	29.5%	15.5%	6.2%
Rented	30.0%	16.1%	25.6%	18.3%	31.4%	22.5%	26.2%	38.4%	24.6%
Occupied rent-free	17.5%	14.4%	13.4%	16.2%	1.8%	8.8%	2.8%	2.2%	14.5%
Other/unspecified tenure status	1.4%	1.3%	N/A	1.5%	1.5%	N/A	1.3%	1.0%	1.3%
Total households^a	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: IRR calculations based on Stats SA data

a Figures should add up vertically but may not, owing to rounding.

N/A — Not available/applicable.

It is clear that the majority of homes that are owned and fully paid off, are owned by black people (particularly women). This is another unsung achievement of the post-apartheid era. In a situation where property rights are again under threat (and perhaps destroyed) all South Africans will suffer, but black women in particular.

Property rights

Household tenure status in selected townships (proportions)^a, 2016

<i>Township</i>	<i>Owned, but not yet paid off to bank/financial institution</i>	<i>Owned and fully paid off</i>	<i>Rented</i>	<i>Unspecified</i>	<i>Total township households^b</i>
Gugulethu — Cape Town	2.9%	73.4%	6.3%	17.3%	100.0%
Mitchells Plain — Cape Town	13.6%	57.3%	11.2%	17.9%	100.0%
Umlazi — Durban	4.4%	40.1%	4.0%	51.6%	100.0%
Springs — Ekurhuleni	28.5%	37.3%	17.5%	16.7%	100.0%
Tembisa — Ekurhuleni	3.7%	57.9%	17.8%	20.6%	100.0%
Tsakane and KwaThema — Ekurhuleni	16.9%	50.0%	8.6%	24.6%	100.0%
Alexandra — Johannesburg	3.9%	72.2%	12.6%	11.3%	100.0%
Lenasia — Johannesburg	17.2%	53.5%	8.5%	20.8%	100.0%
Mamelodi — Tshwane	10.5%	70.5%	0.9%	18.1%	100.0%
Soshanguve — Tshwane	5.1%	56.8%	2.3%	35.8%	100.0%
Chiawelo — Johannesburg	8.8%	54.8%	4.4%	32.0%	100.0%
Diepkloof — Johannesburg	4.7%	56.0%	9.1%	30.1%	100.0%
Dobsonville — Johannesburg	3.7%	74.0%	3.0%	19.2%	100.0%
Eldorado Park — Johannesburg	10.7%	69.9%	4.0%	15.4%	100.0%
Jabavu — Johannesburg	3.2%	70.8%	6.1%	19.9%	100.0%
Meadowlands — Johannesburg	5.6%	67.7%	3.6%	23.1%	100.0%
Orlando — Johannesburg	1.3%	72.8%	3.5%	22.4%	100.0%
Pimville — Johannesburg	8.4%	67.0%	6.6%	18.0%	100.0%
Protea — Johannesburg	25.1%	44.6%	9.1%	21.2%	100.0%
Zola — Johannesburg	10.1%	49.2%	6.8%	33.9%	100.0%
Bophelong, Evaton, Sebokeng, Sharpeville — Sedibeng	7.1%	64.9%	12.4%	15.6%	100.0%
South Africa	17.3%	46.8%	20.2%	15.7%	100.0%

Source: IRR calculations based on Eighty20 data

a Applies to houses or brick structures on a separate stand or yard. Excludes all informal dwellings and formal backyard dwellings.

b Figures should add up horizontally but may not, owing to rounding.

This would indicate that there are many people who have fairly secure title to their property in the former 'townships'. It is not clear whether homeowners are so defined because they were given title by a local authority or because they have finished paying off a bond. It is likely that it is a mix of the two. Nearly half of all households in former townships fully own their homes. In a situation where property rights were less secure, these homeowners' title could also be under threat.

Property rights

Population of 16 selected economic regions, 1996-2016

Region ^a	Total			Change 1996-2016	
	1996	2006	2016	Number	Proportion
Johannesburg	2 714 406	3 628 649	4 938 105	2 223 698	81.9%
Cape Town	2 531 506	3 303 735	4 124 519	1 593 013	62.9%
eThekweni (Durban)	2 913 010	3 324 553	3 819 967	906 957	31.1%
Tshwane (Pretoria)	1 882 086	2 397 854	3 235 094	1 353 008	71.9%
Ekurhuleni	2 109 016	2 733 186	3 453 603	1 344 587	63.8%
Nelson Mandela Bay (Port Elizabeth)	982 648	1 085 205	1 263 279	280 631	28.6%
Rustenburg	331 636	463 137	631 237	299 601	90.3%
Buffalo City (East London)	735 320	766 899	848 328	113 008	15.4%
Mangaung (Bloemfontein)	652 879	718 993	842 447	189 568	29.0%
Emalahleni (Witbank)	249 933	340 396	439 984	190 051	76.0%
Govan Mbeki (Secunda)	220 621	257 881	317 752	97 131	44.0%
Mbombela (Nelspruit)	507 682	605 681	707 269	199 587	39.3%
Metsimaholo (Sasolburg)	109 436	131 331	168 288	58 851	53.8%
Steve Tshwete (Middelberg, Mpumalanga)	141 506	178 812	261 684	120 179	84.9%
Thabazimbi ^b	60 791	73 012	99 952	39 160	64.4%
Emfuleni (Vereeniging)	623 136	663 306	740 967	117 832	18.9%
South Africa	40 583 573	47 390 909	55 653 654	15 070 081	37.1%

Source: IHS Global Insight Southern Africa, *Regional eXplorer (2.5q)*; Statistics South Africa, *Census 1996; Mid-year Population Estimates, South Africa, 2007; Community Survey 2016*

a Names in brackets indicate the main town/city.

b A mining area in the Waterberg district of Limpopo.

The growth in South Africa's urban areas has been far higher than in South Africa as a whole. This would indicate that people are increasingly moving to the country's cities, in the hope of securing a better future for themselves and their children. South Africa is about two-thirds urbanised and this trend is likely to continue. Rural development must not be neglected, but cities will be the focus of South Africa's future.

Population of 16 selected economic regions by race, 2016

Region ^a	Black	Coloured	Indian/Asian	White	Total ^b
Johannesburg	79.6%	5.4%	4.7%	10.3%	100.0%
Cape Town	44.6%	40.2%	1.2%	14.0%	100.0%
eThekweni (Durban)	76.1%	2.4%	15.4%	6.2%	100.0%
Tshwane (Pretoria)	78.6%	2.1%	1.9%	17.4%	100.0%
Ekurhuleni	81.5%	2.7%	2.2%	13.6%	100.0%
Nelson Mandela Bay (Port Elizabeth)	63.2%	23.0%	1.0%	12.8%	100.0%
Rustenburg	89.7%	0.9%	0.9%	8.5%	100.0%
Buffalo City (East London)	86.8%	5.7%	0.8%	6.7%	100.0%
Mangaung (Bloemfontein)	84.0%	5.3%	0.4%	10.3%	100.0%
Emalahleni (Witbank)	84.5%	1.7%	0.9%	12.9%	100.0%
Govan Mbeki (Secunda)	83.0%	1.6%	1.4%	13.9%	100.0%
Mbombela (Nelspruit)	90.1%	1.0%	0.8%	8.2%	100.0%
Metsimaholo (Sasolburg)	83.4%	0.8%	0.3%	15.5%	100.0%
Steve Tshwete (Middelberg, Mpumalanga)	75.8%	2.5%	1.7%	20.1%	100.0%
Thabazimbi ^c	87.4%	0.7%	0.3%	11.6%	100.0%
Emfuleni (Vereeniging)	87.5%	1.2%	0.9%	10.5%	100.0%

Source: IHS Global Insight Southern Africa, *Regional eXplorer 993 (2.5q)*

a Names in brackets indicate the main town/city.

b Figures add up horizontally.

c A mining area in the Waterberg district of Limpopo.

Property rights

Title deeds registered for RDP ^a houses by province, 2016			
Province	Households residing in RDP ^a houses	Title deeds	
		Registered since 1994	Registered as a share of RDP households
Eastern Cape	386 802	228 214	59.0%
Free State	289 414	189 140	65.4%
Gauteng	1 227 729	442 280	36.0%
KwaZulu-Natal	559 302	178 018	31.8%
Limpopo	260 976	51 563	19.8%
Mpumalanga	241 801	94 024	38.9%
North West	261 693	90 915	34.7%
Northern Cape	105 541	65 732	62.3%
Western Cape	571 997	266 392	46.6%
South Africa	3 905 255	1 606 278	41.1%

Source: DHS, *Title Restoration Project Performance Report*, Human Settlements Portfolio Committee, 30 August 2016, p4; *Community Survey 2016*, 23 June 2016, p63; Reply by the minister of human settlements to question 1818 by Mr S M Gana MP (DA), 9 September 2016

a Reconstruction and Development Programme.

Generally, the number of registered title deeds tends to be greater than the number of title deeds issued. The reasons for the anomaly include, among others, informal sales that occur prior to the issuing of title deeds, deceased estates, untraceable beneficiaries, and occupants who are not intended beneficiaries.

Suburban property buyers by race, 2005-17					
Year	Black	Coloured	Indian/Asian	White	Total ^a
2005	24.0%	9.0%	13.0%	54.0%	100.0%
2006	25.0%	8.0%	12.0%	55.0%	100.0%
2007	27.0%	9.0%	13.0%	51.0%	100.0%
2008	29.0%	8.0%	13.0%	50.0%	100.0%
2009	28.0%	7.0%	12.0%	53.0%	100.0%
2010	29.0%	7.0%	12.0%	52.0%	100.0%
2011	25.0%	8.0%	14.0%	53.0%	100.0%
2012	29.0%	8.0%	10.0%	53.0%	100.0%
2013	31.0%	9.0%	11.0%	49.0%	100.0%
2014	33.0%	8.0%	12.0%	47.0%	100.0%
2015	34.0%	7.0%	14.0%	45.0%	100.0%
2016	34.0%	6.0%	13.0%	47.0%	100.0%
2017	34.0%	7.0%	12.0%	47.0%	100.0%
2005-17	41.7%	-22.2%	-7.7%	-13.0%	—

Source: First National Bank (FNB), *FNB Estate Agents Survey*, email communication with John Loos, 28 June 2017

a Figures should add up horizontally but may not, owing to rounding.

The number of black homeowners has been rising rapidly in suburban areas - areas reserved for white people under apartheid. Transformation of our suburban areas is well under way, and this is due to free transactions in the open market. This trend is likely to continue.

Property rights

Proportion of agricultural land owned by government and previously disadvantaged individuals, 2016

Province	Total agricultural land	Land potential as a total of land
Eastern Cape	48.3%	54.1%
Free State	7.9%	18.7%
Gauteng	39.1%	23.6%
KwaZulu-Natal	73.5%	76.1%
Limpopo	52.0%	64.7%
Mpumalanga	39.7%	44.7%
North West	45.3%	36.8%
Northern Cape	6.4%	12.3%
Western Cape	4.9%	11.3%
South Africa	26.7%	46.5%

Source: Source: AgriSA, *Land Audit*, November 2017

South Africa's agricultural land accounts for about 76% of the country's total land area. Of that land, over a quarter is owned either by the government or by previously disadvantaged individuals (compared to less than 15% in 1994). At the same time, much of this is speculation, as people are not required to state their race in land or property transactions. Nevertheless, it is clear that there has been much transfer of land since 1994.

Is there 'land hunger' in South Africa? What should the top two priorities for the government be?

	All South Africans	Black South Africans
Creating more jobs	35%	38%
Improving education	27%	26%
Fighting crime	26%	26%
Fighting corruption	22%	17%
Fighting drugs, drug abuse	20%	22%
Speeding up service delivery	16%	18%
Building more RDP housing	16%	19%
Fighting illegal immigration	12%	14%
Improving healthcare	7%	7%
Fighting racism	5%	4%
Speeding up affirmative action	1%	1%
Speeding up land reform	1%	1%

Source: Institute of Race Relations, *Holding the Line, Reasons for Hope*, 2018

It is clear that jobs and education are the top priorities for all South Africans, including black South Africans. Only one percent of black people want the government to speed up land reform. Employment and education are much more important priorities for the vast majority of South Africans.

Agriculture: As a proportion of GDP and as a proportion of total employment

Year	As a proportion of GDP	As a proportion of employment
2006	2.9%	6.7%
2007	3.0%	5.3%
2008	3.0%	5.6%
2009	2.9%	7.4%
2010	2.6%	4.7%
2011	2.5%	4.5%
2012	2.4%	4.7%
2013	2.3%	5.1%
2014	2.4%	4.4%
2015	2.3%	5.6%
2016	2.4%	5.3%

Source: Institute of Race Relations, *South Africa Survey 2018*

Agriculture as a proportion of the South African economy has declined, and remained stagnant for some time. In addition, the proportion of people working in agriculture fluctuates, but is also fairly stagnant. The agricultural sector remains important but it will not create the jobs and investment that South Africa needs. Policy should focus on employment (particularly in cities) where more than two-thirds of South Africans live today.