

Press Release



SOUTH AFRICAN
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RACE RELATIONS

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Financial compensation money could have doubled land restitution hectares

The number of hectares transferred through the land restitution programme could have been doubled if some beneficiaries had not received financial compensation instead, according to the latest *South Africa Survey*, published by the South African Institute of Race Relations in Johannesburg this week.

Data from the Presidency's Development Indicators shows that the Government had spent R12.1 billion to transfer just over 2.6 million hectares of land in the land restitution programme between 1994 and 2009. This meant the State had paid an average of R4 600 per hectare.

Meanwhile, almost R5.7bn had been given to beneficiaries who received money instead of land. Based on the average cost per hectare, the amount could have bought an additional 2.6 million hectares.

The calculations by the Institute are based on the national averages and conceal provincial distortions. For example, land costs for the restitution programme were about R12 400 per hectare in Gauteng and only slightly less than R200 in the Free State.

In the Free State, the amount given in financial compensation could have bought twelve times the hectares received by land restitution beneficiaries. In KwaZulu-Natal money received by beneficiaries could have bought less than half the hectares delivered through the restitution programme.

'Despite the provincial difference in land costs, the bottom line is that money provided for financial compensation could have bought a great deal more land for black land reform beneficiaries had they not received money instead,' said Mr Kerwin Lebone, a researcher at the Institute.

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