

**HOUSING ALLOWANCES FOR GOVERNMENT EMPLOYEES IN THE
NAMIBIAN PUBLIC SERVICE: A CASE STUDY OF KHOMAS REGION**

BY

SYLVIA LIILEIMO SHILONGO

submitted in accordance with the requirements for the degree

MASTER OF PUBLIC ADMINISTRATION

at the

UNIVERSITY OF SOUTH AFRICA

SUPERVISOR: MR BUTI C LEKONYANE

MAY 2015

Student number: 36977365

I declare that **HOUSING ALLOWANCES FOR GOVERNMENT EMPLOYEES IN THE NAMIBIAN PUBLIC SERVICE: A CASE STUDY OF KHOMAS REGION** is my own work and that all the sources that I have used or quoted have been indicated and acknowledged by means of complete references.

.....

SIGNATURE:

(Ms. S L SHILONGO

.....

DATE:

ACKNOWLEDGEMENT

I am very grateful to the Almighty God for giving me the determination, wisdom and strength during the dissertation writing process.

I would like to thank staff members of the Office of the President - Directorate: Auxiliary Services for participating in the study and the sharing relevant information.

Further, I extend special thanks and gratitude to Mr. L. Musati for his unwavering support, guidance and motivation during the dissertation writing period; as well as Mr. J. Nelongo – a lecturer at the Namibia Institute of Public Administration and Management (NIPAM), who gave me unreserved insights of how to work on writing dissertations. Let me point it out that, without your assistance and professional guidance I could not have completed my studies.

Thirdly, my utmost appreciation goes to my two supervisors Mr. Buti C Lekonyane and Ms. Valerie N Louw for their guidance, advice, motivations and proof reading of my Dissertation. I was privileged to work with professional people of their caliber and I remain indebted to them. I never forget you –Sir and Madam. I also whole heartedly thank Dr. N Mlambo from Polytechnic of Namibia, for editing my Dissertation.

On an intimate note, I thank my husband Shafodino and our five children (Meriam, Letta, Sylvia, Lydia and Gifty) for their support and understanding when I spent many hours away from home. I also thank everyone who supported me throughout my studies. I believe that without your support, I could not have completed my studies.

Lastly, I dedicate this dissertation to my parents, Mom Lydia Ndahambelela Hashiyana and my late father, Daniel Beisolo Kasheh – (who passed away on 07 January 2013), for bringing me onto this world.

ABSTRACT

The inadequate housing allowance, rental allowance, taxable subsidies and housing shortages in developing countries are some of the challenges of the 21st century. Namibia is no exception. The study is aimed at figuring out whether government actions and interventions are meant to address homelessness challenges for low-income households. Furthermore, the research problem is broadened to gain insight on the effects from four countries' housing policies as covered in the study; namely Namibia, Botswana, Nigeria and South Africa.

The literature review undertaken proved that Botswana and South Africa have the best housing allowance schemes for public servants below management cadres, and have already successfully addressed public housing problems in their respective countries.

Other findings of the study are; land shortage for housing development, housing affordability problems, escalating prices for building materials, lack of intergovernmental relations systems, unemployment and low incomes.

Several recommendations include; to assist the Namibian government to emulate good examples of Botswana and South Africa, especially by providing land free of charge to its citizens (in the case of Botswana), solve financial institutions' attitude of denying low-income earners loans, review housing allowances, rent allowances and subsidies every two years, increase government/member contribution ratios to either 50 percent or 100 percent due to high inflation rates. Stop distorting housing market prices by property developers and come up with a housing pricing policy for Namibia.

Key Terms: Public servants, Housing allowance, Bank home loans, Policy, Subsidy.

TABLE OF CONTENTS

Content	Page
Title page.....	1
Declaration.....	i
Acknowledgements.....	ii
Abstract.....	iii
Table of contents.....	iv
Annexures.....	ix
List of tables.....	x
List of figures.....	xi
List of abbreviations	xii
Glossary of terms	xiv

CHAPTER ONE: GENERAL INTRODUCTION

1	Introduction	1
1.1	Background of the study	2
1.2	Significance of the study.....	5
1.3	Problem statement.....	6
1.4	Research questions.....	7
1.5	Research aim and objectives of the study	8
1.6	Research methodology and data collection	9
1.6.1	Qualitative Research method	10
1.6.2	Target population	11
1.6.3	Sampling	12
1.6.4	Data Collection	13
1.6.5	Observations	13
1.6.6	Interviews	15
1.6.7	Questionnaires	15
1.6.8	Data Processing	17

1.7	Definition of key terms.....	19
1.8	Limitations of the study	20
1.9	Ethical considerations	22
1.10	Overview of the chapters.....	23
1.11	Conclusion.....	24

CHAPTER TWO: LITERATURE REVIEW ON HOUSING ALLOWANCES OF GOVERNMENT EMPLOYEES INTERNATIONALLY

2	Introduction	26
2.1	Aim or Rationale of housing allowance	26
2.1.1	Requirement for accessing housing Allowance.....	26
2.2	HOUSING ALLOWANCES IN SOUTH AFRICA	28
2.2.1	Who qualifies for a Housing Allowance.....	28
2.2.2	Limitations and exceptions	29
2.2.3	Housing Allowance is payable	29
2.2.4	Occupation and location requirements.....	30
2.2.5	Procedures.....	30
2.2.6	How to apply for Housing Allowance.....	31
2.2.7	South Africa’s National Housing Policy	31
2.2.8	Constrains: South Africa	32
2.3	HOUSING ALLOWANCES IN BOTSWANA	33
2.3.1	Botswana Housing Policy	34
2.3.2	Botswana Housing Corporation (BHC)	34
2.3.3	Self Help Housing Agency Loans	35
2.3.4	Turnkey Development Scheme	35
2.3.5	Integrated Poverty Alleviation and Housing Programme	36
2.3.6	District Housing	36
2.3.7	Constrains: Botswana	37
2.4	HOUSING ALLOWANCES IN NIGERIA	37
2.4.1	National Housing Policy (1991)	38

2.4.2	National Housing Programme	38
2.4.3	Constrains: Nigeria	38
2.5	HOUSING ALLOWANCES IN BRITAIN	39
2.6	HOUSING ALLOWANCES IN CHINA	39
2.7	HOUSING ALLOWANCES IN THE NETHERLANDS	40
2.8	HOUSING ALLOWANCES IN RUSSIA	41
2.9	HOUSING ALLOWANCES IN THE UNITED STATES OF AMERICA	41
2.10	ELIGIBILITY CRITERIA ASSESSMENT OF DIFFERENT COUNTRIES.....	43
2.11	CRITICISMS OF HOUSING ALLOWANCES INTERNATIONALLY	45
2.12	Conclusion.....	46

**CHAPTER THREE: HOUSING ALLOWANCES OF GOVERNMENT EMPLOYEES
IN NAMIBIA – (CHALLENGES AND CONSTRAINS)**

3	Introduction	47
3.1	Background.....	47
3.2	Khomas Region.....	49
3.3	Namibia Public Service Pay Structures.....	52
3.4	Housing allowances in Namibia	53
3.4.1	Namibia National Housing Policy (NHP)	56
3.4.2	Subsidised housing	58
3.4.3	National Housing Enterprise (NHE)	62
3.4.4	Mass Housing Programme.....	64
3.4.5	Shack Dwellers Federation of Namibia (SDFN)	66
3.5	Constrains: Namibia	66
3.6	Conclusion.....	67

CHAPTER FOUR: RESEARCH METHODOLOGY

4	Introduction	69
4.1	Research Design	71
4.1.1	Qualitative Research Method	72

4.1.2	Quantitative Research Method	73
4.1.2.1	Primary Research	73
4.1.2.2	Secondary Research	73
4.1.2.3	Web-based Survey Questionnaires	73
4.1.3	Target population	74
4.1.4	Sampling	74
4.1.4.1	Non probability Sampling.....	75
4.1.4.2	Probability Sampling.....	75
4.1.4.3	Simple Random Sampling.....	75
4.2	DATA COLLECTION	76
4.2.1	Case Studies	76
4.2.2	Questionnaires and Interviews	76
4.2.3	Questionnaire Construction	77
4.2.4	Questionnaire Items	77
4.2.5	Pilot Study	78
4.3	THE RESEARCH PROCESS	79
4.3.1	Administering of questionnaires	79
4.3.2	Collection of questionnaires	79
4.4	LIMITATION OF THE STUDY	80
4.5	Ethical consideration	80
4.6	Time-Frame	81
4.7	Conclusion.....	81

CHAPTER FIVE: PRESENTATION AND INTERPRETATION OF FINDINGS

5	Introduction	83
5.1	Discussion	83
5.2	Data analysis.....	88
5.2.1	Percentages and Frequency	89
5.2.2	Validity and Reliability	90
5.2.3	Demographic information.....	91

5.3	Way forward.....	91
5.4	Mass Housing Programme	91
5.5	Solution to problems	92
5.6	Research Aim and Objectives	93
5.7	Research questions.....	94
5.8	Challenges encountered	101
5.9	Conclusion	101

CHAPTER SIX: SUMMARY, RECOMMENDATIONS AND CONCLUSION

6	Introduction	102
6.1	Objectives of the study.....	102
6.2	Findings of the study.....	103
6.3	Recommendations.....	106
6.4	Conclusion	107
6.5	Bibliography.....	109

ANNEXURES

Annexure A: Cover letter sample.....	118
Annexure B: Research Questions.....	119
Annexure C: Request letter to conduct research.....	121
Annexure D: Permission letter to conduct research.....	122
Annexure E: Research Questions (format)	123
Annexure F: Questionnaire for Managers	127
Annexure G: Work Oder	131
Annexure H: Language Editing Certificate.....	132

LIST OF TABLES

Table 1:	Phases in Process with Values	32
Table 2:	Grades and Salary Scales per job category	53
Table 3:	Improved Housing Allowance per Salary Band.....	56
Table 4:	Salary Bands, Loan Amounts, Subsidy and Contribution Ratios	58
Table 5:	Salary Bands, Loan Amounts and Maximum Subsidies.....	59
Table 6:	Salary Bands, Government/Member Contribution Ratios	61
Table 7:	Proposed reversal of Housing Subsidy (down-up)	84
Table 8:	Respondents with access to Housing Allowance per Salary Band	98
Table 9:	Respondents with access to Subsidy per Salary Band	99
Table 10:	Percentages of respondents with access to Housing Allowance	100

LISTS OF FIGURES

Figure 1:	Map of Namibia with Windhoek highlighted.....	51
Figure 2:	Percentage of respondents' years of service.....	95
Figure 3:	Percentage of respondents' age.....	96
Figure 4:	Percentage of respondents' gender.....	96
Figure 5:	Respondents' job titles.....	97
Figure 6:	Respondents' qualifications.....	100

LIST OF ABBREVIATIONS

ANC:	African National Congress
BHC:	Botswana Housing Corporation
CoW:	City of Windhoek
DPSM:	Department of Public Service Management
GIPF:	Government Institution Pension Fund
HOSSM:	Hundred percent Home Owners Scheme for Staff Members
HRD:	Human Resources Department/Division
HRPs:	Human Resources Practitioners
KRC:	Khomas Regional Council
MoF:	Ministry of Finance
MRLGHRD:	Ministry of Regional, Local Government, Housing and Rural Development
NANTU:	Namibia National Teachers Union
NAPWU:	Namibia Public Workers Union
NDPs:	National Development Planners
NHE:	National Housing Enterprise
NHP:	National Housing Programmes
NPC:	National Planning Commission
OMAs:	Offices/Ministries/agencies
OPM:	Office of the Prime Minister
PFI:	Private Finance Initiative
PSSR:	Public Service Staff Rules
PTO:	Permission to Occupy Certificate
RDP:	Reconstruction Development Programmes
SADC:	Southern Africa Development Community
SAHRA:	South African Heritage Resources Agency
SDFN:	Shack Dwellers Federation of Namibia
SHHA:	Self Help Housing Agency
UK:	United Kingdom

UN: United Nations
USA: United States of America

GLOSSARY OF TERMS

Public Servants Government employees

Housing allowance: Government incentive scheme for low-income public servants.

Vision 2030: Is a policy framework for Long Term National Development goals, in which strategies to turn Namibia into a prosperous and industrialised country are outlined. In other words, "Vision 2030" mainstreams the vision of "a prosperous and industrialized Namibia, developed by (its) human resources, enjoying peace, harmony and political stability" through eight broad objectives.

Vision 2030 was officially launched by His Excellency, the Founding Father of the Namibian nation Dr. Sam Shafiishuna NUJOMA in June 2004. The blue print was re-launched by the former Prime Minister Honourable Nahas ANGULA on 24 August 2005.

NDP3: Is a continuation of the NDPs which are government's five-year "National Development Plans" geared at implementing aims and objectives for Vision 2030. NDP3 covers the period 2007-2012 with "Accelerating Economic Development through deepening Rural Development" as its theme. NDP3 also focused on addressing youth unemployment. Currently, Namibia is busy with NDP4 objectives which started in 2013 and will end in 2017.

Bank home loans: Money borrowing plans from commercial banks to buy houses, however junior staff members find it difficult to acquire loans from money-lending institutions, for example First National Bank

(FNB), Nedbank, Standard Bank, etcetera, because they qualify for very little amounts.

Policy: Regulatory framework of government rules and procedures that govern housing finance in Namibia

Subsidy: Money payable by government to commercial banks on behalf of public servants (banks' interest on mortgages).

Spouse: A person or persons registered with the Employer as the lawful husband, wife, or life partner (excluding same sex life partners).

CHAPTER ONE:

GENERAL INTRODUCTION

1 INTRODUCTION

Namibia is one of the richest countries in the world. It has an abundance of mineral resources, such as diamond, copper, uranium and all types of fish along its coastal line. This is one of the reasons why Namibia became one of the last colonies in Africa.

Namibia attained its independence on 21 March 1990, and the Government pledged to improve services rendered to its population. To achieve this goal, the Government has developed several policies and adopted planning systems as its management tool, especially the five (5) year National Development Plans which started with NDP1 as its first five (5) year Development Strategic Plans. In other words, these are Medium Term Plans which will go as far as NDP7 and cover Namibia's Vision 2030 that is, (the Blueprint Policy Framework Strategy that aims to ensure that by the year 2030, Namibia will be a prosperous and industrialized country with a developed human capital) to enhance service delivery.

To attain these ideals, the Namibian Government introduced several work incentives of which housing allowance is one of them, for all public servants administered in every Ministry and departments. Nonetheless, with these in place, constant complaints about poor service delivery, is still circulating across the country on daily current affairs.

According to Robbins (2000:384) a happy worker is a productive employee and if the government can reward productivity, it would lead to job satisfaction. This is what the Namibian Government has been doing, satisfying its more

than 80 000 employees with regards to housing incentives ever since it gained its independence 25 years ago. This is aimed at keeping and retaining competent employees in the public service as well as preventing them from going for greener pastures in the private sector.

In other words, the Namibian Government came up with numerous Service benefits for its employees and amongst them is: Remuneration, Pension, Service bonus, Leave of Absence, Housing Allowance, Transport Allowance, Rental Allowance, Subsidy, Bursary Scheme, Clothing Allowance, Medical Aid, Social Security, to mention but a few as stipulated in the Pocket Guide, "Being a Public Servant in Namibia" (Public Service Commission of Namibia 2nd ed: 121).

Moreover, the Leave of Absence comprises of Vacation leave, Sick leave, Compassionate leave, Study leave, Special leave to attend external meetings or functions, Special Sick leave for injury on duty, Leave for sport purposes, Leave as a result of arrest and detention, Leave gratuity and Unauthorized absence from duty (Public Service Commission of Namibia 2nd ed: 7). Whereas Housing Allowance consists of two parts, one for Management and Professional Cadres, and another one for staff members below management cadres. The later will be dealt with later on because it is the main topic of the study.

1.1 **Background of the study**

Namibia gained its independence from the yoke of white minority rule of South Africa on 21 March 1990. At independence, the Namibian Government inherited a large, oversized Public Service, especially those who were employed by the old dispensation (old regime). By law, that workforce is automatically inherited in accordance with Chapter 20, Article 141(1) of the Namibian Constitution (as amended). It is stipulated that, existing appointments are subjected to the

provisions of the Constitution whereby “any person holding office under any law in force on the date of Independence shall continue to hold such office unless and until he resigns, retired, transferred or moved from office in accordance with the law” Constitution of the Republic of Namibia, (as amended); (Parliament 1998:86).

According to the Namibian pocket guide, “Being a Public Servant in Namibia” (Public Service Commission of Namibia 2nd ed: 33) the Namibian Public Sector comprises of 21 Ministries with approximately 80 000 public servants. The Office of the Prime Minister (OPM) is the head of the public service, responsible for managing the entire Public Service, including the formulation, monitoring and implementation of various public policies. In other words, the OPM drives all government business processes towards excellence in service delivery to achieve Vision 2030 through pathways as laid down in the National Development Plans (NDPs) inclusive of values articulated in the Namibian Public Service Charter (Public Service Commission of Namibia 2nd ed: 33).

In every Ministry, there are several Human Resources Practitioners (HRPs) who implement all Auxiliary and Administrative functions, including types of service benefits due to employees. HRPs therefore run Human Resources Departments (HRDs) of each Ministry by implementing work incentives due to public servants of which housing allowances for staff members below management cadres is one of them. Therefore, it is an HRP’s responsibility in all 21 Ministries and Organs of state, simply known as Offices, Ministries and Agencies (OMAs) to implement each change as directed by both Cabinet and OPM, now and then (Public Service Commission of Namibia 2nd ed: 34).

According to the Public Service Staff Rules (PSSR D.VII/IV:18), the housing allowance for staff members below management cadres is a Namibian government initiative to assist low-income earners to buy or rent houses so that

they become home-owners one day. However, housing allowances make it difficult for junior staff members to afford houses despite good gestures from the government. According to Kemp, (1997:57), housing allowances in former socialist countries, Eastern Europe and commonwealth of independent states, have been critical elements in the housing reform sector. In other words, they are demand-side subsidies, in the form of a discount provided on a means-tested basis to low-income families to pay costs, whereby poorer households receive larger benefits.

Furthermore, Namibia is not the only country that provides housing allowances to low-income groups but similar benefits have been in existence for decades, in both developed and developing countries like China, the Netherlands, Britain and the United States of America (USA), to mention but a few. According to Kemp, (1997:57) the principal policy objective for housing allowances in most countries is quite different. These will be briefly discussed in chapter two.

Nevertheless, the research study will gather evidence with regards to current housing allowances for staff members below management cadres, particularly institutional workers, Clerks, Human Resources Practitioners; as samples of low-income earning categories which cannot afford to buy houses due to the high cost of living prevalent in Windhoek.

As such, there is a need for the Namibian government to urgently look into possibilities of improving and harmonizing the current status quo because the low-income earners of society cannot afford life's basic needs; let alone renting or buying a house, with meager salaries. Moreover, it does not help to encourage employees to buy houses if they cannot afford houses that are either on sale or up for rent. This category includes; 'institutional workers' who find it hard to make ends meet according to columnist Muller in his article published in the New Era newspaper, vol. 1, p. 4, October 2012.

Furthermore, the government of the Republic of Namibia has been spending a huge amount of money in acquiring land (especially farms), for resettlement as well as subsidizing individual home loans for civil servants and political office bearers alike, with the sole aim of housing and empowering its citizens (columnist Muller: in New Era newspaper, vol. 1, p. 7, October 2012).

1.2 **Significance of the study**

It is vital to note that most if not all public institutions spend huge amounts of capital resources on housing infrastructures. A research of this magnitude is crucial to determine the necessity of spending on housing and subsidies. This research will come up with recommendations for officials and implementers on how to improve civil servants' benefits and incentives, and the need to cut costs and expand access to all civil servants.

According to Mr. Muller (columnist Muller: New Era newspaper, (03/08/2012: 2), before independence, there were neither corrugated iron shacks nor matchbox shacks behind houses in Windhoek. Nowadays, the capital city is growing rapidly, particularly the informal settlements at the north and western parts of the city. According to him, there are approximately 137,000 informal settlements so far in Windhoek alone with a population of 120,000 households (columnist Muller: New Era, newspaper 03/08/2012:2).

The outcome of the case study is important for the Namibian Government to look at ways of improving current and future shortcomings; especially about the inadequate housing allowance, heavily taxable rent allowance and subsidies for staff members below management cadres in the Public service through action research.

1.3 **Problem statement**

According to the Namibian Public Service Staff Rules (PSSR, D.VII/IV: 20), every public servant is eligible for housing allowance for staff members below management cadres on appointment in the public service but the member qualifies for a housing subsidy only after he/she is permanently confirmed in the public service. In other words, one qualifies for a home loan and subsidy after completing the 12 calendar months' probation period (PSSR, D.VII/IV: 20). The Namibian government accords such opportunities to low-income categories in the public service but because their salaries are very low, some cannot participate even if they want to.

For instance, an institutional worker with a basic salary of N\$42 000 per annum qualifies for a home loan of N\$139 200, his/her monthly instalment to a commercial bank will be N\$1, 413 per month and he/she will receive a taxable subsidy of N\$833 per month based on a 10.75 percent current interest rate (PSSR, D.VII/IV: 24).

Apart from that, there are other expenses to be covered such as life cover, fire insurance, pension etc, which needs to be catered for, from the same meagre salary. As such, the net pay that such an employee will take home won't be enough to cover other costs like municipal water and electricity bills, buy monthly groceries, pay school fees and taxi fares for children, as well as taxi fares for him/herself to and from work every day, settle other accounts, and still have some money left for incidentals.

Therefore, access to home-ownership is a social and economic issue in many countries around the world and Namibia is no exception. Governments have embarked upon increasing access to home-ownership by introducing grants, subsidized loans and tax relief (Elsinga *et al.*, on line: 68). This way,

governments assist first-time-buyers to overcome liquidity problems. Furthermore, low-income buyers are assisted in different ways, through subsidized loans, tax subsidies and targeted grants (Elsinga *et al.*, on line: 68).

Another shortcoming is affordability; the majority of institutional workers are lowly paid and cannot afford the market prices of houses in the city. Property prices are increasing on a daily basis because there is no control over house-pricing in Namibia. Commercial banks and private property developers or agents, price houses as they see fit - in their interest. As a result, even if cleaners want to partake in various schemes, they cannot cope because monthly instalments are too high.

Nonetheless, housing allowance schemes are not only found in Africa or developing countries, they are a common phenomenon in the developed world, including countries like China, the USA and Russia, to mention but a few. These are going to be discussed in Chapter 2. The next section presents the research questions.

1.4 **Research questions**

The following are the research questions which guided this research:

- ❖ What measures can the Namibian Public Service introduce to solve the thorny problem of Housing allowances to commensurate with inflation?
- ❖ How significant is the housing allowance for staff members below management cadres?

- ❖ What are the constraints regarding the use of subsidies within the Namibian Public Service?
- ❖ What impacts do different loans have on low-income earners like clerks, 'institutional workers' or cleaners?

1.5 **Research Aim and Objectives of the study**

The aim of the study is to investigate problems encountered by civil servants with regards to the inadequate housing allowance for staff members below management cadres. Furthermore, the study purposes to find possible means and to propose measures aimed at alleviating the inadequate housing allowance for government employees below management cadres.

In a nutshell, the aim of the research is to investigate the impact of housing allowance and see to it that those who ought to benefit from it, especially institutional workers as part and parcel of staff members below management cadres reap their entitlements. The study will focus the investigation on the current housing allowance, rent allowance and taxable subsidies for staff members below management cadres.

Research Objectives

The objectives of the study are:

- ❖ To investigate problems encountered by civil servants with regards to housing affordability.
- ❖ To identify specific constraints faced by junior employees regarding housing allowance in the Namibian Public Service.

- ❖ To examine the impacts of housing allowance and government subsidies.
- ❖ To explore different ways the government can introduce to assist junior staff members to afford houses or rent in Khomas Region.

1.6 **Research methodology and data collection**

According to Welman and Kruger (2000: 2), research methodology refers to “the application of various methods, techniques and principles in order to create scientifically obtainable knowledge by means of objective methods and procedures within a particular discipline”.

In other words, research methodology refers to the techniques a researcher utilises to collect and analyse data. The methods must be systematic, reliable, and procedures followed must be valid and purposeful (McMillan and Schumacher, 1993: 27).

This study is conducted using a number of methods, which included survey questionnaire, face-to-face interviews, observations and qualitative research method. This is important because qualitative research covers emotions and feelings of participants. These methods vary depending on the type of audience. The targeted audience is government employees below management cadres in the Namibian Public Service.

The study is undertaken by reviewing relevant literature such as Public Service Management Circulars from the Office of the Prime Minister as head of the Namibian Public Service, the Constitution of the Republic of Namibia, the Public Service Staff Rules, other published books, articles, journals and unpublished dissertations. Although housing is a common basic need for human existence all over the world, and SADC region in particular; comparisons of housing

allowances specifically for staff members below management cadres is not common amongst SADC countries. As a result this realisation, it narrowed the research to concentrate in Namibia only, where it is practised or applicable and Windhoek in particular where it is mostly felt in terms of high inflation and cost of living, compared to other regions across the country.

However, the researcher also look at some housing allowance models found in both developed and developing countries such as China, USA, the Netherlands and Russia. Although housing allowances has been widely adopted all over the world, it is not acceptable in Armenia and Kyrgyzstan (Taylor & Francis Ltd, online /04/040617-18).

1.6.1 **Qualitative research method**

According to Fouche (2007:270-272), qualitative research is a strategy determined by the researcher's choices and actions. The qualitative research method is selected because of its effective description of social problems. Furthermore, Marshall and Rossman (1995:11-12) define qualitative research as an approach that allows exploration of policy implementation and understanding the effects of a new policy.

With this method, data is presented in words and images from documents, observations and transcripts. According to Welman, Kruger and Mitchell (2005:6), the aim of the qualitative research method is to establish the social constructive nature of reality, and it stresses relationships between the researcher and the object of study. This research is conducted in two parts: Primary research (quantitative method) and Secondary research (literature review).

In primary research, the researcher uses the quantitative method to solicit information from respondents. The researcher feels that the quantitative method provides more objective data where flexibility is limited to prevent bias in the results presentation.

Secondary research on the other hand covers literature reviews from other published or unpublished sources such as Government reports, annual reports, books, journals, workshop papers, meeting minutes, newspapers, internet and thesis.

As such, the researcher may use a web based questionnaire survey, which is an online survey tool which creates, publishes, and analyzes online surveys. This method might be selected because it can reach a wider audience, responses, can be received quickly, directly analyzed, and above all, it is cheaper than posting, faxing and phoning to administer the questionnaire.

According to Weber and Bradley (2012), many of the web-based surveys offer instant response collection over the internet, which reduces the time needed for entering data into analytical software packages. Web-based survey data processing is beneficial because it means fewer threats of unreliable researcher interpretations and less handling of the data by the researcher, which results in low risk of data coding and entry errors.

1.6.2 **Target population**

A research population is defined by Robert and Richard (1989:264) as the abstract idea of a large group of many cases from which a researcher draws a sample and onto which results from a sample are generalized. The population targeted by this research is public servants below management cadres in the Khomas Region.

1.6.3 Sampling

A sample is defined by Bless *et al.* (2006:98) as the subset of the whole population under investigation whose characteristics can be generalized to the entire population. However, according to Kannae (2004:51) sampling is a “method of selecting part of a group to represent the total population”.

Moreover, sampling is used because it is impractical to cover the entire population. In other words, sampling can be used because it has the advantage of shortening the period of research, and by shortening the time of the study, costs is also reduced. As a result, it has an advantage of obtaining information quickly. Despite that, sampling is not free of problems because, if a sample is not properly selected, the result may be biased (Kannae, 2004:51).

Furthermore, sampling enables a researcher to study relatively small units in place of the target population, and in so doing, obtain data that represents the whole targeted population. According to Welman *et al.* (2005:56), sampling is distinguished between probability samples and non-probability samples. These can further be explained as follows:

Non-probability sampling entails the selection of group participates according to pre-selected criteria relevant to a particular research question. Examples are quota, snowball, purposive, self-selection, convenience and accidental samples. Whereas probability samples are selected as representatives of the population and these include simple, random, systematic, stratified and cluster samples.

The researcher anticipates to receive $\pm 30-50$ respondents and a simple random method was used. The next section explains the data collection process.

1.6.4 **Data collection**

The researcher made use of Case Study strategy data collection by using structured questionnaires and semi-structured interviews in order to determine the opinions, attitudes, preferences and perceptions or interests of the interviewees. As such, the researcher is compelled to understand how individuals experience and perceive issues about the housing allowance for government employees below management cadres.

The researcher adopted the Case Study as a primary research method to collect data through interviews, because according to Yin (1984:23) the Case Study research method excels at revealing complex issues due to the fact that it focuses on observation and interviews. These can be briefly explained as follows:

1.6.5 **Observations**

Observations are described as the most direct technique for obtaining data. According to McMillan *et al.*, (1993:256), the term 'observation' is used to describe the data that is collected regardless of the techniques employed in the study. Furthermore, that observation is a more specific method of collecting information and it is different from interviews or questionnaires. It relies on the researcher's seeing, hearing phenomena and recording of those observations rather than relying on the subjects' self-report responses to questions or statements.

McMillan *et al.* (1993:420) further describes observations as active processes, which include muted cues, facial expressions, gestures, tone of voice and other un-verbalized social interactions on the part of the subjects, to convey specific meanings. It is not what participants have written about the topic or what they say they do; instead, it reflects their actual performance (Gillman, 2000:46).

The researcher used two methods of observations: participatory and non-participatory observations.

(a) Participatory Observation

According to McMillan *et al.*, (1993:416), a participant observer is a person who has a role in the site which he intends to study. A participant observer is somebody attempting to assume the role of individuals under study in order to experience their thoughts, feelings and actions (Wiersma, 1991:229).

The researcher attended a housing committee meeting at the Directorate of Auxiliary Services, where she participated in discussions over housing allowance matters for staff members below management cadres. During the meeting, the participant was able to gather information based on what actually happens during the processes.

(b) Non-Participatory Observation

Walliman (2009:287) states that observation is a method of recording conditions, events and activities through non-inquisitorial involvement of the researcher. The researcher attended a meeting (of the Directorate's Housing Committee) to observe how meetings are conducted. This data gathering technique, when combined with interviews, enabled the researcher to record both verbal and non-verbal behaviors. Under observation, the researcher attended a Housing Committee meeting at the Office of the President: Directorate of Auxiliary Services, to observe and listen to participants discussing housing allowance issues for public servants below management cadres.

In addition, interviews are used to gather problems related to housing allowances, challenges encountered and other activities which the researcher is

unable to observe. Questionnaires and interviews are commonly used as data collecting instruments. These briefly entail the following:

1.6.6 **Interviews**

According to Bless *et al.* (2006:116) an interview involves direct personal contact with participants who are asked to answer questions relating to the research problem.

Furthermore, Gubrium and Holstein (2002:85), describe a qualitative interview as a kind of guided conversation in which the researcher listens to interviewees in order to get the meaning of what is being conveyed. Usually, interviews begin with a brief explanation of the purpose of the project; assurances concerning the confidentiality of the information given, a declaration about the information that would be used specifically for the study, and lastly, some general guidelines about the process of the interviews (Gubrium *et al.*, (2002:59).

On the other hand, Schulze (2002:60) define interviews as the most common method of data collection in qualitative research. Face-to-face interviews help researchers to understand the closed worlds of others. Goode and Hatt (1952:194) note that interviews vary depending on the type, and the method allows the researcher to ask supplementary questions for clarity on certain information.

1.6.7 **Questionnaires**

Questionnaires are used without direct personal contact with respondents. The researcher made use of questionnaires as data collecting instruments to target respondents from several Ministries in the Khomas Region, as well as staff members from the Directorate: Auxiliary Services - Office of the President. The

use of questionnaires allows respondents to provide information independently on their own. As such, the researcher anticipates receiving $\pm 30-50$ respondents in this exercise.

In other words, questionnaires are the most used instruments, because they are easy to administer, inexpensive and offer anonymity according to Langford (2001:118). Furthermore, Polit and Beck (2006:294) note that questionnaires contain various structures such as open-ended and closed-ended questions.

There are several advantages and disadvantages of questionnaires. According to Gray (2005:108-113), "advantages of questionnaires include that they are inexpensive, simple, less time consuming than interviews and respondents remain anonymous". However, some "disadvantages are, mailing questionnaires is costly, low response rates, respondents may not provide socially acceptable responses or they may fail to answer important aspects of questions" (Gray, 2005:110-113).

The questionnaire is considered appropriate for this study, as it is designed according to the objectives of the research in order to obtain information through written responses from participants on a particular subject. Questions are presented in a consistent manner, which allows less opportunity for biasness than in the interview. A self-administered "structured and standardized" questionnaire is then developed (Parahoo, 2006:55).

According to Brink (2000:156), in order to formulate a “standardized set of questions, the researcher has to concentrate on simple, short, unambiguous and understandable questions.” Thus, the questionnaire utilised in this study contains statements followed by multiple choice response alternatives on which respondents are urged to react according to a rating scale, where a value is assigned to response alternatives.

Once questionnaires are sent out, interviews were arranged and conducted with selected individuals from Office of the Prime Minister, Ministry of Regional, Local Government, Housing and Rural Development (MRLGHRD), Khomas Regional Council, NHE officials, as well as staff members from the Directorate: Auxiliary Services - Office of the President, to discuss questionnaires or any additional information interviewees may supply which can be of assistance to the researcher. The next section is on data processing.

1.6.8 **DATA PROCESSING**

After data has been collected, a number of stages was embarked upon in readiness for data presentation and analysis, data editing, coding, definitions of data lists, preparation for data file, data entry, and data cleaning. Kannae (2004:60) defines data processing as the preparation of data for analysis, and the writer further describes data editing as a process of examining the complete questionnaires and data collection sheets for the correction of errors and mistakes. The errors could be omissions or commissions.

❖ **Coding of Data**

The data collected was coded, which implies giving symbols for each type of variable. Kannae (2004:60) defines data coding as the assigning of symbols to

each category of variable in the study. For instance, 1 = male, and 2 = female. The coding is normally done after field work.

❖ **Post Coding**

This stage entails a code book to be prepared for all data collected, which gives specific meaning to each numeric code. A data file for data entry was also prepared in which all data is entered, and a format of Statistical Package for Social Sciences (SPSS) data software format were used. Kannae (2004:61) suggests that SPSS has the following undertakings:

- ✓ Assigning identity numbers to each case
- ✓ Preparation of variable list and names
- ✓ Assigning codes to response categories
- ✓ Assigning variable and non-variable labels
- ✓ Determining column widths
- ✓ Determination of type of variables
- ✓ Giving a name to the data file

❖ **Data Entry**

Kannae (2004) defines data entry as the process of creating a data file and keying in data. Data was be entered into the prepared file. The file is divided into columns and rows. Then data was cleaned, which includes running preliminary frequencies of all variables in order to make sure that variable names and response categories/values are correct and valid. Kannae (2004) further states that data cleaning is vital because incorrect or invalid values may introduce some margin of errors into analysed data, thus making it less credible.

The next is a definition of key words used in this research.

1.7 Definition of Key Terms

Terms used throughout this dissertation are defined below:

Housing allowance: Government incentive scheme for low-income public servants.

Vision 2030: Is a policy framework for Long Term National Development goals, in which strategies to turn Namibia into a prosperous and industrialised country are outlined. In other words, "Vision 2030" mainstreams the vision of "a prosperous and industrialized Namibia, developed by (its) human resources, enjoying peace, harmony and political stability" through eight broad objectives.

Vision 2030 was officially launched by His Excellency, the Founding Father of the Namibian nation Dr. Sam Shafiishuna NUJOMA in June 2004. The blue print was re-launched by the former Prime Minister Honourable Nahas ANGULA on 24 August 2005.

NDP3: Is a continuation of the NDPs which are government's five-year "National Development Plans" geared at implementing aims and objectives for Vision 2030. NDP3 covers the period 2007-2012 with "Accelerating Economic Development through deepening Rural Development" as its theme. NDP3 also focused on addressing youth unemployment. Currently, Namibia is busy with NDP4 objectives which started in 2013 and will end in 2017.

Bank home loans: Money borrowing plans from commercial banks to buy houses, however junior staff members find it difficult to

acquire loans from money-lending institutions, for example First National Bank (FNB), Nedbank, Standard Bank, etcetera, because they qualify for very little amounts.

Policy: Regulatory framework of government rules and procedures that govern housing finance in Namibia

Subsidy: Money payable by the government to commercial banks on behalf of public servants (banks' interest on mortgages).

Spouse: A person or persons registered with the Employer as lawful husband, wife, or life partner (excluding same sex life partners).

1.8 **Limitations of the study**

The study was limited to Public Servants below management cadres.

In addition, addressing the crucial issue of inadequate housing allowance in Namibia, the researcher noted with great concern that the majority in need of housing are the poor whose income does not allow them to purchase houses through banks, from individuals or property developers (columnist Muller: New Era, 03/08/2012: 1).

Despite that, the researcher did not encounter major problems although any type of online survey may reach a limited number of respondents due to the fact that when an e-mail is sent out, the survey population was limited only to staff members who have e-mails.

However, by taking over more than 80 000 civil servants at independence in 1990, this increased the number of civil servants below management cadres in the Namibian public service. The government used to build houses for civil

servants in the past, allocate them to individuals who in turn occupied the houses as long as they were employed by the central government.

Moreover, those employees were supposed to vacate such houses at retirement because the houses are government property, and employees were expected to return to their homesteads or kraals in the northern part of Namibia and elsewhere in the country. Since employees did not own land then, and no other structures were allowed to be erected in townships or urban areas, people kept on rotating, something that the current SWAPO Party-led government thinks it should stop forthwith.

That provision is made in accordance with Chapter 3, Article 21(g-h) of the Namibian Constitution (as amended), which stipulates that every Namibian has the right to “move freely throughout Namibia, as well as to reside and settle in any part of Namibia” in accordance with the Constitution of the Republic of Namibia, 1998 (as amended); (Parliament 1998:23). In other words, after independence the Government permitted everyone to live wherever they wished to stay in accordance with the law. That is why the majority of the Namibian workforce is now entitled to get access to land throughout the country.

Furthermore, due to the sensitive nature of the Office of the President, the researcher had limited access to informational reports and participants for the study were limited to the Khomas Region due to work commitments of the researcher.

However, a major limitation noted in this study is the fact that the study is not a representation of the entire housing sector in Namibia. Furthermore, it is limited to Public Servants below Management Cadres within Windhoek because it has a conglomerate of many levels and different categories. Lastly, the study is limited to the use of questionnaires, interviews and observation schedules.

Moreover, due to time and resource constraints, the study covered only housing allowances in and around the Central Business District of the capital city as well as several suburbs around Windhoek. The disorganized nature of settlement set-ups around the city hampered the collection of data, to a large extent such that the study was constrained by unavailable time and lack of information from few unwilling respondents who did not co-operate with the interviewer.

1.9 **Ethical considerations**

Ethics clearance for this study was not obtained prior to data collection. However, data collection took place after permission to conduct the study was received on 03 September 2014 from the Director of the Directorate Auxiliary Services, Mr. Ben K Likando, at the Office of the President. Participants who were directly affected by problems of homelessness, high rental fees, low and inadequate housing allowances as well as taxable subsidies, were interviewed. Management cadres were excluded because they do not receive housing allowances like staff members in lower ranks. The participants were not subjected to any form of intervention or any manipulation of the participants' environment. The participants were not exposed to any harm or exploitation.

The participants were invited because of their extensive experience about the topic under study. Their views on the topic assisted the researcher to generate a comprehensive picture of housing allowances for staff members in the Namibian Public Service. It was emphasised that participation is voluntary, and the participants were under no obligation to consent to participate. Those who decided to take part, had been given an information sheet to keep and were

asked to sign a written consent form. The participants were free to withdraw at any time and without giving a reason.

The researcher asked each participant's consent to take part in this research and told the participants about the nature, procedure, potential benefits and anticipated inconvenience of participation. The participants had sufficient opportunity to ask questions and to prepare to participate in the study. Each participant's privacy is respected throughout the research by not putting any pressure on him/her to participate in the study or to disclose any private information. No one will be able to connect the participants to the answers they gave. Thus, anonymity and confidentiality are respected. The participants did not receive any payment or reward, financial or otherwise. The study did not incur undue costs to the participants.

The participants will be able to access a copy of the final dissertation at the Unisa library. Soft copies of the supporting data are kept by the researcher in a password protected computer, while hard copies are locked in the researcher's office cabinet. All information will be destroyed permanently after five years. Electronic information on the password protected computer will be permanently deleted from the hard drive of the computer. Hard copies of research documents will be shredded.

1.10 **Overview of the chapters**

The dissertation consist of six (6) chapters, summarized as follows:

Chapter one: Covers the introduction, background of the study, significance of the study, problem statement, research questions, research aim and objectives,

methodology and data collection, definition of key terms, limitations of the study, ethical considerations, overview of the chapters, and conclusion.

Chapter two: Deals with the literature consulted in line with Housing Allowances of government employees internationally. The chapter explores existing literature on housing allowances of government employees internationally. This includes three countries from Africa, namely Botswana, South Africa and Nigeria; as well as six other countries from the developed world such as Britain, China, the Netherlands, Russia and the United States of America.

Chapter three: Covers the Housing Allowances of Government employees in Namibia (challenges and constrains).

Chapter four: Deals with the research methodology used and explains the various research methods and their justifications. These are: research designs, qualitative and quantitative research methods, primary and secondary research methods, web-based survey questionnaires, target population, sampling, non-probability and probability sampling, data collection, case studies, questionnaires and interviews, questionnaire construction and items, pilot study, research process, administration and collection of questionnaires, limitations of the study, ethical considerations, time frame and conclusion.

Chapter five: Discusses the findings and then presents the findings using tables and figures with descriptions.

Chapter six: Consists of the Recommendations, conclusion and list of references.

1.11 Conclusion

In conclusion, the first chapter presented the introduction, background of the study, significance of the study, problem statement, research questions, research aim and objectives, methodology and data collection, definition of key terms, limitations of the study, ethical considerations, overview of the chapters and conclusion.

The next chapter (Chapter two), presents the literature review on housing allowances of government employees internationally.

CHAPTER TWO

LITERATURE REVIEW ON HOUSING ALLOWANCES OF GOVERNMENT EMPLOYEES INTERNATIONALLY

2 BACKGROUND

This chapter reviews housing allowances for government employees internationally, as well as relevant and available literature based on theories applicable to the research. The following countries are briefly discussed: Botswana, Nigeria, South Africa, Britain, China, the Netherlands and the United States of America.

2.1 The aim/ rationale of housing allowance

Housing allowances is a government gesture in the form of help availed to employees with low incomes to help them pay their rents or meet their mortgage costs if they buy houses in a form of subsidized subsidies.

Internationally, there has been a tightening of the provision of social assistance, with benefits and greater exclusion of those ought to be in essential need. In most countries, there has been a shift away from subsidies for building new homes to the provision of social assistance, in the form of housing allowances, for individuals in-need, over the past 15 years (Ditch, J., Lewis, A. & Wilcox, S. 2001:1).

2.1.1 Requirements for accessing the housing allowance

In the USA, households in the small social housing sector welfare payments are supplemented by the operation of differential rent schemes. There is also a small discretionary cash limited scheme to provide 'Section 8' vouchers to assist very low-income families, the elderly 38 and disabled to rent 'decent, safe and sanitary housing in the private market.' Subject to upper limits on eligible rents vouchers are calculated so that net rents do not exceed a fixed proportion of household incomes (Ditch, *et al.* 2001:1).

Great Britain on the other hand has an integrated housing benefit scheme for all household types, in or out of work, and in all rented tenures. Subject to various maximum limits households with incomes at basic social welfare levels are also entitled to housing benefit to meet 100 per cent of their rental costs. Households with net incomes above (limited additional allowances) have benefit reduced by 65 per cent. For home-owner households help with mortgage interest costs is only available, after an initial period of delay, as part of the basic social welfare scheme (Ditch, *et al.* 2001:1).

Furthermore, in Great Britain the costs of housing benefit increased substantially between 1989 and 1996, because of housing policies that led to increases in rents, both social and private rented sectors. In response to those rising costs, new limits on the maximum rents eligible for housing benefit in the private sector were introduced since 1996, and the related space standards for young single people were reduced. From the same time new policies were introduced to check the rise in social rents (Ditch, *et al.* 2001:1).

However, Great Britain there are two dominant sets of policy instruments to landlords in setting individual rents, although there are still stringent limits on

average levels of rents across each landlord's entire stock of housing, and the measure of discretion is reduced under the new rent policy framework introduced in April 2002 (Ditch, *et al.* 2001:1).

2.2 HOUSING ALLOWANCES IN SOUTH AFRICA

South Africa is one of the SADC countries (apart from Namibia) that have a Housing Allowance Scheme for its Public Servants. This monetary benefit is payable every month in addition to one's yearly salary, to assist in paying rent or towards the installment on one's house.

In other words, the South African Housing Allowance Scheme is to assist employees with monthly accommodation costs, help obtain access to own and rented accommodation. Furthermore, it is centrally administered by the Education Department, and is guaranteed to certain locations. However, in Namibia, the scheme is decentralized and implemented by HRPs in all OMAs (SAHRA Act, Act No. 25 of 1999).

2.2.1 Who qualifies for Housing Allowance?

Every employee is eligible for a Housing Allowance immediately after appointment on a full time basis or on a permanent fixed term contract, provided he/she meets the regulating requirements. In lay-man's language this means that any permanently employed Public Educator or Public Service Official is entitled to receive a housing allowance upon appointment in the public service (SAHRA Act, Act No. 25 of 1999 / <http://www.sahra.org.za>).

Each employee should receive a Housing Allowance on pay day, end of month, in which he/she submitted his/her application provided he/she included the correct and required documentary proof (SAHRA Act, Act No. 25 of 1999).

Any employee who rents a residential premise as a tenant via a formal written agreement or own residential property (home owner) is also eligible to receive a Housing Allowance (SAHRA Act, Act No. 25 of 1999).

If a couple (spouse) works for the public service, only one of them qualifies to get a Housing Allowance. However, if both spouses are stationed in different Magisterial Districts for operational reasons and maintain two separate homes, then both qualify to receive a Housing Allowance (SAHRA Act, Act No. 25 of 1999).

If an employee shares a house with a number of other "independent employees" who have separate rental agreements, then each "employee" qualifies for a Housing Allowance (SAHRA Act, Act No. 25 of 1999).

2.2.2 Limitations and exceptions

Employees' Housing Allowance may stop on the pay date (end of month) that he/she no longer meets the requirements of the Scheme (SAHRA Act, Act No. 25 of 1999).

Furthermore, Close Corporations, Trusts and companies do not qualify to receive a Housing Allowance (SAHRA Act, Act No. 25 of 1999).

2.2.3 Housing Allowance is payable

a) For one home only,

b) For one spouse only if both spouses are employed by the Public Service

However, Close Corporations, Trusts and companies do not qualify to receive a Housing Allowance (SAHRA Act, Act No. 25 of 1999).

Table 1: **Phases in process, with values**

Effective Date	Value
01/01/2005	R100 per month
01/01/2006	40% of the maximum Housing Allowance, as applicable on 01/01/2006
01/01/2007	60% of the maximum Housing Allowance, as applicable on 01/01/2007

2.2.4 **Occupation and location requirement**

The employee or his/her immediate family must occupy the home, of which the Housing Allowance is paid to him/her (SAHRA Act, Act No. 25 of 1999).

The home of which the employee receives a Housing Allowance must be located within the borders of South Africa (SAHRA Act, Act No. 25 of 1999).

The employee cannot vacate the property, and if that happens, then SAHRA must be released from its obligation (SAHRA Act, Act No. 25 of 1999).

The occupancy requirement could however be waived if the employee has been officially transferred to another location (SAHRA Act, Act No. 25 of 1999).

2.2.5 **Procedures**

Any employee who qualifies for a Housing Allowance for rental purposes must apply in writing to the Human Resources Unit, and attach the rental agreement (SAHRA Act, Act No. 25 of 1999).

Any employee who qualifies for a Housing Allowance must apply to the Human Resources Unit (SAHRA Act, Act No. 25 of 1999).

The Human Resources Unit will submit the application to the Executive Officer: Corporate Affairs for approval (SAHRA Act, Act No. 25 of 1999).

2.2.6 **How to apply for Housing Allowance**

A Housing Allowance is accessible to every South African national, from school going child, to Public Servants but it is administered by the Department of Education. It is easy to apply for, provided one follows the following four easy steps below:

Step 1: Complete the Housing Allowance form, Step 2: Attach supporting documents, Step 3: Submit application form and Step 4: Receive letter of Approval or Rejection.

2.2.7 **South Africa's National Housing Policy**

South Africa's housing policy is rooted in the Housing White Paper, published by the government in December 1994 (Pottie, 2003:123).

According to Tshitereke (2009: 6), Section 26 of the South African Constitution

requires the state to address the needs of vulnerable members of society. The National Housing Policy Act 107 of 1997 was enacted in 1997. Furthermore, it repealed and incorporated amended 35 pieces of legislations before implementation through multiparty negotiations. However, the National Housing Code was not yet passed, until its realization in 2000.

Other Acts with an impact on housing needs include the Housing Consumers Protection Measures Act (1998) which protects homeowners from inferior workmanship, the Rental Housing Act (1999) responsible for regulating landlords not to charge exorbitant rents and to ensure that more houses are available or provided for rent purposes (Pottie, 2003:124).

2.2.8 **Constrains: South Africa**

The problem of inadequate houses in South Africa is a residue of apartheid's systematic material deprivation of the majority of citizens. Deprivation and inequalities remain embedded in the socio-economic fabric. For instance in 2009, three tenths of urban households live in informal settlements or inadequate housing (Pottie, 2003:129).

It is clear that constraints on access to housing and services for the urban poor are no longer racial, but material in nature (Pottie, 2003:126).

Furthermore, it is true that the former regime built mass houses. However, most of them were of poor quality, poorly located, inequitably distributed and contrary to the democratic values agreed upon in the National Housing Forum's Statement of Principle. Above all, they were fiscally and socially unsustainable (Pottie, 2003:129). Moreover, the overall aim of mass housing is to improve the quality of life and living standards of all South Africans. Therefore, the emphasis must

be on the poor and those previously disadvantaged in accordance with urban Rural Development frameworks.

Due to the above-mentioned anomalies, South Africa's new political leadership is faced with enormous population and urbanization pressures as indicated below:

- ❖ South Africa's population in 1995 was estimated to be 42.8 million people with a projected annual growth rate of 2.27 percent (Pottie, 2003:123). In other words, the total urban housing backlog in 1995 was estimated at 1.5 million units, with 720 thousand serviced sites in need of upgrading. Thus, settlements had 3.4 million formal houses and 1.5 million informal housing units. Furthermore, 5.2 percent of households lived in hostels, and 13.5 per cent lived in squatter houses (Pottie, 2003:124).
- ❖ South Africa is estimated to have 8.3 million households with an average size of 4.97 persons (Pottie, 2003:123); and
- ❖ At such growth rate, it is estimated that 200 thousand new households would be formed annually between 1995 and 2000 (Pottie, 2003:123).

2.3 HOUSING ALLOWANCES IN BOTSWANA

Botswana is a large country, the same size as France, but it has a small population. Its population was estimated to be 1.4 million people in 1997. The majority of inhabitants live in the eastern part of the country where rainfall is high and the soil is fertile. Gaborone is the capital city and it is the largest town with a population growth of 150 thousand people (Dumba & Malpass, 2008:5).

Land in Botswana is managed and distributed through a traditional system of communal ownership, whereby Local leaders allocate plots to households free of

charge. This practice is still applicable today, that is, every citizen is entitled to a free plot, and in turn each plot-holder is expected to build a house for dwelling and the rest is for grazing and crop farming (Dumba *et al.*, 2008:6).

Most Botswana inhabitants live in large villages, some with huts at cattle posts, and as such, there is more land against a few people, unlike its neighbouring countries like Namibia, South Africa and Zimbabwe (Dumba *et al.*, 2008:6).

2.3.1 **Botswana Housing Policy**

According to Dumba *et al.*, (2008:9) the Botswana National Housing policy covers a number of major issues on both demand and supply, including institutional capacity, roles of public and private sector, subsidies, rental policy, housing standards and rural housing. The policy is intended to meet both short and long term goals. Long term goals are to ensure safe and sanitary housing for everyone, whereas the two short term goals are to:

- ❖ Encourage constructing urban houses for all income levels at a pace which ensures that no citizen in an urban area is forced to reside in an unauthorized settlement (Dumba *et al.*, 2008:9).
- ❖ Improve house quality in rural areas by offering government assistance in the form of an additional village or regional planning, and introduce a modified version of self-help sites and service schemes (Dumba *et al.*, 2008:9).

Before formulating the National housing policy, a number of developments occurred, important of which was the establishment of the Botswana Housing Corporation (BHC) in 1970, and the adoption of Self-Help solutions managed by Self-Help Housing Agencies (SHHA) in 1973 (Dumba *et al.*, 2008:8). These are briefly discussed as follows:

2.3.2 **Botswana Housing Corporation (BHC)**

The BHC was established as a parastatal organisation to provide houses for rent or sale to government employees and expatriates. Furthermore, 40 percent of vacancies are allocated to the government for distribution amongst civil servants and employees of parastatal bodies. So far, BHC has built 17 thousand houses in urban areas in three categories; high, medium and low rent. However, its stock has declined because of a requirement to offer its houses for sale. Due to that development, BHC has sold 1200 properties under the alienation scheme, since 1997 (Dumba *et al.*, 2008:8).

2.3.3 **Self Help Housing Agency Loans**

Botswana is a good example of a developing nation with a keen government that recognizes the benefits of home loans. The Self Help Housing Agency (SHHA) programme is geared towards promoting citizen home ownership. The SHHA loans are free of interest and are repayable over a 20 year period. Interest is only charged on arrears (Ministry of Lands and Housing /The Department of Housing Programme, 2010:1).

In addition, SHHA loans are accessible by both urban and rural households, those who earn annual incomes of between P4, 400.00 and P36, 400.00 per month. Each beneficiary can receive a maximum loan of P45, 000.00. Furthermore, beneficiaries of this programme are allowed to use their loans either for extension, renovating of an existing house or complete a new one (Ministry of Lands and Housing /The Department of Housing Programme, 2010: 1).

2.3.4 **Turnkey Development Scheme**

The above-mentioned project designs and builds houses not exceeding sixty thousand Botswana Pula (P60, 000); for each beneficiary on behalf of Local Authorities. However, the terms and conditions are the same as that of the SHHA scheme (Ministry of Lands and Housing /The Department of Housing Programme, 2010:1).

2.3.5 **Integrated Poverty Alleviation and Housing Programme**

The Integrated Poverty Alleviation and Housing Scheme caters for low income people who do not qualify for the SHHA loans and Turnkey facilities. This scheme aims at training rural and urban low income households or individuals to acquire skills, such as brick moulding, brick laying, business skills and how to establish or manage businesses. It is hoped that the productive skills and income that beneficiaries acquire while in training, will enable them to build their own houses through self-help and other existing schemes. Projects of this programme are found throughout the country and major towns such as Francistown, North West (Tsamaya), Maun, Kasane, Ramotswa, Ghanzi, Tsabong, Molepolole and Kanye (Ministry of Lands and Housing /The Department of Housing Programme, 2010: 1).

2.3.6 **District Housing**

The Estates Division or department is responsible for the construction of public officers' houses through the District Housing Programme. These houses are then distributed amongst four local institutions for allocation to various government departments namely, District or Urban Council, Land Board (in districts), Tribal Administration and District Administration (Ministry of Lands and Housing /The Department of Housing Programme, 2010:1).

The District Housing department is also responsible for leasing private and pool houses, as well as managing houses leased from the Botswana Housing Corporation (BHC). Furthermore, it advertises in the local media and invites prospective landlords to submit offers, which in most cases are favourably considered if there are willing tenants. Units in every house category are allocated to eligible public officers in accordance with the Directorate of Public Service Management (DPSM). The Division has offices in almost every town throughout the country.

2.3.7 **Constrains: Botswana**

Housing is an important element of human security and its role in a holistic approach to improve safety must be assessed through research (Tshitereke, 2009:2).

It is imperative that developing countries prioritize the value of sustainable livelihood in their development of blue prints. As such, the United Nations' member states, who adopted the Millennium Development Goals in 2000, set targets for themselves to improve living conditions and sustain the environment by 2015. Targets set include the following:

- ❖ Address extreme poverty and hunger,
- ❖ Achieve universal primary education,
- ❖ Reduce child mortality, and
- ❖ Improve maternal health (Tshitereke, 2009:3).

2.4 **HOUSING ALLOWANCES IN NIGERIA**

It is a well-known fact that shelter is a basic necessity of man, after food and clothing. Man, wherever he finds himself always desires to have a suitable

shelter over his head for living, protection, comfort, relaxation and some other uses. However, the most limiting factors to owning a house in Nigeria is the high cost of land and construction.

According to Kabir and Bustani, (2009:9), there are several affordable housing schemes in Nigeria, either funded or in partnership with the government under Public Private Partnership (PPP) scheme. Few selected developers are given government concessions to provide affordable houses in towns and cities throughout the country in order to complement the Private Finance Initiative (PFI).

2.4.1 Nigeria National Housing Policy: 1991

The Nigerian National Housing Policy was formulated in 1991 to ensure adequate access to decent and affordable housing by all Nigerians. However, it was later repealed and amended in 2004, to accommodate problems encountered during implementation. In addition, a Presidential Technical Committee on Housing and Urban Development was also formed to address new housing reforms. The Committee recommended for the restructuring of the Federal Mortgage Bank of Nigeria and the creation of Real Estate Developers Association of Nigeria, as well as the Building Material Producers Association of Nigeria (Kabir *et al.*, 2009:6).

2.4.2 National Housing Programmes: 1994 – 1995

The Nigerian National Housing Programme (NHP) is designed to provide 121, thousand housing units throughout the country for all income groups. The aim is to increase the housing stock in the country, provide easy access to home ownership, translate the national housing policy objectives into reality and enhance resource mobilization (Kabir *et al.*, 2009:8).

2.4.3 Constrains: Nigeria

One vital housing constrain in Nigeria these days, is pressure from the international lending community, especially the World Bank. The World Bank alleges that the low-income groups are not benefiting from several aid, self-help schemes or upgrading schemes because plot costs are far beyond the urban poor. Furthermore, most shortcomings are due to tight planning, regular demolitions and high-cost construction programmes (Kabir *et al.*, 2009:10).

2.5 HOUSING ALLOWANCES IN BRITAIN

The United Kingdom (UK /Britain) is another example of a country that provides housing allowance schemes to its government employees. The British system is an open-ended scheme like the one in the Netherlands. However, the UK housing benefits can be paid to anyone even if there is no independent dwelling, meaning without restrictions like the ones in the Netherlands (Kemp *et al.*, 1998).

According to Kemp and Mclaverty (1998) housing allowance plays a vital role in the 'poverty trap' whereby net incomes may remain at the same level or may fall, even when the gross income increases. The UK housing allowance benefit is administered by the Department of Works and Pensions, and is regarded as social security.

2.6 HOUSING ALLOWANCES IN CHINA

China is the world's populous nation and it has the fastest-growing economies that is the world's varied and vibrant economies, manufacturing everything such as clothing, toy cars, space satellites and military weapons. Despite recent

economic growth, however, much of China's rural population still lives in poverty and are vulnerable to periodic droughts.

China became a Republic in 1949 and established a socialist market economy; whereby urban workers are guaranteed housing by their employers or work units. The housing allowance is a kind of free of charge welfare benefit for low-income employees, due to the socialist political system prevalent in the country (Priemus, 2004; 706-712).

According to the *Journal on Urban Planning and Development* (ASCE/March 2006:63), welfare housing refers to housing units provided by the state through work units. This implies that housing was regarded as an in-kind free of charge welfare benefit to employees in China.

Whereas work units on the other hand, is not a place of work and production as one may literally interpret it, but it has many other economic, social and political functions. Therefore, from job offers to marriage, the life of an employee in China is taken care of by work units (ASCE/March 2006:63).

2.7 HOUSING ALLOWANCES IN THE NETHERLANDS

The Netherlands introduced the supplementary housing allowance scheme to its citizens in 1970, which later became an instrument of housing policy in 1975 before being finally enacted in 1997, as a Housing Allowance Act (Priemus, 1998a).

In accordance with the Act, any tenant can apply for a 'top-up' housing allowance provided he is part and parcel of the below-average income group and pays a high proportion of income for rent (Priemus, 1998a).

Netherlands' housing allowance scheme is an 'open-ended' one, exactly like the one practiced in the United Kingdom (UK); except that theirs is not applicable to people living in lodges, houseboats, caravans, mobile houses and huts (Grigsby & Baurassa, 2003:987).

Despite its open-ended character, the Dutch system did not augur well in line with government spending, even-though the scheme was directly linked to households and their incomes. That is why it is considered to be a classic example of a mean-tested benefit, as it falls to the authorities to check whether applicants meet conditions and are eligible (Priemus, 1998a). Furthermore, the scheme fell a victim of its own success because it was too good and vulnerable.

2.8 HOUSING ALLOWANCES IN RUSSIA

Russia first introduced the housing allowance programme to government employees in 1994, with varying benefits from year-to-year. For example, one type of housing allowance caters for the poor and gives benefits to special groups like veterans of the Second World War – that is, the relics of the Soviet system (Taylor & Francis Ltd, online /04/040617-18).

2.9 HOUSING ALLOWANCES IN THE UNITED STATES OF AMERICA (USA)

The USA government has several housing allowance benefits for its employees. Some are tailor-made for army personnel while others are provided in accordance with Section 8 of the United States of America (USA) – known as the 'housing voucher system' since 1983. The USA government annually budgets for the 'voucher schemes' and only low-income households qualify to get them (Priemus, 2003).

Briefly, Section 8 of the Housing Act of 1937 authorizes the payment of rent housing assistance to private landlords on behalf of low-income households. The Program provides "tenant-based" rental assistance whereby tenants pay between 30 to 40 percent of their monthly income towards their rent. Section 8 further subsidizes the rest in such a way that it allows individuals to apply for monthly vouchers towards the purchase of a home. The maximum permitted voucher is \$2,200 per month. So far, over \$17 billion is kept aside every year for such purchases (<http://www.hud.gov/offices/pih/programs/hcv/>).

Section 8 has been in existence since the early 1960s and 1970s. It was repealed several times in 1965, 1974, 1978, 1983, 1991, 2005, 2007 and 2008. The Voucher Program is limited to low-income families and individuals. Eligibility is determined based on the annual gross income, elderly, disabled or family status, and is only applicable to USA Citizens or non-citizens who hold eligible immigration status. The family and individual's income cannot exceed 50 percent of the median income for the area where they reside. Median income levels are published by Housing and Urban Development (HUD) and vary by location, so one may qualify in one area but not in another (<http://www.hud.gov/offices/pih/programs/hcv/>).

Families who participate in the Voucher Program must abide by "family obligations", in order to maintain their voucher, including accurately reporting to the Public Housing Allowance (PHA) all changes in household income and family composition so that the amount of their subsidy (applicable rental unit size limitation) can be updated accordingly (<http://www.hud.gov/offices/pih/programs/hcv/>).

Last but not least, the United States Department of Housing and Urban Development and Veterans Administration has a special Section 8 program called VASH (Veterans Administration Supported Housing), or HUD-VASH, which gives

out a number of Section 8 vouchers to eligible homeless and vulnerable US armed forces veterans. This program is mandated under Section 8(0)(19) of the USA Housing Act 1937 (<http://www.hud.gov/offices/pih/programs/hcv/>).

Owners/Landlords must have their property inspected by a division from their local Public Housing Allowance (PHA) in order to rent a Section 8 tenant and accept the Section 8 housing voucher. Landlords also prepare their own annual leases for this purpose. However, of late, the housing voucher system' was abolished (no longer exists); and it was replaced by the income support programme (Grigsby & Baurassa, 2003:987).

The US Green affordable housing scheme is about families that are struggling to find jobs, stay healthy, keep the lights on and pay their bills. Furthermore, this scheme is a catalyst for solutions to housing challenges in the US. As a result, US ensures that the green scheme is achievable by 2020 because Enterprise has invested \$1.8bn in 27,000 green affordable homes and provided green technical assistance to developers. In addition, Enterprise Green Communities Criteria was adopted as a baseline for affordable development by cities and states across the country, including New York City. New York is to create and preserve 165,000 affordable housing units for 500,000 New Yorkers by end of 2014 as part of its New Housing Marketplace Plan.

2.10 **ELIGIBILITY CRITERIA ASSESSMENT OF DIFFERENT COUNTRIES**

The eligibility criteria for housing allowance schemes operated by each country vary from country to country as well as the target populations because in some countries there are a number of separate schemes for different population groups. The scope of the various housing allowance schemes can be defined in terms of tenure, and the economic and social status of the households, and the

relationship between the housing allowance scheme(s) and the basic social welfare benefit system operating in each country (Ditch, *et al.*, 2001:1).

In most cases the schemes operate on an entitlement basis – that is if the household meets all the eligibility criteria, in terms of income, tenure, economic and social status, then the entitlement to benefit automatically follows. This is not always the case, however, and in the USA, for example, housing allowance ‘vouchers’ to assist low income households secure housing in the private sector are allocated from a cash limited budget (Ditch, *et al.*, 2001:1).

Several countries operate more than one scheme. For example several countries operate one scheme for households in receipt of basic welfare benefits, and another for other households. In other cases, such as France, there are separate schemes for households in dwellings supported by public sector loans, and other schemes for social and economic household categories (Ditch, *et al.*, 2001:1).

Not all countries have comprehensive schemes that are available to all household types. Different schemes exclude households on the basis of tenure, employment or social status, or because they are not eligible for basic social welfare assistance. Thus assistance is not always available to home owner households or to households in low paid employment, and in Sweden, for example, allowances are not available to childless households aged from 29 to 65 (Ditch, *et al.*, 2001:1).

In Great Britain, local authorities determine eligibility for social housing in terms of housing need, with preference given to households with dependent children and those occupying insanitary or overcrowded accommodation; Housing Benefit is available to most tenants, subject to means-testing (Ditch, *et al.*, 2001:1).

In the Netherlands, social housing is made available to those considered vulnerable because of low-income, unemployment, disability or homelessness;

tenants whose incomes fall below certain levels and whose rents do not exceed set limits are eligible for a housing allowance (Ditch, *et al.*, 2001:1).

In the USA, public housing is restricted to households whose income lie within federally set limits; Section 8 rental vouchers are potentially available to households whose incomes fall below federally determined, local limits, but the supply of such vouchers is severely limited (Ditch, *et al.*, 2001:1).

2.11 **CRITICISMS OF HOUSING ALLOWANCES INTERNATIONALLY**

Internationally, the system of allocating social housing dwellings targets assistance on households with the lowest incomes, which is part of the justification for a separate housing allowance scheme for households within tenure, but this targeting has limitations, perhaps because of fluctuating policy objectives, security of tenure for households whose circumstances improve over time, or the inability of the very small social housing sector to provide assistance to all of those in-need (Ditch, *et al.*, 2001:1).

Those limitations on the extent provide the basis for housing allowance schemes, which are linked to general criticism of different treatment for similar income households in other tenures (Ditch, *et al.*, 2001:1).

For instance the take up rate for housing allowance scheme in the Netherlands, before the 1997 reforms, was estimated as 70-75 per cent, compared to 90 per cent of eligible households in Great Britain claim of housing benefits (Ditch, *et al.*, 2001:1).

Funds are rationed and limited – there is no entitlement to assistance, payments are embedded in income support systems (Kath Hulse, 2003: 1) / www.ahuri.edu.au.

A major concern is also the inadequate and diminishing supply of affordable rental properties for those who are eligible for housing allowances (Kath Hulse, 2003: 1) / www.ahuri.edu.au.

2.12 **CONCLUSION**

Before concluding chapter 2, the researcher would like to praise the Botswana and South African housing schemes, which are affordable to public servants below management cadres.

In conclusion, the researcher reviewed literature on the housing allowance in Namibia, South Africa, Botswana, Nigeria, Britain, China, the Netherlands, Russia and the United States of America. Literature consulted brought to the open that there are many challenges facing both African governments and the developed world when it comes to implementing housing allowances to inhabitants.

The next chapter (Chapter 3) explore the housing allowances for government employees (challenges and constraints) encountered by civil servants in the Namibian public service.

CHAPTER THREE

HOUSING ALLOWANCES OF GOVERNMENT EMPLOYEES IN NAMIBIA (CHALLENGES AND CONSTRAINTS)

3 INTRODUCTION

Chapter three focuses on the challenges or constraints of housing allowances for government employees in Namibia, as well as challenges and constraints encountered.

3.1 BACKGROUND

The Namibia Public Service was established soon after the country got independence on 21 March 1990, in accordance with the Public Service Act, Act No. 13 of 1995. It consists of 27 Government Ministries, Offices and Agencies referred to as OMAs. There is over 97,535 civil servants in the Public Service, but the structure provides for other positions to have a total of 130, 000 public servants in the near future (The Namibian newspaper, vol. 28, No.38, p.1, 26 February 2014). Out of 97 000, more than 31 000 are Management Cadres.

Management Cadres are civil servants who are responsible for spearheading various Government capital projects and business plans in each Ministry. They comprise of Permanent Secretaries, Deputy Permanent Secretaries, Under Secretaries, Directors and Deputy Directors.

At independence in 1990, the civil service was largely composed of minority white people, and there were thirteen second-tier ethnic authorities, which was transformed into a single national government. Furthermore, people who were left out of the public service because of their colour, gender or political affiliation were brought on board in accordance to Article 141 of Namibia's Constitution.

Furthermore, to operationalize the provisions of Article 32(g) of the Constitution, Parliament passed the Public Service Act, Act No. 13 of 1995, which provides for the "establishment and management of the public service, employment regulations, conditions of service, discipline, retirement and discharge of staff members from public service and other incidental matters".

Therefore, management Cadres which comprise of Permanent Secretaries, Deputy Permanent Secretaries, Under Secretaries, Directors, and Deputy Directors are the first job category of people in the public service after Political Office Bearers (who are appointed by the Head of State). They are entrusted with supervising and managing the day-to-day running of various Government Ministries as Accounting officers. Political Office Bearers on the other hand, consist of Ministers of various Ministries, Director-Generals and other heads of government institutions and parastatals to mention but a few. These two job categories are entitled to car schemes, housing and entertainment allowances.

The Second job category consists of Chief Control Officers, Chief Human Resources Practitioners, Auditors, Data Typists, Registry Clerks, Artisans, Clerks and or Cleaners. This group is referred to as staff members below management

cadres and is not entitled to car schemes or entertainment allowances. However, they are given transport allowance to assist them to travel to and from places of work, apart from individual entitlement of either a housing allowance, rental allowance or subsidy allowance. These allowances can only be received once at a time; that is if one is renting he/she is entitled to get a rental allowance, but if he/she owns a house, then he/she qualifies for a housing subsidy, not both simultaneously. The study will concentrate on the second job categories especially Clerks, Accountants, Human Resources Practitioners and Cleaners.

Furthermore, the study will look into the diverse subject of the inadequate housing allowance for junior government employees below Management cadres, as well as low-cost housing shortages in Namibia; including other countries in Africa such as South Africa, Botswana and Nigeria; as well as housing allowances for government employees internationally. In brief, the study will explore housing challenges in Namibia with reference to the Khomas Region and find out how best housing challenges can be reduced and better improve or increase housing allowances for government employees below Management cadres in terms of service delivery.

Moreover, the researcher will look at housing and service delivery status in Namibia, as well as constraints in the distribution of land and services to the needy, particularly staff members below management cadres, what shortcomings are prevalent and remedies available and their impacts. This information will be sourced from books, government publications, academic journals, conference papers, media publications and the internet. Despite that, the study will focus on the Khomas Region as one of Namibia's 15 regions, and caters for Public Servants below management cadres.

3.2 **Khomas Region**

The name Khomas is derived from the Khomas Hochland mountains near Windhoek. The Khomas region is the central part of Namibia, covering the capital city Windhoek and consists of twelve (12) constituencies namely: Hakahana, Katutura East, Katutura Central, Khomasdal North, Moses //Garoeb, Samora Machel, Soweto, Tobias Hainyeko, Wanaheda, Windhoek East, Windhoek Rural and Windhoek West. The Khomas Region serves as a centre for administrative, legislative and judicial matters for the country. Furthermore, the Khomas Region has a population of over eleven percent of the total population of Namibia, and serves as an important business centre for the country, in terms of education and transport, both rail, road and air (<http://www.namibweb.com/>).

The majority of the Windhoek populations are regular salary earners, who are employed either by the state or agencies such as parastatal organisations and commerce. Being the most vital metropolitan area in the country, it has become attractive to rural dwellers seeking work opportunities (<http://www.namibweb.com/>).

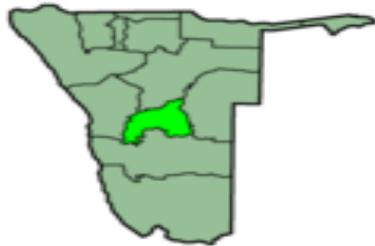
There is a strong interaction between the farming community in the hinterland of Windhoek and the city because most farming products are marketed in or through Windhoek and that has turned it into an important farming supply centre (<http://www.namibweb.com/>).

The Khomas Region is bordered by Okavango on the north, Rehoboth town at the south, which is a cattle-producing and proclaimed farming area with agro-economic interests. The border line forms a natural division between the cattle producing central part of Namibia and the small stock farming area of the southern part of the country (<http://www.namibweb.com/>).

The Windhoek infrastructure is well developed but not extended equally to all parts of its urban areas. However, potential development of light industries and new settlement areas are unlimited (<http://www.namibweb.com/>).

Despite that, most of Namibia's manufacturing industries are based in Windhoek, although it is not an industrial centre yet. However, mining has lost its significance in this region and job opportunities remain relatively low or modest (<http://www.namibweb.com/>).

Figure 1: Khomas region



Map of Namibia with Khomas Region highlighted

Namibia is divided into 14 regions and subdivided into 107 constituencies in accordance with Article 102 of the Namibian Constitution which stipulates that the country be divided into regional and local units. The country's administrative division is tabled by the *Delimitation Commission* in Parliament and the National Assembly may accept or decline such a division. There has been four *Delimitation Commissions* since independence which delivered their work already, the second last *Delimitation Commission* was held in 2002. The fourth and last, *Delimitation Commission* was formed in January 2013 and delivered its findings and recommendations by the end of June 2013 for the preparation of the 2014 elections.

The latest *Delimitation Commission* of 2013 in its report to the President, the Commission suggested a lot of issues amongst them was to divide Kavango Region into two: namely Kavango East Region and Kavango West Region respectively. The recommendation was accepted, implemented and as a result, the country now has fifteen (15) Regions instead of fourteen (14), in accordance with Article 102 of the Namibian Constitution.

3.3 **Namibia Public Service Pay structures**

There are five types of Pay Structures in Namibia, used to administer appointments and allocate posts to public servants in the public service. These pay structures consist of band grade systems, and these are as follows:

- ❖ Unified pay structure, for public servants in various professions and job categories,
- ❖ Teaching pay structure, for teachers;
- ❖ Police pay structure, for Police personnel;
- ❖ Prisons pay structure, for Prisons uniformed staff; and
- ❖ Defence Force pay structure; for military personnel.

There is no qualification requirement for the lowest entry grades. Moreover, university diplomas, degrees and professional qualifications are prescribed for complex and professional job categories. The majority of people occupying entry posts, are Clerks and Cleaners due to their low level of education.

To reduce the gap between the haves and have-nots, the policy of Affirmative Action Act No: 29 of 1998 as amended was implemented in order to slightly change the male to female dominant ratio at management levels in the Public Service which was rated as 5.28.1 in 2005, according to the Namibia Population and Housing Census 2011, while the male to female ratio at non-management levels was at 0.83.1, in 2005 (www.npc.gov.na).

Therefore, the target group for the study is staff members in posts with grades below management cadres as shown in table 2 below:

Table 2: Salary scales per job category

Job category	Salary scale
Human Resource Practitioners	N\$193 782 – N\$215 838
Clerks	N\$91 731 – N\$110 031
Cleaners	N\$44 061 – N\$56 550

Looking at the income of the above group, it is evident that there is an imbalance of income distribution and benefits for this category of employees.

The next section highlights the housing allowance in Namibia, its related benefits and challenges.

3.4 **HOUSING ALLOWANCES IN NAMIBIA**

Housing allowance is one of the several benefits that the Public Servants have while in the employment of the public service and this entitlement ceases soon

after the Public Servant resigns, is transferred, is promoted to a high rank or job category above and or below management cadres or passes on.

Namibia's housing allowance for staff members below management cadres is applicable to every public servant (someone who is an employee of the government). However, the amount one qualifies for increases as he/she progresses on individual salary scales but monthly instalments and interest rates are determined by commercial banks (PSSR, D.VII/IV:33).

Furthermore, the Namibian government annually budgets for public servants below management cadres' housing allowances, rental allowance and subsidies, just like the USA government. Employees in turn obtain these monthly taxable allowances based on the annual salary scales (PSSR D.VII/IV: 42), which reduces them to very little amounts afterwards. As such, beneficiaries hardly notice these allowances because they are almost "eaten" up by high taxes. Therefore, it is the researcher's conviction that due to migration of masses from rural to urban centres in search of work, the majority of Namibian inhabitants are living in poor housing structures (in peri-urban centres) across the country or are totally homeless (columnist Immanuel: in The Namibian newspaper, vol. 2, p.5, September 2012).

In other words, housing allowance is one of several benefits that government employees below management cadres are entitled to while employed by the central government, and it ceases soon after the employee resigns, passes on, is transferred from the public to private sector or is promoted out of this job category. The aim of the housing allowance is to assist low-income earners of the Namibian populace to buy houses and be able to house themselves (www.eservice.net.local).

Although the Namibian government introduced the Hundred percent Home Owners Scheme for Staff members (HOSSM) to encourage staff members to buy properties, in contrast housing allowances make it difficult for junior staff members to afford houses despite good gestures from the government (PSSR D.VII/IV:78). Therefore, the researcher is comparing neighbouring countries in Africa or the Southern Africa Development Community (SADC) region to find out which country has similar schemes or has advanced incentives in the pipeline. And then recommend that to the Namibian government to review housing allowance benefits, taking into consideration housing schemes or strategies of other countries as well as commercial banks on how they accommodate low-income earners to enable them to qualify and acquire low-cost houses.

However, as earlier indicated, the housing allowance for junior government employees below management cadres seems to be a practice in Namibia; while other countries like South Africa and Botswana have housing schemes for the poor and the needy. Therefore, most literature consulted, could not prove as to whether this noble gesture is practiced elsewhere in the world or in Southern African Development Communities (SADC) region.

Moreover, it became clearer that most countries like Botswana, South Africa and Nigerian have programmes which compliment other systems such as low-cost housing schemes and subsidy grants for the poor. It is true that low-cost housing schemes and subsidizing low earners of the society is a concern and responsibility of every government all over the world, for the betterment of its inhabitants. It is against this background that this study is carried out, and as such the research covers both housing allowances where applicable and housing shortages in Namibia, Botswana, South Africa and Nigeria.

The Right Honourable Prime Minister on recommendation of the Public Service Commission approved the revision of the current Housing scheme in accordance with the Collective Agreement entered into between the Namibian Government and two recognized trade unions namely, Namibia Public Workers Union (NAPWU) and Namibia National Teachers Union (NANTU), on 08 November 2012, as stipulated in the Public Service Management Circular No. 8 of 2013: (Public Service Commission of Namibia/OPM, 2013: 1) so that the HOSSM can be revised as follows:

Table 3, below reflects pre-revised (old) and revised (new) housing allowances per salary band with effect from 01 November 2012 (Public Service Commission of Namibia/OPM, 2013: 1).

Table 3: Improved Housing Allowance per Salary Band

Salary Band	Current Housing Allowance per month	Revised Housing Allowance per month
N\$20,445 – 56,550	N\$300.00	N\$600.00
N\$58,461 – 144,255	N\$400.00	N\$800.00
N\$149,490 – 403,263	N\$500.00	N\$1000.00

The next section discusses the development and implementation of the National Housing Policy in Namibia.

3.4.1 **Namibia National Housing Policy (NHP)**

Under this section the researcher is going to discuss elements of the National Housing Policy in Namibia and further explore how this policy relates to the current housing subsidy and housing allowance for the Namibia Public Service.

According to Sweeney-Bindels (2012:10), Namibia's Housing Policy was formulated and enacted in 1991 but was repealed eleven years later, in 2009. Furthermore, Namibia is a country with a high income inequality in the world as measured by the gini-index. The Namibian Government has inherited an unequal pattern of settlements due to apartheid policies, and as such most inhabitants live in poor house conditions, which is due to the increased rural-urban migration after independence and this has led to severe house shortages in urban areas (Sweeney-Bindels, 2012:6).

In addition, without access to adequate shelter, the poor keep on living in deplorable conditions which compromise their health and make them prone to opportunistic diseases. For instance, in proper planned settlements; an adequate home protects people against floods and stagnant water and also prevents the breeding of mosquitoes and other insects, and also the spreading of infectious diseases (Tshitereke, 2009:3).

Living in informal settlements or slums means that residents are not eligible or do not have access to services like proper sanitation facilities, refuse removals, electricity and other essential infrastructures (Tshitereke, 2009:4). The NHP's aim is to avail resources, direct production, use infrastructure and facilities so that every Namibian can have access to acceptable shelter, in a suitable location, at a cost and standard that is affordable to individuals and the country as a whole (Kalili, *et al.* 2008:5).

Table 4 below shows the maximum loan amounts for each salary band which can be granted under the Hundred percent Home Owners Scheme for Staff Members (HOSSM). The following table is made up of four columns. The first column displays the salary bands, the second column shows the maximum qualifying loan amounts, whereas in the third column is the maximum subsidy payable per

month and the fourth column shows Government, member contribution ratios as stipulated in the Public Service Management Circular No. 8 of 2013 (Public Service Commission of Namibia/OPM, 2013: 12).

Table 4: Salary Bands, Loan amounts, Subsidies and Contribution ratios

Salary bands	Maximum qualifying loan amount	Maximum housing subsidy p/m	Contribution ratios (government/member)
from 0 up to 60,000	200,000	1,421	70/30
61,000 – 90, 000	270,000	1,919	70/30
91,000 – 120, 000	360,000	2,485	68/32
121,000 – 150, 000	450,000	3,107	68/32
151,000 – 180, 000	540,000	3,728	68/32
181,000 – 210, 000	630,000	4,221	66/34
211,000 – 240, 000	720,000	4,824	66/34

The staff member in each salary band is entitled up to a maximum loan amount. However, the choice remains with the individual to decide how much loan amount he/she can take at a time with a recognized financial institution as

stipulated in the Public Service Management Circular No. 8 of 2013, (Public Service Commission of Namibia/OPM, 2013: 12).

3.4.2 **Subsidized housing**

Under this section the writer explains the provisioning of housing subsidies to staff members below management cadres.

In terms of guaranteed subsidies, NHP's objective is to minimize market distortions and allow the market to fulfill its resource allocation freely. Options identified to achieve that objective include permitting market returns on administrative costs, allow smaller home loans for the public service, reduce administrative costs and create secondary mortgage market facilities (Kalili *et al*, 2008:10).

The HOSSM has been re-configured in several areas, especially the clustering of salaries into salary bands to determine qualifying loan amounts for each band. Furthermore, the scheme was improved from a maximum qualifying amount of N\$450 thousand to N\$720 thousand and introduced government / member contribution ratios towards the repayment of mortgage bonds in accordance with Public Service Management Circular No. 8 of 2013, (Public Service Commission of Namibia/OPM, 2013: 12).

Table 5 below shows how to determine housing loan amounts and subsidy levels in accordance with Circular No. 8 of 2013 (Public Service Commission of Namibia/OPM, 2013: 12).

Table 5: Salary Bands, Loan Amounts and Maximum Subsidies

	Qualifying	Maximum housing
--	-------------------	------------------------

Salary bands	loan amount	subsidy per month
0 up to 60,000	200,000	1,421
61,000 – 90, 000	270,000	1,919
91,000 – 120, 000	360,000	2,485
121,000 – 150, 000	450,000	3,107
151,000 – 180, 000	540,000	3,728
181,000 – 210, 000	630,000	4,221
211,000 – 240, 000	720,000	4,824

Housing subsidy is payable in the following two ways:

- Commensurate with the maximum qualifying loan amount for the appropriate salary band, if the housing loan amount granted is the maximum loan amount applicable to the salary band in which the salary level of the staff member falls (Public Service Commission of Namibia/OPM, 2013: 12) or
- Commensurate with the actual loan amount so obtained provided the maximum qualifying loan amount of the salary band is not exceeded. If a staff member has an existing loan under HOSSM which is lower than the minimum qualifying amount as determined in terms of the rules or obtained a loan amount lower than the minimum qualifying loan amount the subsidy payable is also commensurate with the actual loan amount so obtained (Public Service Commission of Namibia/OPM, 2013: 12).

Furthermore, a housing subsidy is payable in accordance with the following government and member contribution ratios (Public Service Commission of Namibia/OPM, 2013: 12) as presented in table 6 below.

Table 6: Salary Bands, Government /Member Contribution Ratios

2013: Salary bands	Government contribution towards monthly installment	Member contribution towards monthly installment
0 up to 60,000	70%	30%
61,000 – 90, 000	70%	30%
91,000 – 120, 000	68%	32%
121,000 – 150, 000	68%	32%
151,000 – 180, 000	68%	32%
181,000 – 210, 000	66%	34%
211,000 – 240, 000	66%	34%

Table 5 above illustrates the level of assistance offered by the Public Service to staff members who participate in the housing scheme. The level of assistance is linked to the salary band in which the staff member falls. The percentage of the Government contribution constitutes the housing subsidy payable whereas

the member contribution refers to the out-of-pocket expense from the staff member towards the repayment of the mortgage bond (Public Service Commission of Namibia/OPM, 2013: 9).

Despite that, the researcher noted that there is a lack of serviced Ervens and land is very expensive especially in Windhoek, compared to other municipal areas across the country. The current inflation rate is 10.25 percent and staff members below management cadres find it difficult to afford the purchasing of houses especially in Windhoek suburbs.

For instance, a 3 bed-roomed house in one of Windhoek's suburbs cost N\$84 thousand in 1990, it went up to cost N\$400 thousand in 2005, then up again to cost N\$650 thousand in 2010, and in 2012, the same house costs N\$1.5 million. (columnist Immanuel: in the Namibian Newspaper vol. 27, No 86, 10/05/2013:1-2).

Namibia is rated the fourth (4th) most expensive in houses worldwide after Hong Kong, Dubai and Brazil, and the house backlog was estimated at 105 thousands in 2012, due to shortages of serviced land in lower price segments. However, the supply in upper price segments continues to rise. In other words, a lack of affordability coupled by inadequate land delivery, has gone up from 19 percent to 25.3 percent in 2011 (columnist Immanuel: in The Namibian Newspaper vol. 27, No. 86, 10/05/2013: 1-2).

Looking at the above, the researcher is of the opinion that those below management cadres find it difficult to afford houses in the Khomas Region. The writer is also guided by the current rate of increasing property prices in Namibia (columnist Immanuel: in The Namibian Newspaper vol. 27, No. 86, 10/05/2013: 1-2).

❖ **Rental allowance**

The rental allowance benefit covers 20 percent of the total rent amount payable to staff members below management cadres who are renting houses and apartments while in the employment of the Government across the country (PSSR D.VII/VI).

3.4.3 **National Housing Enterprise (NHE)**

The NHE is the largest, low-cost housing provider in Namibia. It was established in 1993 as a parastatal of the Ministry of Regional, Local Government, Housing and Rural Development (MRLGHRD), to provide affordable houses to the needy. It replaced the former National Building and Investment Corporation (NBIC) which was established for the same purpose and took over NBIC's loan book, in 1994 (Kalili *et al.* 2008:20).

The NHE's legal mandate gave legal rights under Section 4 of the Act to take cession from any person with a mortgage registered over immovable property. Furthermore, NHE's legal rights indicate that Sections 4.G, 4.H, and 4.1 gave cession to people with mortgages registered in favour of the company (NHE); to lend money against bond security or any other security determined by the board (Kalili *et al.* 2008:20).

Apart from the above rights, NHE acts both as a lender and developer institution in the field of affordable housing. Its mission statement stipulates that it aims to be the leading provider for low-income groups. The target population consists of households earning between N\$5000 and N\$20 thousand per month to a maximum joint income of N\$30 thousand per month. However, collateral of 20 percent or deposit of five percent is needed for one to qualify for the NHE house (Sweeney-Bindels, 2012:18).

Furthermore, NHE offers two types of houses, core houses and conventional houses. Core houses are for the low-income market, with a minimum cost of N\$100 thousand depending on location, due to high variance in land prices. Conventional houses consist of two or more bedrooms, and their price range between N\$200 thousand to N\$400 thousand (Sweeney-Bindels, 2012:18).

In addition, NHE has recently ventured into renting and to-date has acquired 37 rental units at Eenhana town, in the Ohangwena Region (Sweeney-Bindels, 2012:18). Furthermore, NHE statistics show that only 100 houses had been completed at Eenhana, 20 houses at Outjo, 53 houses at Henties Bay and 48 at Luderitz by December 2014, all together is 221 houses.

According to the New Era Newspaper (Vol. 18 No 154 2013:5); the National Housing Income and Expenditure Survey of 2009/2010 found that about 41 percent of Namibians live in modern houses, in urban areas. The average house price in Windhoek is N\$720 000, at a mortgage rate of 10.25 percent and a repayment period of 20 years. As such, the monthly repayment in most cases is N\$7 067.83 of which many Namibians cannot afford, especially cleaners and clerks below management cadres.

Furthermore, a number of informal settlements have increased in urban centres throughout the country because more than 73 percent of Namibians do not have access to credit facilities offered by the financial sector. As a result, most residents do not afford urban land and houses. Due to limited access to affordable serviced land in urban centres this has led to the inflexibility of the land tenure system and a lack of the right to land ownership as well as development of it by holders. Therefore, the national housing backlog is currently estimated at 100 thousand housing units per year; and this number increases annually, at a rate of 3, 700 units (New Era Newspaper, Vol. 18 No 154, 2013:5).

Despite building houses across the country, Mr. Hailulu, NHE's Chief Executive Officer disclosed that more housing projects are in the pipeline, especially for the towns of Walvis Bay, Swakopmund, Keetmanshoop, Eenhana, Windhoek, Rundu and Oshikuku to mention but few towns (columnist Kaira: in New Era Newspaper, Vol. (03/08/2012:1).

3.4.4 **Mass housing programme**

The Namibian Head of State, His Excellence President Hifikepunye POHAMBA touched by the housing backlog in the country, announced the Mass Housing Programme on 26 November 2013, to reduce housing shortages in the country. The National Housing Enterprise (NHE) was entrusted as the sole custodian of the Government's Mass Housing Project to build 185 thousand houses in order to reduce the housing backlog in the country (columnist Immanuel: in The Namibian newspaper, vol. 28, No. 64, p.2, April 2014). NHE in return awarded tenders to 25 companies for the construction of 10 137 houses countrywide, at a cost of N\$2.9 billion for the next two years, that is 2014/2015 to 2015/2016 fiscal years (columnist Immanuel: in The Namibian newspaper, vol. 28, No. 64, p.2, April 2014).

However, it is dis-heartening to note that the majority of staff members below management cadres including domestic workers, security guards, and other general workers still cannot afford to buy houses built by NHE contractors. It turned out that NHE houses are too expensive. A one-bedroom NHE house costs approximately N\$30 thousand and N\$50 thousand for a two-bedroom house, prices which are still too high for the general workers in Namibia (columnist Immanuel: in The Namibian newspaper, vol. 28, No. 64, p.2, April 2014). As a result, NHE may not solve the house backlog in the country because their houses are very expensive regardless of the Chief Executive Officer Mr. Vinson Hailulu's

assurance to the nation on live broadcast that 70 percent of houses under the Mass housing programme may be of low costs (columnist Immanuel: in The Namibian newspaper, vol. 28, No. 64, p.2, April 2014).

Furthermore, Mr. Hailulu explained that contractors who build houses in Windhoek may charge the government between N\$214 thousand for 35.84 square meters and N\$385 thousand for 68.54 square meters, implying that the houses might end up costing buyers more or less N\$15 thousand each (columnist Immanuel: in The Namibian newspaper, vol. 28, No. 64, p.2, April 2014).

3.4.5 Shack Dwellers Federation of Namibia (SDFN)

The SDFN was established in 1998 as a network of housing saving schemes whose aim is to improve the living conditions of low-income people living in shacks, rented rooms and those without accommodations (Sweeney-Bindels, 2012:20).

In addition, the SDFN is a network of 574 urban and rural saving groups involving 20 thousand families throughout the country (columnist Immanuel: in The Namibian newspaper, vol. 28, No. 64, p.2, April 2014). Each saving group contributes up to five percent deposit, before it get access to a revolving fund known as Twahangana Loan Fund, partly funded by the government and donors.

Furthermore, the saving scheme caters for low income earners below N\$2000 per month, especially security guards and domestic workers. Members qualify to purchase two bed-roomed houses at a cost of up to N\$25 thousand (Sweeney-Bindels, 2012:20).

According to Sweeney-Bindels (2012:20), 366 houses were delivered between July 2009 and June 2010, whereas 322 are in progress. Another 731 households in 11 urban centres and in seven Regions obtained land during the same period, totalling to 4, 582 overall.

3.5 **Constraints: Namibia**

Namibia is classified as a low middle-income country, with the highest income inequality in the world (Sweeney-Bindels, 2012:6). So far, it has enjoyed 24 years of independence as well as political stability. It has a sound macro-economic environment with moderate economic growth which is expected to continue due to the regional commodity boom from the demand for natural resources.

Despite that, life has become unbearable and difficult to manage, especially without a roof over one's head in Namibia. Properties have gone up and life for the poor is getting tougher each blessed day (columnist Kaira: in New Era (03/08/2012:1)). It is alarming to note that:

- a one bed-roomed house costs between N\$200, 000 and N\$280 000 (columnist Kaira: in New Era, 03/08/2012:1);
- a two bed-roomed house costs between N\$320, 000 and N\$470,000 (columnist Kaira: in New Era, 03/08/2012:1), and
- a three bed-roomed house or more costs between half a million and quarter a million Namibia Dollars (N\$500,000 to N\$750,000) respectively. Sometimes as much as up to N\$1.5 million depends on location and suburbs, in Windhoek alone (columnist Kaira: in New Era, 03/08/2012:1).

3.6 **Conclusion**

In conclusion, comparisons made between Namibia and other SADC countries yielded fruits in the sense that the Namibian Government should consider adopting the same approaches (regarding housing allowance) practiced in Botswana and South Africa for staff members below management cadres.

Botswana's other good example to emulate from is the provisioning of land to citizens free of charge, citizens in turn upgrade the land and use part of it for subsistence farming. In Namibia, even if people are willing to uplift themselves, there is no land to do so.

Lastly, the researcher reviewed literature on housing shortages in South Africa, Botswana and Nigeria. The literature consulted brought to the open that there are many challenges facing African governments when it comes to implementing low-cost and affordable housing to inhabitants.

It also explored various challenges that government employees in Namibia have and encounter on a daily basis compared to other member states of SADC in the region and how Namibia has to tap from neighbouring countries in order to sustain its inhabitants.

The next section is chapter 4, which deals with the research methodology.

CHAPTER FOUR

RESEARCH METHODOLOGY

4 INTRODUCTION

According to Welman and Kruger (2000:2), research methodology refers to “the application of various methods, techniques and principles in order to create scientific obtainable knowledge by means of objective methods and procedures within a particular discipline”.

In other words, research methodology refers to the techniques a researcher utilises to collect and analyse data. The methods must be systematic, reliable, and procedures followed must be valid and purposeful (McMillan and Schumacher, 1993:27).

This study has been conducted using a number of methods, which include surveys, questionnaires, face-to-face interviews and observations. These methods vary depending on the type of audience. The targeted audience was

government employees below management cadres in the Namibian Public Service.

Furthermore, the study had employed the use of both qualitative and quantitative approaches from various sources in the course of investigation. However, to obtain more insight, a case study and face-to-face interviews was undertaken to determine the views of Staff members below Management Cadres and obtain primary data. While secondary data on the other hand was obtained from textbooks, manuals, journals, publications from the Office of the Prime Minister, City of Windhoek monthly pamphlets, NHE and Bank of Namibia Annual reports, Ministry of Finance publications, the Development Bank of Namibia and other Ministries' current reports.

The survey was conducted for a period of five months, from May 2014 to September 2014 in Windhoek, Khomas Region. The choice of location is supported by the high shortages of housing, either for rentals, purchasing, or leasing purposes. The study targeted staff members below management cadres in various economic categories with reference to previous scholars and researchers on the same topic.

A total sample of 30 respondents was used in the survey and 35 research questionnaires were distributed among staff members below management cadres at different Ministries in Khomas Region and some at the Office of the President where a pilot study was conducted.

A systematic random sampling approach was adopted because the population is likely to be unevenly scattered and assumed to be of the same class. In other words, chapter 4 focuses on the methodology used to gather data in support of set objectives at the commencement of the study. Furthermore, a systematic methodology is used to determine the validity of existing knowledge for the evaluation and assessment of the inadequate housing allowance for staff

members below management cadres in the Namibian Public Service, as well as housing shortages in the Khomas region.

To investigate the research objectives stated in chapter one, an appropriate research methodology needs to be developed. In this case, a theoretical background to research methodology is provided, which leads to discussions of the research strategy and methods adopted in the study.

Furthermore, the purpose of the research methodology is to explain the nature and process of research, to enable readers to conduct their own research and find answers to research problems. Nonetheless, research methodology is concerned with a particular method of investigation that provides two questions such as:

- What is the researcher trying to do when conducting a research, and
- How does a researcher conduct research?

In this case, research methodology is a combination of theoretical, documentary and field study research, comprising of both qualitative and quantitative data such as interviews, questionnaires, semi-structured and structured interviews.

Nonetheless, the current study is undertaken by reviewing relevant literature such as Public Service Management Circulars from the Office of the Prime Minister as the head of the Namibian Public Service, the Constitution of the Republic of Namibia, other published books, articles, journals and unpublished dissertations. Although, housing is a common basic need for human existence all over the world, and the SADC region in particular; comparisons of housing allowances specifically for staff members below management cadres is not common amongst SADC countries. As a result, it narrowed the researcher to

concentrate in Namibia, where it is practised and the Khomas region where it is mostly felt due to the high cost of living and inflation, compared to other regions across the country and SADC region at large.

4.1 **RESEARCH DESIGNS**

Research design refers to a plan for selecting subjects, research sites and data collection procedures to answer a particular research question/s. The design indicates which individuals are studied and when, where and under which circumstances they are studied (McMillan & Schumacher, 1993:157). Research design is the plan and structure of the investigation is used to obtain evidence to answer research question/s. The purpose of the research design is to provide credible results.

The case study was chosen because of the time factor, since the time to conduct the study was very short. The method has also an advantage of reducing costs in terms of travelling, since only Khomas region is chosen to represent the entire population. In the study, I interviewed government employees below management cadres from the Office of the Prime Minister, Ministry of Regional, Local Government, Housing and Rural Development (MRLGHRD), Khomas regional Council, as well as staff members from the Office of the President.

According to Welman, Kruger and Mitchell (2005:6), there are two main approaches to research, namely quantitative (positivist) approach and qualitative (anti-positivists) approach. These briefly entail the following:

4.1.1 **Qualitative Research Method**

According to Fouche (2007:270-272), the qualitative research is a strategy determined by the researcher's choices and actions. The qualitative research

method is selected because of its effective description of social problems. Furthermore Marshall and Rossman (1995:11-12) define qualitative research as an approach that allows an exploration of policy implementation and understanding the effects of a new policy.

On the other hand, Welman *et al.* (2005:6) define the qualitative research method as a way of presenting data in words and images from documents, observations and transcripts. Furthermore, the aim of the qualitative research method is to establish a social nature of reality, and in turn it stresses the relationship between the researcher and the object of study.

4.1.2 **Quantitative Research Method**

The quantitative research method on the other hand is presented as numbers gathered from precise measurements. This type of research focuses on measurements and analyses the fundamental relations between variables in a value-free situation. The quantitative research method is normally conducted in two parts: Primary research (quantitative method) and Secondary research (literature review) (Welman *et al.*, 2005:6).

4.1.2.1 **Primary Research**

Primary research is a quantitative method used to solicit information from respondents. The researcher is of the opinion that the quantitative research method provides objective data although flexibility is limited for bias prevention and results presentation (Welman, *et al.*, 2005:6).

4.1.2.2 **Secondary Research**

Secondary research on the other hand covers literature reviews from other published or unpublished sources such as Government reports, annual reports, books, journals, workshop papers, meeting minutes, newspapers, Internet and thesis, (Welman, *et al.*, 2005:6).

4.1.2.3 **Web-based Survey Questionnaires**

According to Weber and Bradley (2012), many Web-based surveys offer instant response collection via the Internet, which reduces the time needed to enter data into analytical software packages. Web-based survey data processing is beneficial because it minimizes researcher interpretations, less data handling by the researcher, and lowers the risk of data coding or entry errors. Because of the Internet's world-wide nature, Web-based surveys have the potential to reach participants quickly around the globe and create an international sample that allows more worldly views on the subject under review.

The researcher will use both interviews and the web based questionnaire survey, which is an online survey tool that creates, publishes and analyzes online surveys (www.websurveymaster.com). This method is selected because it can reach a wider audience, responses are quickly received and directly analyzed. Besides, it is cheaper than posting, faxing and phoning questionnaire respondents.

4.1.3 **Target population**

Robert and Richard (1989:264) define a research population as an abstract of a large group from which a researcher draws a sample whose results are generalized. The target population of this research is the public servants below management cadres in Khomas Region.

4.1.4 **Sampling**

A sample is defined by Bless et al. (2006:98) as the subset of the whole population which is investigated by a researcher and whose characteristics is generalized to the entire population. Sampling enables a researcher to study relatively small units in place of the target population, and in so doing, obtain data that represents the whole target population. According to Welman *et al.* (2005:56), sampling is distinguished between probability samples and non-probability samples.

Moreover, a sampling method is used because it is impractical to cover the entire population. In other words, a sampling method can be used because it has the advantage of shortening the period of the research, and by shortening the time of conducting the study, costs will also be reduced. As a result, it will have an advantage of obtaining information in a quicker way. Despite that, a sampling method is not free of problems because if a sample is not properly selected, the result will be biased (Kannae, 2004:51).

4.1.4.1 **Non Probability Sampling**

Non probability sampling is the grouping of participants according to pre-selected criteria relevant to a particular research question. Examples of non-probability sampling are: quota, snowball, purposive, self-selection, convenience and accidental samples (Welman *et al.* (2005:56).

4.1.4.2 **Probability Sampling**

Probability sampling on the other hand is the selection of representatives from the population, and these include: simple random, systematic, stratified and cluster samples (Welman *et al.* (2005:56).

4.1.4.3 **Simple Random Sampling**

According to Bless *et al.* (2006:100), simple random sampling implies that a sample is randomly selected when each member of the population has an equal chance of being selected into the sample. Furthermore, a simple random method will be used in this research, and the researcher anticipates receiving approximately 50 to 100 responses.

The advantage of using a simple random sampling strategy is that it enables the researcher to make a generalization from a sample population (Bless *et al.*, 2006:100).

4.2 **DATA COLLECTION**

The researcher will make use of the Case Study strategy data collection by using structured questionnaires and semi-structured interviews in order to determine the opinions, attitudes, preferences and perceptions or interests of interviewees. As such, the researcher is compelled to understand how individuals experience and perceive issues on Housing shortages and the housing allowance for staff members below Management Cadres.

4.2.1 **Case Studies**

The researcher adopted the Case Study as a primary research method to collect data through interviews, because according to Yin (1984:23) the Case Study research method excels at revealing complex issues due to the fact that it focuses on observation and interviews. In addition, interviews are used to gather problems related to Housing shortages and housing allowances for staff members below Management Cadres, as well as challenges encountered in service delivery plus other activities which the writer is unable to observe.

4.2.2 **Questionnaires and Interviews**

Questionnaires and interviews are commonly used as data collecting instruments. An interview according to Bless *et al.* (2006:116) involves direct personal contact with participants who are requested to answer questions relating to the research problem.

Similarly, questionnaires can be used without direct personal contact with respondents. Furthermore, questionnaires allow respondents to provide information independently on their own. Therefore, the researcher will also use questionnaires as data collecting instruments to target respondents from the Khomas Regional Council and Office of the President in the Khomas Region.

Once questionnaires are sent out, interviews will be arranged with selected individuals from the Khomas Regional Council and the Office of the President in Windhoek to discuss questionnaires and any additional information interviewees may supply which could be of assistance to the researcher.

The researcher found the qualitative research method more suitable for the study, because it involves emotions and feelings of participants. Although other research methods like interviews, documentations and observations are used, the data collection instrument to be used is the web-based questionnaire.

4.2.3 Questionnaire Construction

Questionnaires are designed with a combination of structured and semi-structured questions. This choice is chosen to enable participants to answer some research questions to the point and others broadly. As such, the researcher will formulate questions from four research questions. The questionnaire will be divided into five sections, with structured questions and a few open ended questions (Bless *et al.*, 2006:116). Furthermore, there will be single questions, fill-in questions, single questions with multiple-choices, questions with multiple choice and open-ended questions.

4.2.4 Questionnaire items

The self-administered questionnaire will consist of five questions, structured and open-ended questions. The first item consists of a brief introduction to the questionnaire with an informal consent to whoever will participate in the research. Questions are going to be sectioned based on four research questions as set out in chapter one and from them, five sections will be implemented as follows:

- ✚ Demographic information such as service years, age, sex, serving in which Ministry and job title.

The purpose of the questions is to stimulate interest in continuing with the questionnaire without offending, threatening, confusing, or boring the respondent (Louis and Richard, 1997:36);

- ✚ Housing allowance accessibility, which includes questions to respondents asking them to rate their accessibility to housing allowance, subsidy or rental allowance, and salary bands or the grades they fall in;
- ✚ Types of loans and services, their availability or accessibility from (financial institutions or banks, Private Developers, NHE, Shack Dwellers Association, Build Together Associations), and problems encountered;
- ✚ The level and range of use with selected benefits and services;
- ✚ The impacts of housing shortages in the Khomas region, consequent improvement of qualifying home loan amounts and housing allowance for staff members below management cadres for the past two years including the latest of April 2012.

4.2.5 **Pilot Study**

A pilot study will be embarked upon by distributing questionnaires to five staff members from the Office of the President, first. This is to see to it that all questions are relevant, or if there is a need for adjustments to be made to the questionnaires. However, no analysis needs to be done on the pilot study, because it is just to check how relevant the research questions are to the study.

In other words, questionnaires are going to be circulated amongst five staff members in the Office of the President for testing the validity and correctness of interpretation. They will however be returned to the researcher for correction and consolidation. Furthermore, a questionnaire to be attached as Appendix B, will be designed and circulated to intended respondents to solicit views on evaluation and assessment on the improvement of housing allowance for staff members below management cadres in the Namibian Public Service.

4.3 THE RESEARCH PROCESS

4.3.1 Administering of questionnaire

The researcher sent e-mails to every respondent who has access to e-mail. In that e-mail, the researcher invited respondents to fill in the questionnaire by clicking on a link leading to an online questionnaire page. This e-mail was sent out every week to remind those who didn't fill in the questionnaire to do so as soon as they possibly can. The researcher in return has to log-in on the website every day to check questionnaire progress.

4.3.2 Collection of questionnaire

Since the questionnaire was online based, the website automatically send an e-mail to the researcher on a weekly basis with analysed information on progress made. The information includes every questionnaire filled, status of response, geographical location of the respondent and overall analyzed data. The researcher gathered all data necessary within three to five months' time-frame (May 2014 –September 2014).

However, for those who do not have access to e-mails, they were interviewed by the researcher during work hours or after knock off times.

4.4 **LIMITATIONS OF THE STUDY**

The study will be limited to Public Servants below Management cadres.

In addition, addressing the acute shortage of houses in Namibia is quite challenging because the majority in-need of housing are the poor whose income cannot permit them to purchase houses through banks, from individuals or property developers (New Era, 03/08/2012:1).

Despite that, any online survey normally reaches a limited number of respondents especially because when e-mails are sent out with a link to the web-based questionnaire, the survey population is limited to staff members who have e-mails.

Furthermore, due to the sensitive nature of the Office of the President, the researcher had limited access to informational reports and staff members were also limited, due to work commitments.

4.5 **ETHICAL CONSIDERATIONS**

The researcher took ethical considerations into account and complied to portray good ethical ways throughout the research process. Furthermore, she avoided plagiarism and kept honesty reporting. However, she is not accountable for unforeseen issues, because questions asked are not of confidential nature, meaning that respondents were not compelled to reveal their personal information (Welman *et al.*, 2005:181).

4.6 **Time-Frame**

Although the investigation is not chronologically set at a specific period of time, selected issues from 2008 to 2014 and beyond are researched. This demarcation in terms of time is intended to provide a focus on key activities between these periods especially events that occurred after Namibia's independence from 1990 and beyond; even though not necessarily in any chronological order.

4.7 **CONCLUSION**

In conclusion, the present chapter (Chapter four) discusses the research methodology used in the investigation of the case study. It also explained various research methods, their justifications and the overall research methodology used.

In other words, this chapter provided an overview of the methodology employed in the design of empirical research. It focuses on sampling data collection method and measuring instruments. Reliability and validity issues are also highlighted. Descriptive and statistical techniques applied in the study are explained, as well as applicable ethical considerations.

Furthermore, the chapter discussed the description or written representation of methodology and the design used to explore housing allowances for government employees below management cadres in the Namibian Public Service, a case study of the Khomas region.

Once the research problem had been defined, it was necessary to decide on the approach to use when investigating the problem. In this study, the focus was on utilising the qualitative research method, emphasizing on exploratory and descriptive design. The defined population for the study is government employees below management cadres in Khomas region.

The chapter also discussed the data collection methods which include survey questionnaires, interviews, and observations. The advantages and disadvantages of each method have been explained. Procedures following data collection are such as data processing, which includes editing, coding, definitions of data lists, data files preparation, and data cleaning has been discussed. Ethical considerations were also highlighted in this chapter in order to ensure that participants are well informed about their rights to participate or not to participate in the intended study. Permission was obtained from the Directorate: Auxiliary Services and proof is attached as annexure E. Briefly, research methodology covers research design, research process, limitations and assurance of the validity and reliability of the study.

The next section is Chapter five, which presents and interprets the findings.

CHAPTER FIVE

PRESENTATION AND INTERPRETATION OF FINDINGS

5 INTRODUCTION

Chapter five presents the findings and an analysis of the data according to the objective and items in the questionnaire. The findings are narratively explained and presented in bar diagrams, pie charts or tables with figures in percentages and values.

5.1 DISCUSSION

The summary section summarises the findings under each objective of the research. It serves to illustrate how the research questions and objectives were answered.

5.1.1 What measures can the Namibian Public Service introduce to solve the thorny problem of the Housing allowance to commensurate with inflation?

Respondents interviewed proposed that the government should increase the Housing allowances to market related figures, such as the current highest of N\$1000 to N\$2800, the N\$800 group to go up to N\$2000 per month, and the N\$600 group to go up to N\$1500 or more. Staff members are suffering because these amounts are taxable, leaving them with very little at the end of the day.

On the other hand, the Namibian government is praised for according every public servant below the management cadres an opportunity to be eligible for housing and rental allowances upon appointment in the public service. The gesture is good but one has to wait until he/she is permanently confirmed in the public service to qualify for a home loan and subsidy. That is, after completing

12 calendar probationary periods. The Namibian government accords opportunities to low-income categories in the public service because their salaries are very low, some cannot participate in various schemes even if they want to.

5.1.2 How significant is the housing allowance for staff members below management cadres?

The housing allowance is vital, because it solves part of staff members’ financial burdens, although, it is heavily taxed and that has dashed employees’ hope in this regard. The 2012 hundred percent improved housing allowances did not make any difference either because instead it doubled the same amounts within the same salary bands. The lower one’s salary, the lower the allowance, and as a result, those who earn more are the ones who benefit again. Respondents want it to be turned around, as reflected in the following table.

Table 7:, Proposed reversal of housing subsidy “down up”

Salary Bands	Pre-revised	Revised	Proposed
N\$20,445 – 56,550	N\$300	N\$600	N\$1000
N\$58,461 – 144,255	N\$400	N\$800	N\$800
N\$149,490 – 403,263	N\$500	N\$1000	N\$600

5.1.3 Follow-up question: What about rental allowance, is it sufficient?

Respondents expressed that this is too small, because the rental allowance only covers 20 percent of one’s rent and it is taxable. It does not really help at all, for instance; if one rents a one-bedroom house for N\$4000 per month, then 20

percent of N\$4000 is N\$800, leaving still a hefty N\$3,200 to be paid by the staff member out of his own pocket.

Respondents proposed that the 20 percent should be done away with and be improved the same way the subsidy was improved in 2013 considering the government/member contribution ratios. That way it will really assist, for instance when looking at the 68/32 government/member contribution ratio, the government will pay more towards assisting employees below management cadres. As a result, like in the example above, then the N\$800 will be from the staff member's pocket and the N\$3200 part will be paid by the government.

Respondents further requested tax to be reduced on the subsidy, rental and housing allowances. Or if possible, for them to be tax free in the near future.

5.1.4 What are the constraints regarding the use of subsidies within the Namibian Public Service?

It was expressed that the subsidy is very little compared to houses market prices, which are sky-rocketing in Windhoek. The 2012 government/member contribution ratios, helped but they did not cover much.

Furthermore, respondents proposed increasing subsidies to market related figures, such as the current highest subsidy on N\$720 000 which is N\$4,824 per month to be increased to either N\$9,800 or more, and others expressed that this should either be doubled or tripled.

5.1.5 What impact do different loans have on low-income earners like clerks, 'institutional workers' or cleaners?

Respondents pointed out that mortgage loans are not easily accessible and monthly repayments are too high, ranging between N\$7,500 and N\$15, 500 per month. Although home loans are repayable over a 20 year period, one would realize that he had paid twice or trice the original loan amount at the end of the term due to high interest rates associated with high purchase products.

Furthermore, financial institutions such as commercial banks are always reluctant to borrow money to lowly paid government employees; this regardless of the 20 percent collateral guarantee given by the Ministry of Finance on behalf of every civil servant. Despite that, the majority in need of houses are those whose income does not allow them to purchase houses through banks, from individuals, agents or property developers. As a result, staff members below management cadres are struggling to make ends meet, taking into consideration the high cost of living in Windhoek and the inflation rate.

Respondents also complained about the long time taken in constructing urban houses for all income levels, as the pace is perceived to be too slow. A house construction can take a minimum of nine months to a maximum of one year and six months to complete. This pace compels citizens of urban areas to reside in an unauthorized settlement in the meantime while waiting for their houses to be completed. This situation or practice is common in Namibia and worse in Windhoek, that is why the city has recently extended its boundaries on all its four corners, that is; (Okahandja side, surrounding farms and mountain areas, Rehoboth side and towards the Hosea Kutako International Airport side) to make room for unplanned structures.

However, it is disturbing to note that most standard houses in Katutura, Otjomuise and Khomasdal locations cost between N\$650 000 to N\$1.2 million and they are sold via estate agents. The monthly repayments on those

mortgages range between seven thousands to thirteen thousands five hundred Namibian dollars per month. These locations in the past and soon after independence were designated for low-income groups but nowadays plots and houses there are very expensive indeed.

5.1.6 What Housing Allowance challenges do employees below Management Cadres face in Namibia?

There are various housing allowance problems that staff members below management cadres have, such as the filling in of the lengthy application form for the subsidy, obtaining rent agreements from unwilling landlords, and declaring of intent for one to qualify.

5.1.7 In your opinion, what should be the minimum amount of Housing Allowance for staff members below Management Cadres?

Respondents replied that the housing allowance must be market related. The government should take examples from the private sector, and benchmark with them. Or if it cannot take their exact amounts, at least improve the lives of public servants in the country.

5.1.8 How do you perceive the current housing scheme for staff members below Management Cadres in terms of being affordable, reasonable or unaffordable? Please explain.

It is proposed that the government should gain serviced land from the Windhoek local authority and provide mass houses to communities through low-cost housing projects. Respondents alleged that sometimes there is no served land when individuals want to build own houses in the city.

Furthermore, the Windhoek municipality at times sells plots at very high prices, which only individual developers afford; who in turn, resell the plots to the communities at exorbitant prices. Communities request the City of Windhoek to stop auctioning land because only the rich can buy land, and they in turn price houses as they deem fit, when they resell or rent to Windhoek's poor communities.

5.1.9 In your opinion, should the Government consider increasing the Housing Allowance for employees below Management Cadres and why?

The respondents want the housing allowance to be reviewed and increased every two years. The respondents said that this at least has to be increased either by 50 percent or 100 percent.

Increasing housing allowance for employees below management cadres is vital, taking into consideration the high cost of living in the city and the inflation rate that changes now and then.

The respondents also suggested that no specific OMA should be responsible for the housing allowance. Every OMA should continue administering employees' benefits as in the past (decentralized to all Ministries).

5.2 Data Analysis

Data analysis is a process of using data with the goal of highlighting useful information to suggest conclusions, and support decision making. Quantitative data is thus analyzed using either a descriptive statistical method or inferential statistical method. Inferential statistics draws conclusions and predictions based on the analysis of numeric data, whereas a descriptive statistical method is used to analyze graphically presented data.

According to Welman *et al.* (2005: 231), descriptive statistics is a summary or description of data obtained from a group of individual units of analysis. This implies that data is categorized without statistical software, meaning that it is simply analyzed to establish the relationship between variables and on how many responses are received from each category.

Once data collection and checking was completed, the researcher began analyzing the data (Bless *et al.*, 2006:163). In this case study, the following descriptive statistical method is used:

5.2.1 **Percentages and frequency distribution**

Most questionnaire items are presented in bar diagrams in which columns represent percentages, values and tables where data is presented according to questionnaire items (variables) per respondents (value) recorded and per percentage of time a value is recorded.

Data might be presented in bar charts and pie charts, automatically done by the survey hosting website. A bar chart is similar to a histogram whereas a pie chart is a circle subdivided into slices whose areas are proportional to the frequencies which may emphasize the percentage rate of each category. Bar charts focus more on the frequency of occurrences and categories (Keller, 2001:33).

5.2.2 **Validity and Reliability**

Validity is measuring what the researcher wants to measure. Bless *et al.* (2006:156) identify four types of validity and these include: content, criterion-related, construct and face validity.

Content validity deals with complex research with different components. A high content validity questionnaire requires wider circumstances and poor content validity might outlook communication or relations with the subject under study (Bless *et al.*, 2006:156).

Criterion-related validity deals with testing whether an instrument measures what it is expected to measure by comparing it with another measure that is known to be valid (Bless *et al.*, 2006:157).

Construct validity on the other hand is the extent to which scores on an instrument reflect the desired construct rather than some other construct.

Lastly, face validity is the way instruments appear to the participant. This type of validity is commonly used or is applicable to an interview data collection instrument.

Online research does not allow the researcher to assess the reliability of responses. Reliability will be at risk because the questionnaire may reappear differently to different participants, depending on the browser and computer platform. Note should thus be taken that because people differ in how and when they read e-mails, some don't read their e-mails on time, while some simply ignore them.

5.2.3 Demographic Information

The demographic information captured in the questionnaire is years of service, age, gender, Directorate or Division and job title. These demographic variables might be cross tabulated with the non-demographic variables to establish any relationships between them.

5.3 **Way forward**

Namibia is a low middle-income country and has enjoyed 24 years of independence as well as political stability. It has a sound macro-economic environment with moderate economic growth that is expected to continue due to other regional commodity boom arising from demand for natural resources. House inflation has outgrown real income growth over the years for most households in the sector (Kalili *et al.*, 2008:5).

According to Kalili *et al.*, (2008:5) the National Housing Policy (NHP) aims to make resources available and direct their use to the production of infrastructure and facilities. This way it ensures that every Namibian can have access to acceptable shelter, in a suitable location, at a cost and standard that is affordable to the individual and the country.

5.4 **Mass housing programme**

After the announcement of the Mass Housing programme by the Head of State in the last quarter of 2013, (on 26 November 2013) the National Housing Enterprise (NHE) was entrusted as the sole custodian of the Government's Mass Housing Project to build 185 thousand houses in order to reduce housing shortages in the country (columnist Immanuel: in The Namibian newspaper, vol. 28, No. 64, p.2, April 2014). NHE in return awarded tenders to 25 companies for the construction of 10 137 houses countrywide, at a cost of N\$2.9 billion over the

next two years (columnist Immanuel: in The Namibian newspaper, vol. 28, No. 64:2, April 2014).

However, it is dis-heartening to note that the majority of staff members below management cadres including domestic workers, security guards, and other general workers still cannot afford to buy houses built by NHE contractors. NHE houses cost between N\$30 thousand for a one-bedroom house and N\$50 thousand for a two-bedroom house, prices which are too high for general workers (columnist Immanuel: in The Namibian newspaper, vol. 28, No. 64:2, April 2014).

As such, NHE will not solve the backlog of low cost houses for the poor because its houses are very expensive regardless of NHE's Chief Executive Officer Mr. Vinson Hailulu's assurance (to the nation on live broadcast) that 70 percent of houses under the mass housing programme are of low cost (columnist Immanuel: in The Namibian newspaper, vol. 28, No. 64:2, April 2014).

Mr. Hailulu explained that although contractors who build houses in Windhoek may charge the government between N\$214 thousand for 35.84 square meters and N\$385 thousand for 68.54 square meters, this means that houses might end up costing buyers more or less N\$15 thousand (columnist Immanuel: in The Namibian newspaper, vol. 28, No. 64:2, April 2014).

5.5 **Solution to problems**

Respondents are requested to suggest solutions to solve the current problems. Solutions suggested are as follows:

The Technological Capabilities Theory as popularized by Lall (2001) argues that smallness is dangerous just like in the animal kingdom where younger and

smaller animals are easy prey for predators. The theory postulates that low-income earners such as staff members below management cadres do not easily access funds from financial institutions because they lack collateral and hence lending to them is viewed as highly risky. This means that the only way that these job categories can raise capital is through self-financing, but since their initial capital is small against high operating costs, they are usually caught-up in a vicious circle of smallness which is hard to break.

However, past studies found out that one of the most crucial constraints to the Namibian economy, stability and growth is the lack of financing. This means that many Namibians do not have the collateral required by banking institutions to secure loans. Therefore the lack of collateral, as well as difficulties in dealing with banking procedures and regulations are the main factors impeding Civil Servants below management cadres' access to formal credits. It is true that banks sometimes give credits to low-earners with high costs, high bank charges, and fees instead of soft credit with low interest rates. Women are particularly disadvantaged in this regard, as they rarely own properties that can be used as collateral for loans.

5.6 Research Aim and Objectives of the study

The aim of the study is to investigate the problems encountered by civil servants with regards to the inadequate housing allowance for staff members below management cadres. Furthermore, the study purports to find possible means to propose measures aimed at alleviating the inadequate housing allowances for staff members below management cadres.

In a nutshell, the aim of the research is to investigate the impact of housing allowance and see to the means through which those who ought to benefit from it, especially staff members below management cadres, reap their entitlement.

In other words, the investigation focusses on the current housing allowance and taxable subsidies for staff members below management cadres. The objectives are therefore to:

- ❖ To investigate the problems encountered by civil servants with regards to housing affordability.
- ❖ To identify specific constrains faced by junior employees regarding the housing allowance in the Namibian Public Sector.
- ❖ To examine the impact of housing allowance and government subsidies.
- ❖ To explore different ways the Namibian government can introduce to assist junior staff members to afford houses or rent in the Khomas Region and Namibia as a whole.

5.7 **Research questions**

The following are the research questions:

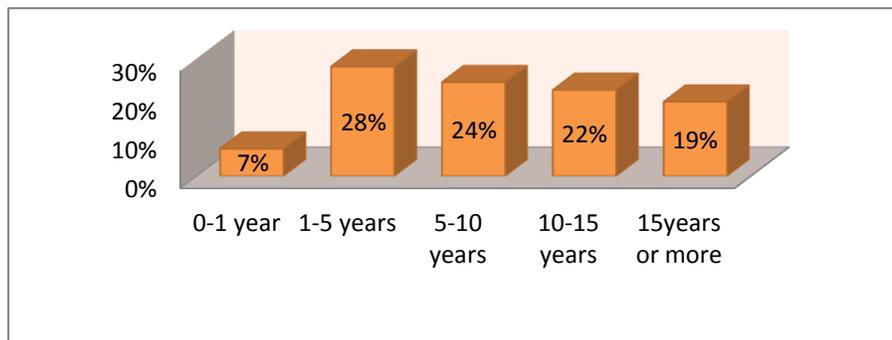
- ✚ What measures can the Namibian Public Service introduce to solve the thorny problem of Housing allowance to commensurate with inflation?
- ✚ How significant is the housing allowance for staff members below management cadres?
- ✚ What constraints are foreseen regarding the use of subsidies within the Namibian Public Service?

- ✚ What impact do different loans have on low-income earners like clerks, 'institutional workers' or cleaners?

5.7.1 **How long have you been working for the Directorate: Auxiliary Services?**

The highest score received was from 1-5 years (28 percent), since most of the respondents have been employed from 1-5 years followed by 5-10 years (24 percent), 10-15 years (22 percent), 15 years or more (19 percent) and the lowest score received was from respondents who are in the 0-1 year (7 percent) category as shown in figure 3. Service years can also depend on the nature of work in a particular Directorate. It can be summarized that 28 percent of the respondents have been working in the Office of the President for a maximum of five years and the lowest service years with the responses rate of seven percent.

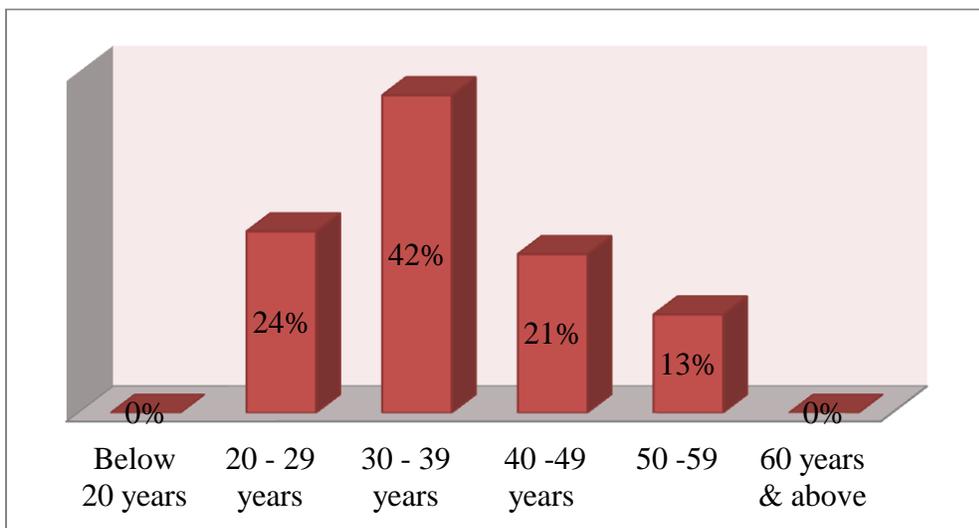
Figure 2: Percentage of Respondents Years of service



5.7.2 **How old are you?**

The respondents' age varied slightly, the 30-39 age group received the highest response rate (42 percent), followed by the 20-29 age group (24 percent), 40-49 age group at 21 percent, 50-59 had 13 percent and lastly below 20 years, 60 years and over are at zero percent shown in figure 3.

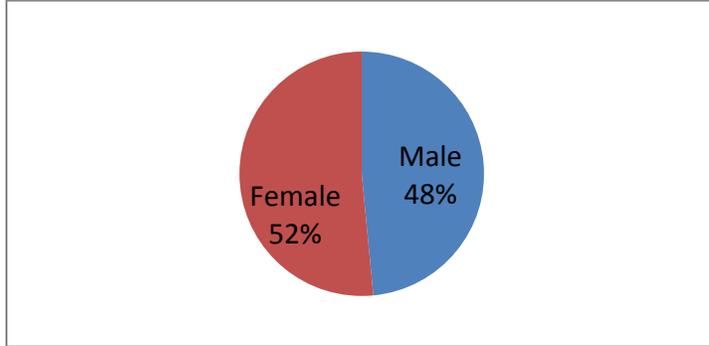
Figure 3: Percentage of Respondents' Age



5.7.3 What is your Gender?

Figure 5 shows that out of eighty nine responses received, 52 percent were female and 48 percent male. The nature of the work in the Directorates might have contributed in the higher rate of females or it can be that the majority of the females are below the management cadres. The gender bias towards females might also be due to the fact that a significant number of females are employed as clerks, cleaners, or receptionists; jobs which are more prone to be female dominated. The results are shown on figure 4.

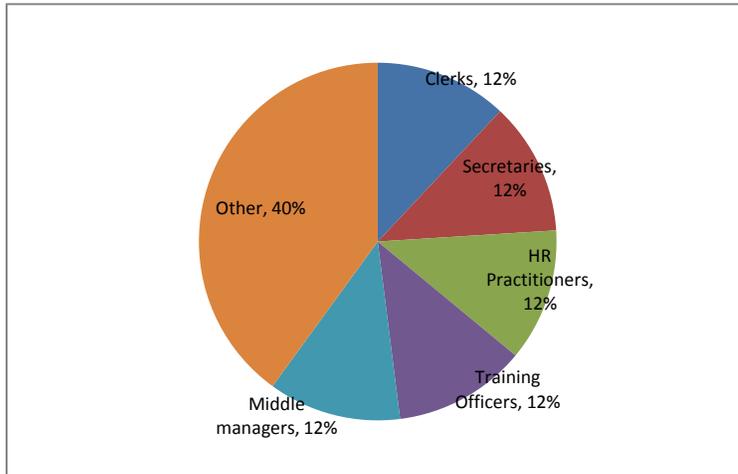
Figure 4: Percentage of Respondents' Gender



5.7.4 What is your current job title?

The question was aimed to ensure that a wide spectrum of staff members were included in the analysis. It was noted that respondents were from most sectors, such as clerks, accountants, secretaries, technicians, Human Resource Practitioners, training officers and programmers.

Figure 5: Respondents' Job titles



5.7.5 Rate the accessibility of Housing allowance in your Directorate?

Staff members were required to indicate if they have access to the Housing allowance or Subsidies. The results in table 7 illustrate that most staff members below management cadres have access to Housing allowances in accordance with their individual annual salary notches. On the other hand, if they own houses, they qualify for a monthly taxable subsidy payable on a government/member contribution ratio basis. Thus access to Housing Allowance is 55 percent, whereas access to Subsidies is 35 percent and those without any is 0.1 percent.

Table 8: Percentage of Respondents with Access to Housing allowance

A=Accessible, NA=Not Accessible

Salary range	Revised Housing Allowance per month	Respondents	
		A%	NA%
N\$20,445 – 56,550	N\$600.00	100%	0.0%
N\$58,461 – 144,255	N\$800.00	100%	0.0%
N\$149,490 – 403,263	N\$1000.00	95%	0.5%

5.7.6 What problems have you encountered when applying for the Housing Allowance?

This question sought to identify problems that staff members are facing when applying for the Housing Allowance?

75 out of 89 respondents have no problem at all, simply because the Housing allowance is included in their salary packages by HR officers as a benefit at the onset when they start working provided they do not own a house or they don't rent without applying for it as shown in table 8 below:

Table 9: Respondents with Access to Housing Allowance, per salary Band

A=Accessible, NA=Not Accessible

Salary Band	Revised Housing Allowance per month	Respondents	
		A%	NA%
N\$20,445 – 56,550	N\$600.00	100%	0.0%
N\$58,461 – 144,255	N\$800.00	100%	0.0%
N\$149,490 – 403,263	N\$1000.00	95%	0.5%

5.7.7 What problems have you experienced when applying for Subsidy?

This question sought to identify the problems that staff members are facing when applying for a Subsidy?

65 out of 89 respondents encountered problems when filling the subsidy form, they complain that the form is too thick, hard to understand and they are at-times confused as to which part of the form is for them to fill and which one is for the Bank, Ministry of Finance or their HR officers. However most staff members below management cadres are now pleased with the introduction of a fixed subsidy on government/employee contribution ratios, instead of mortgage repayments determined by commercial banks basing on various interest rates. This is shown in table 9 below:

Table 10: Respondents with Access to Subsidy, per salary band

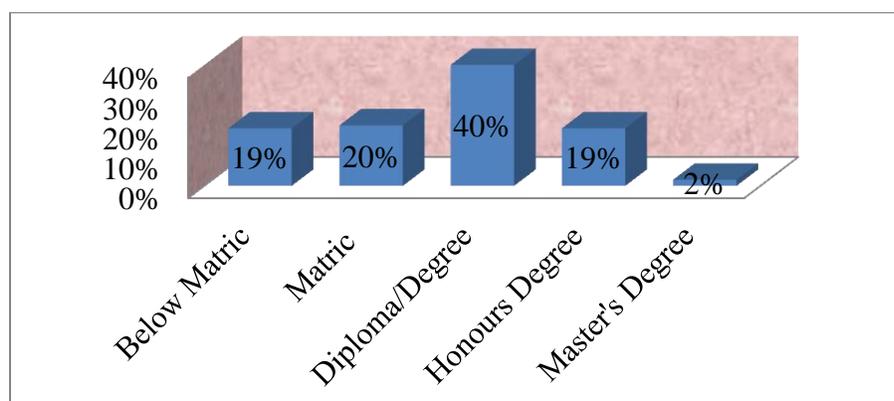
	Maximum	Maximum	Contribution ratios
--	---------	---------	---------------------

Salary Bands	qualifying loan amount	subsidy p/m	(government/member)
0 up to 60,000	200,000	1,421	70/30
61,000 – 90, 000	270,000	1,919	70/30
91,000 – 120, 000	360,000	2,485	68/32
121,000 – 150, 000	450,000	3,107	68/32
151,000 – 180, 000	540,000	3,728	68/32
181,000 – 210, 000	630,000	4,221	66/34
211,000 – 240, 000	720,000	4,824	66/34

5.7.8 What is your highest level of education e.g. Matric, Post Matric, etc.

Statistics in figure 6 below indicate that many respondents have limited levels of education. For instance 20 percent of respondents were in possession of a Grade 12 or Matriculation certificate, 19 percent are below Grade 12 qualifications and 61 percent of the respondents are in possession of post-matric qualifications.

Figure 6: Respondents' Qualifications



5.8 Challenges encountered

The study encountered the following limitations:

- ✚ A major limitation encountered is the fact that the study is not a representation of the entire housing sector in Namibia. In contrast, it is limited to Public Servants below Management Cadres within Windhoek as it has a conglomeration of many levels and different categories.
- ✚ The study is also limited to the use of questionnaires, interviews and observation schedules.

Furthermore, due to time and resource constraints, the study covered only housing shortages in and around the Central Business District of the capital city as well as several suburbs around Windhoek. The disorganized nature of settlement set-ups around the city hampered the collection of data to a large extent such that the study was limited due to a lack of information from few unwilling respondents who did not co-operate with the interviewer.

5.9 **CONCLUSION**

Chapter five presented and interpreted the findings of the research. The study found out that most respondents do not have access to proper houses and to home loans from commercial banks. Staff members live in deplorable situations in various slums around the Khomas region, with poor sanitation or none. Many of them cannot afford inflated renting fees in the city due to high unemployment, or low income, and as such they are not able to pay municipal bills for services rendered.

Chapter six presents recommendations and conclusion of the study.

CHAPTER SIX

RECOMMENDATIONS AND CONCLUSION

6 INTRODUCTION

Chapter six summarises the research findings and proposes recommendations with regards to the Housing Allowance for staff members below management cadres.

The aim of the study was to investigate the housing shortages in the Khomas Region, how to address problems encountered by civil servants with regards to the inadequate housing allowance, rental allowance and taxable Subsidies for staff members below management cadres as well as enhancing public service delivery in Namibia. The next section presents once more the objectives of the study.

6.1 Objectives of the study

The objectives of the study are set to break the aim down into more specific, measurable and timely units. These are as follows:

- To investigate problems encountered by civil servants with regards to housing affordability.
- To identify specific constraints faced by junior employees regarding housing allowance in the Namibian Public Service.
- To examine the impact of housing allowances and government subsidies.
- To explore different ways the government can introduce to assist junior staff members to afford houses or rent in the Khomas Region.

6.2 FINDINGS OF THE STUDY

The study found possible means and came up with tangible measures to address the inadequate housing allowance, rental allowance and taxable subsidies for employees below management cadres, so as to improve public service delivery. The findings are as follows:

- ❖ The study concluded that the low income is behind the housing in-affordability problems.
- ❖ Over 65 percent of Namibians do not have affordable and decent housing. As a result, the country faces an uphill battle to solve the housing backlog.
- ❖ The study further found out that Botswana and South Africa's housing schemes are suitable and affordable to public servants below management cadres. Furthermore, it was found that Namibia should consider adopting the same approaches practiced in Botswana and South Africa.
- ❖ Botswana's good example to emulate from is the provision of land to citizens free of charge, whilst citizens in turn have to:
 - upgrade the land to a proper standard,
 - use part of the land for subsistence farming and fend for themselves.
- ❖ In Namibia, even if people are willing to uplift themselves, there is no land where they can do so.
- ❖ Another finding about Botswana's good example to emulate from is that, it is a developing nation with a keen government that recognizes the benefits of

home loans. Because of that, the Self Help Housing Agency (SHHA) programme (one of the agencies that promote home ownerships in the country) grants loans to citizens, without interest charges except on arrears; repayable over a 20 year period.

- ❖ In addition, SHHA loans are accessible to both urban and rural households provided they earn an annual income of between P4, 400 and P36, 400 per month. Each beneficiary may receive a maximum loan of P45, 000. Furthermore, beneficiaries are allowed to use their loans either for the extension or renovation of an existing house or complete a new one.
- ❖ In Namibia, this is not the case, commercial banks (financial institutions) give loans with a 'clause' only to be used in urban centers, or proclaimed towns and not to set up modern structures at villages. However, the Government Institution Pension Fund (GIPF), in February 2014 announced the amendment to the fund which allowed government employees to have access to their pensions and borrow money at very low interest rate (Namibian Repo rate) to be solely used for acquiring and developing affordable houses in rural areas. These include un-proclaimed towns, village councils and rural areas.
- ❖ Another finding on Botswana is that the Botswana Housing Corporation (BHC) has built 17 thousand houses so far in urban areas in three categories: high, medium and low rent. Nonetheless, of late its stock has declined because of a requirement to sell its houses to tenants. Due to this development, BHC had sold 1,200 properties under the alienation scheme since 1997.

The Namibian government on the other hand, encourages home-ownership amongst the middle and low-income groups due to house prices increases. As such, the Government has embarked upon increasing access to home-ownership by introducing grants, subsidized loans and tax relief. This way it assists first-

time-buyers to overcome liquidity problems whereas low-income buyers are assisted through subsidized loans, tax subsidies and targeted grants.

Furthermore, the Namibian government has introduced the Hundred percent Home Owners Scheme for Staff members (HOSSM) which encourages staff members to buy properties. However, small subsidies make it difficult for junior staff members to afford the houses despite good gestures from government.

Another finding from the study is that the Namibian government budgets for housing and rental allowances as well as subsidies every year, the same way the United States of America (USA) does for its citizens. Employees in turn get these taxable allowances based on the annual salary scales and subsidies (based on actual loan amounts).

The study further found that two major factors preventing many Nigerians from owning houses is the high cost of land and construction.

Furthermore, the National Housing Programme (NHP) of Nigeria is geared to provide 121 thousand housing units throughout the country for all income groups. The aim is to:

- ❖ increase housing stock in the country,
- ❖ provide easy access to home ownership,
- ❖ translate national housing policy objectives into reality and
- ❖ enhance resource mobilization.

6.3 **RECOMMENDATIONS BASED ON THE FINDINGS OF THE STUDY**

Several recommendations for further research, from results and conclusion of the study are as follows:

- ❖ The study noted with great concern that the research did not represent the entire housing sector in Namibia. It covers only a few levels and different categories of the Public Servants below Management Cadres from the Office of the President, Khomas Region, Windhoek city centers and surrounding suburbs.
- ❖ Furthermore, the study only made use of questionnaires, interviews and observation schedules.
- ❖ Another finding noted is affordability; the majority of institutional workers, Clerks and Human Resources Practitioners in the lower bracket, are lowly paid and cannot afford houses' market prices in the city. It is a fact that property prices are increasing on a daily basis because there is no control over house-pricing in the country. As a result commercial banks and private property developers or agents price houses as they deem fit - in their interest. This scenario has hampered employees below management cadres' chances to buy houses, because they cannot cope with the high monthly instalments.
- ❖ There is no serviced-land in most Local Authorities country-wide. This contributing factor hampered government's effort of implementing Mass Housing programme in the country regardless of the country's high housing backlog. Therefore, it is recommended that Local Authorities service land country-wide in order to reduce shortage of land in the country and pave way for government projects to be accessible to grassroots people.
- ❖ Furthermore, the auctioning or selling of Ervens or building plots by the City of Windhoek, worsened the deprivation of the lowly income earners to become house owners instead of rentals or leasing houses. This scenario only attracts

those who has or can afford Ervens and plots (especially building contractors) who in turn resale those plots at a “tripled price or more”. As a result, defeating government’s effort of a “willing buyer and willing seller” principle.

- ❖ Most of the countries support home ownership by means of tax incentives and many provide help with housing costs of home owners with low incomes.
- ❖ Moreover, another challenge facing staff members below management cadres revealed by the study is poverty and unemployment. This challenging factor contributed to the limited capital investment and building costs due to less financial support for low-income groups.
- ❖ The study also found out that most households who reside in rural areas, own properties they live in. Some of them have financed their houses through their own savings, regardless of inadequate access to finance, as they have been refused loans in the past.

6.4 **CONCLUSION**

The study covered mainly the housing allowance, rent allowance and subsidies for employees below management cadres in the Namibian public service, low cost housing in Botswana, Nigeria, South Africa and housing allowances for government employees in Britain, China, the Netherlands and the United States of America. Furthermore, due to the sensitive nature of the Office of the President, the researcher had limited access to information reports and participants in the study were limited, because of work commitments.

Another problem encountered is time and resource constraints. That is why the study covered only housing shortages in the Central Business District of the capital city and several suburbs around Windhoek. Furthermore, the disorganized

nature of settlement set-ups around the city hampered the collection of data, and it was worse especially due to lack of information from few and unwilling respondents who did not co-operate with the interviewer.

BIBLIOGRAPHY

Andrews, Y. 1997. *The personnel function*. South Africa, Pretoria: Kagiso Tertiary.

Bless, C., Higson-Smith, G. and Kagee, A. 2006. *Fundamentals of social Research Methods: An African Perspective*. 4th edition. South Africa, Cape Town: Juta and Co. Ltd: South Africa.

Brink, H.I. 2000. *Fundamentals of research methodology for health care professionals*. Kenwyn, Juta publishers.

Cambridge International Dictionary of English. 1995. Cambridge Low Price Edition. Cambridge University Press

Carrell, M.R., Elbert, N.F., Hatfield, R.D., Grobler, P.A., Marx, M. & Van der Scheyf, S. 1998. *Human resource management in South Africa*. Prentice Hall: South Africa.

Chiware, T. & Dick, L. 2009. The use of ICTs in Namibia's SME sector to access business information services. *Journal of Financial Economics*, 26(2): 145-157.

Cloete, F. & Wissink, H. (eds). 2004. *Improving Public Policy*. South Africa, Pretoria: Van Shaik publishers.

Cloete, F., Wissink, H. & De Coning, C. 2006. *Improving Public Policy, from theory to practice*. South Africa, Cape Town: Van Shaik Publishers.

Cohen, T. 2012. *Land and Housing*.

Collier, D., Idensohn, K. & Adkins, J. 2010. Income inequality and executive remuneration: assessing the role of law and policy in the pursuit of equality. *South African Journal of Labour Relations*, 34(2):84-109.

Ditch, J., Lewis, A. and Wilcox, S. 2001. *Social Policy*, University of York

Dumba, D. & Malpass, P. [online]. 2009. *The development of low income urban housing markets: A case study of the Republic of Botswana*. Available on the Internet at: sitesources.worldbank.org/459596/urban-botswana. (12 May 2013).

Du Toit, D., Knipe, A., Van Niekert, D., Van der Waldt, G. & Doyle, M. 2002. *Service excellence in government*. Sandown: Heinemann Publishers Pvt Ltd.

Fouche, C.B. 2007. 'Qualitative research designs'. In: De Vos, A.S., Strydom, H., Fouche, C.B. & Delport, C.S.L. (eds.) *Research at grass roots for social sciences and human service professions*. 3rd edition. Pretoria: Van Schaik.

Fox, W. & Meyer, I. 1995. *Public Administration Dictionary*. Cape town: Juta & Co.

Gerber, P.D., Nel, P.S. & Van Dyk, P.S. 1996. *Human resources management*. 3rd edition. London: International Thomson.

Gerber, P.D., Nel, P.S. & Van Dyk, P.S. 1999. *Human resources management*. 4th edition. Oxford University Press.

Gillman, B. 2000. *Case study research methods*. London: Heunel Jacoves.

Government Gazette of the Republic of Namibia [online]. 1998. Constitution of the Republic of Namibia 1998. Available on the Internet at: www.lac.org.na/laws/1998/2014.pdf. (2 September 2014).

Goode, W. and Hatt, P. 1952. *Series in sociology and anthropology*. New York: Prentice Hall.

Gray, D.E. 2005. *Doing research in the real world*. London: Sage Publications.

Gubrium, J.F. and Holstein, J.A. 2002. *Handbook of interview research context and methods*. Thousand Oaks, California: Sage Publications.

Gwari, C. 2010. *Foreign Direct Investment (FDI) - Benefits for small and medium enterprises* (SME discussion paper No.5). Windhoek: Friedrich Ebert Stiftung.

Hugo, P. 2010. *International Journal of Urban & Regional Research*, 28(3): 706-712.

<http://www.education.gov.za> (accessed 04/05/2014)

<http://www.sahra.org.za> (accessed: 04/05/2014)

<http://www.namibweb.com/> accessed 05/06/2013.

Immanuel, S. 2014. in The Namibian Newspaper, Vol 28, No 64, dd: 07/04/2014 p1-2.

IMIESA. 2005. Comprehensive plan on sustainable human settlements. *South African Journal on Housing*, 30(8):30-31.

International records management trust: Botswana case study: Fostering trust and transparency in governance. 2008. Available on the Internet at:

[http://www.irmt.org/documents/building_integrity/case_studies/IRMT Case Study Botswana.pdf](http://www.irmt.org/documents/building_integrity/case_studies/IRMT_Case_Study_Botswana.pdf) (29 March 2013).

Kabir, B. & Bustani, S.A. 2008. *A review of housing delivery efforts in Nigeria: Department of Building, Faculty of Environmental Design, Ahmadu Bello University-Zaria-Nigeria.*

Kaira , C. 2014. in The Namibian Newspaper, Vol 27, No 102, dd: 03/06/2013 p2.

Kaira , C. 2014. in The Namibian Newspaper, Vol 28, No 38, dd: 26/02/2014 p1-2.

Kalili, N., Adongo, J. & Larson, T. 2008. Access to housing finance in Africa: Exploring the issues. No. 5. *Overview of the housing finance sector in Namibia.* Windhoek: FinMark Trust.

Kannae, L. A. 2004. *Research skills capacity building for national teachers' organizations & training manual.* LomTogo: Utdannings Forbundet.

Kath H. 2003. An international review of housing allowances, Issue 18 April 2003, Austrian Housing and Urban Research Institute (AHURI) National Office (www.ahuri.edu.au).

Kuma, R. 2010. *Making E-Government projects in developing countries more successful and sustainable: Some case studies from India* [online]. Available on the Internet at from: [http://www.cprsouth.org/wp-content/uploads/drupal/Rajendra Kumar 1.pdf](http://www.cprsouth.org/wp-content/uploads/drupal/Rajendra_Kumar_1.pdf) (20 June 2013).

Langford, R.W. 2001. *Navigating the maze of nursing research – An interactive learning adventure.* St Louis: A Harcourt Health Sciences Company.

Macmillan Publishers. 2002. *Macmillan English Dictionary for Advanced Learners*. South Africa, Cape town: Macmillan Publishers Ltd.

Madge, C. & O'Connor, H. 2012. *Exploring the Internet as a medium for research: web-based questionnaires and online synchronous interviews* [online]. ESRC Research Methods Programme, Working Paper No 9. Available on the Internet at: <http://www.ccsr.ac.uk/methods/publications/documents/WorkingPaper9.pdf> (10 June 2013).

McMillan, J.H. and Schumacher, S. 1993. *Research in education: A conceptual introduction*. New York: Harper Collins College Publishers.

Ministry of lands and housing. 2010. *Ministry of lands and housing: The department of housing programme*. [online] Available on the Internet at: www.gov.bw/en. (27 May 2013).

Ministry of Trade and Industry. 2011. *Financing SMEs and entrepreneurs*. [online] Available on the Internet at: http://www.mti.gov.za/Smefinance_2108/policy.html (6 May 2013).

Mohr, P. and Fourie, L. 2008. *Economics for South African students* (4th edition). South Africa, Pretoria: Van Schaik Publishers.

Mouton, J. (2008). *How to succeed in your Master's & Doctoral studies (A South African Guide and Resource Book)* (12th Impression). South Africa, Pretoria: Van Schaik Publishers.

Muller, 2012. in New Era Newspaper, Vol 18, No. 154, dd: 22/03/2013 p5.

Muller, 2012. in New Era newspaper, dd: 03/08/2012 p1-2.

Muller, W. 2012. *Public/Private sector roles in the delivery of affordable housing*. Available on the Internet at: www.infrastructuredialogue.co.za/wp.content/uploads/2012/10/affordable-housing-layout.pdf.

Ogbokor, C.A. 2011. *The role of Trade and Capital in the Economic Growth of Namibia*. Saarbrucken. Lambert Academic Publishing.

O'Sullivan. 2012. *Urban economics: International enterprise*. 8th edition. McGraw Hill.

Oxford Advanced Learner's Dictionary. 2005. 7th edition. Oxford: Oxford University Press.

Parahoo, K. 2006. *Nursing research – Principles, process and issues*. 2nd edition. London: Palgrave MacMillan.

Polit, D.F. and Beck, C.T. 2006. *Essentials of nursing research - Methods, appraisal, and utilization*. 6th edition. Philadelphia: A Wolters Kluwer Company.

Pottie, D. 2003. Housing the nation: the politics of low-cost housing policy in South Africa. *South African Journal on Housing*, 22(1):119-143.

Rea, L. M. and Parker, R. A. 1997. *Designing and Conducting Survey Research: A comprehensive guide*. 2nd edition. Jossey-Bass Publishers.

Republic of Namibia. 2011. Public Service Commission. *Being a public servant in Namibia: The pocket guide*. 2nd edition. Windhoek: Public service of the Republic of Namibia.

Republic of Namibia. 2011. National Planning Commission, Namibia Statistic Agency (2012) Namibia 2011 Population and Housing Census Report, Windhoek, Namibia.

Republic of Namibia. 2011. Public Service Commission of Namibia/Office of the Prime Minister. *Public service staff rule E. X. Public service code of conduct.* Windhoek

Republic of Namibia. 2011. Public Service Commission of Namibia/Office of the Prime Minister. *Public services report* [Online]. Available on the Internet at: <http://etransformafrica.org/sector/public-services> (accessed: 25 April 2013).

Republic of Namibia. 2011. Office of the Prime Minister. *E-Government Readiness Report of 2011: National E-Government strategic action plan.* Republic of Namibia publication.

Republic of Namibia. 2013. Public Service Commission of Namibia/Office of the Prime Minister, *Public Service Management Circular No. 8 of 2013.* Department of Public Service Management. Windhoek.

Republic of Namibia 2013. *On the occasion of determining Salary Adjustments*
www.eservice.net.local

Schulze, S. 2002. *Research methodology. Study guide 2 for MESEM2.* Pretoria: University of South Africa.

Sherbourne, R. 2010. Guide to the Namibian Economy. 2nd edition. Windhoek. John Meinert Printing.

- Siebrits, K. 1999. Government employment and pay reform in South Africa 1996 – 1999. *South African Journal of Economic History*, 14(1):112-126.
- Steps of the scientific methods* [online]. 2011. Available on the Internet at: <http://www.experiment-resources.com/research-process.html> (20 June 2013).
- Stork, C. [Online] 2011. *Mobile Internet to close the data divide in Namibia*. Available on the Internet at: www.researchictafrica.net. (10 May 2013).
- Skweyiya, Z.S.T. 1998. *Challenges in public service and administration* [online]. Available on the Internet at: <http://www.oecd.org/dataoecd/59/18/1910611.pdf>. (30 April 2013).
- Sweeney-Bindels, E. 2012. *Housing policy and delivery in Namibia*. Windhoek, IPPR.
- Troskie, J. 2007. Employee benefits: is there anything left to benefit from? Moneyweb's TAX BREAKS
- Tshitereke, C. 2009. *There shall be houses, security and comfort*. ISS Paper 196. [online] Available on the Internet at: www.issafrica.org. (27 March 2013)
- Walliman, N. 2009. *Your research project*. Los Angeles: Sage Publications.
- Weber, J. A. and Bradley, K.D. 2012. *Strengths and weaknesses of conducting web-based surveys: A review of the literature*. Web-based survey research: University of Kentucky.
- Welman, C., Kruger, F. and Mitchell, B. 2005. *Research methodology*. 3rd edition. Southern Africa: Oxford University press.

Wiersman, W. 1991. *Research methods in education*. 5th edition. Boston: Allyn & Bacon.

Windhoek. www.ippr.org.na accessed 04/04/2013.

Yin, R. K. 2003. *Case study design and methods*. 3rd edition. Thousand Oaks CA: Sage.

Annexure: A

COVER LETTER SAMPLE

P.O. Box 3821
WINDHOEK

Date:

To: Mr B. K. Likando
Permanent Secretary
Directorate: Auxiliary Services
Private Bag 13298
WINDHOEK

Dear Sir

REQUEST FOR PERMISSION TO CONDUCT A PILOT STUDY ON HOUSING ALLOWANCE FOR PUBLIC SERVANTS IN KHOMAS REGION

1. The above-mentioned subject matter has reference.
 - 1.1 I am an MPA student at UNISA- Pretoria doing a research on the "Problems of Housing Allowance for Staff Members below Management Cadres in the Namibian Public Service: a case study of the Khomas Region". In this regard, I would like to gather information through interviews and questionnaires from staff members below management cadres in the Office of the President – Directorate of Auxiliary Services.
 - 1.2 I therefore, hereby request your permission to obtain information from staff members in most job categories below management cadres as stakeholders and other role players. I assure you that information provided is kept confidential and used only for research purposes.
2. Your assistance in this regard is highly appreciated.
3. If you have any questions, please do not hesitate to contact me at Telephone No: 061-2071302 (W) or Cell: 0812525780.

Yours faithfully

Ms. S. L. SHILONGO

Annexure B:

RESEARCH QUESTIONS

My name is **Ms. Sylvia L. Shilongo**, studying MPA through UNISA, Pretoria. I am doing research on the "Housing Allowances for Staff Members below Management Cadres in the Namibian Public Service: a case study of Khomas Region" Therefore, I am kindly requesting you to complete the following questions which may contribute to the main findings and recommendations of the study. Please note that the information obtained is kept strictly confidential and only used for the purpose of the study. I can be contacted at **Cell No: 0812525780**. Your cooperation and assistance in this regard is highly appreciated.

1. How do you perceive the current housing scheme for staff members below Management Cadres; is it affordable, reasonable or unaffordable? Please explain.
2. What Housing Allowance challenges do employees below Management Cadres face in Namibia?
3. In your opinion, what should be the minimum amount of Housing Allowance for staff members below Management Cadres?
4. In your opinion, should the Government consider increasing the Housing Allowance for employees below Management Cadres and why?
5. Suggest an option you think is the best way to address issues about the inadequate Housing Allowance for staff members below Management Cadres?

6. Which OMAs should address the challenges of the Housing Allowance for staff members below Management Cadres in the Namibian public service?
7. Do the entities entrusted, (example NHE, Ministry of Regional, Local Government, Housing, and Rural Development (MRLGHRD), Municipalities) solve housing shortages in Namibia? Please explain.
8. You are aware that the Namibian government has embarked upon Mass Housing project through NHE and the MRLGHRD; in your opinion can these address the shortage of housing in Namibia? Please explain.
9. Apart from the Mass Housing project, government has also permitted employees (through GIPF) to borrow money from their pension funds in order to build houses in rural areas. In your opinion, does this gesture solve the problem of Housing shortages in Namibia?
10. Can you please suggest other options and approaches which can be considered by the government to address housing shortages and affordability in the country? Explain.

Annexure: C

P.O. Box 3821
WINDHOEK
28 April 2014

Mr. BK Likando
Director: Directorate - Auxiliary Services
Private Bag 13298
WINDHOEK

Dear Sir

REQUEST FOR PERMISSION TO CONDUCT RESEARCH ON HOUSING ALLOWANCE FOR PUBLIC SERVANTS IN KHOMAS REGION

1. The above-mentioned subject matter has reference.
- 1.1 I am an MPA student at UNISA- Pretoria doing research on "Housing Allowances for Staff Members below Management Cadres in the Namibian Public Service: a case study of Khomas Region". In this regard, I would like to gather information through interviews and questionnaires from staff members below management cadres in the Office of the President . Directorate Auxiliary Services.
- 1.2 I therefore, request your permission to obtain information from staff members in most job categories below management cadres as stakeholders and other role players in your Directorate. I assure you that information provided, is kept confidential and used only for research purposes.
2. Attached herein, please find Questionnaires as Annexure A. Your assistance in this regard, is highly appreciated.
3. If you have any questions, please do not hesitate to contact me at Telephone No: 061-2071302 (W) or Cell: 0812525780.

 Yours faithfully

TE10¹-4-1

Mrs. SL SHILONGO - MPA Student: UNISA

APPROVED/NOT APPROVED

B K LIKANDO
DIRECTOR: DIRECTORATE AUXILIARY SERVICES

Annexure: D



**OFFICE OF THE PRESIDENT
Directorate Auxiliary Services**

Private Bag 13298
Windhoek

Tel: (061) 207 1111

Fax: (061) 227 851

Enquiries: A. Scheiin

Reference:

8/3/1/1

03 September 2014

Ms. SL Shilongo
WINDHOEK

Dear Ms. Shilongo

**REQUEST FOR PERMISSION TO CONDUCT RESEARCH ON
HOUSING ALLOWANCE FOR PUBLIC SERVANTS IN KHOMAS
REGION**

Your letter dated, 28 April 2014, has reference.

My Office agreed upon your request to go ahead with your MPA Research to conduct interviews and questionnaires on Housing Allowance for Public Servants in the Khomas Region.

Yours sincerely


BK LIKANDO

DIRECTOR: DIRECTORATE AUXILIARY SERVICES

Annexure: E

Research Questions (format)

My name is **Ms. Sylvia L. Shilongo**, doing a Master’s Degree through UNISA, Pretoria. I am currently on a process of completing my dissertation on “Housing Allowances for government employees below Management Cadres in the Namibian Public Service: a case study of Khomas Region”

I am kindly requesting you to complete the following questions which may contribute to the main findings and recommendations of the study. Questions might take you less than 20 minutes to complete. Please note that participants in the survey remain anonymous, information obtained is kept confidential and only used for purposes of the study.

I can be contacted at **Cell No: 0812525780**. Just feel free, relax and answer **ALL** questions to the best of your ability. Please do not write your name, Directorate, Division or Ministry on the question paper.

I thank you very much in advance, for your time and cooperation.

- a) How do you perceive the current housing scheme for staff members below Management Cadres is it affordable, reasonable or unaffordable? Please explain.

.....
.....
.....

b) What Housing Allowance challenges do employees below Management Cadres face in Namibia?

.....
.....
.....

c) In your opinion, what should be the minimum amount of Housing Allowance for staff members below Management Cadres?

.....
.....
.....

d) In your opinion, should Government consider increasing the Housing Allowance for employees below Management Cadres and why?

.....
.....
.....

e) Suggest an option how you think is the best way to address issues about inadequate Housing Allowance for staff members below Management?

.....
.....
.....

f) Which OMAs should address the challenges of Housing Allowance for staff members below Management Cadres in the Namibian public service?

.....
.....
.....

g) Do the entities entrusted, (example NHE, Ministry of Regional, Local Government, Housing, and Rural Development (MRLGHRD), Municipalities) solve housing shortages in Namibia? Please explain.

.....
.....
.....

h) You are aware that the Namibian government has embarked upon Mass Housing project through NHE and the MRLGHRD; in your opinion do these address the shortage of housing in Namibia? Please explain.

.....
.....
.....

i) Apart from the Mass Housing project, government has also permitted employees (through GIPF) to borrow money from their pension funds in order to build houses in rural areas. In your opinion, does this gesture solve the problem of Housing shortages in Namibia?

.....
.....
.....

j) Can you please suggest other options and approaches which can be considered by government to address housing shortages and affordability in the country? Explain.

.....
.....
.....

Annexure: F

INTERVIEW QUESTIONNAIRE

QUESTIONNAIRE FOR MIDDLE MANAGERS AND SUPERVISORS, i.e. ACCOUNTANTS, HUMAN RESOURCE PRACTITIONERS AND SENIOR MANAGERS AS GOVERNMENT EMPLOYEES BELOW MANAGEMENT CADRES IN THE PUBLIC SERVICE

My name is **Ms. Sylvia L. Shilongo**, doing Master's Degree through UNISA, Pretoria. I am currently on a process of completing my dissertation on "Housing Allowances for government employees below Management Cadres in the Namibian Public Service: a case study of Khomas Region"

I am kindly requesting you to complete the following questionnaire which may contribute to the main findings and recommendations of the study. The questionnaire might take you less than 20 minutes to complete. Please note that participants in the survey remain anonymous, information obtained is kept confidential and used only for purposes of the study.

There is no right or wrong answers to this interview. Mark your answers by placing a cross (x) in the appropriate block. Just feel free, relax and answer **ALL** questions to the best of your ability. Please do not write your name, Directorate, Division or Ministry on the questionnaire.

I thank you very much in advance, for your time and cooperation.

Ms. Sylvia L. Shilongo

Cell No: 0812525780.

SECTION A: BIOGRAPHICAL DETAILS

Please complete the following by placing a cross (x) on the appropriate column.

NO.	Question		
1	Please indicate your gender	Male	female

NO.	Question		
2	Please indicate your age group	1. Between 25 and 30	
		2. Between 30 and 35	
		3. Between 35 and 40	
		4. Between 405 and 45	
		5. Between 45 and 50	
		6. Between 50 and above	

NO.	Question		
3	Please indicate your highest level of education e.g. Matric, Post Matric, etc.	1. Below Matric	
		2. Matric (Grade 12)	
		3. Diploma/Degree	
		4. Higher Diploma/Degree	
		5. Master's Degree	
		6. Doctorate Degree	

NO.	Question		
4	Indicate your current position (post) in the organization	1. Cleaner	
		2. Clerk	
		3. Accountant	
		4. HR Practitioner	
		5. Supervisor/Manager	

		6. Senior Manager/Director	
--	--	----------------------------	--

NO.	Question		
5	Indicate your work experience (how long have you been working for your organization)	1. 01 – 05 years	
		2. 06 – 10 years	
		3. 11 – 15 years	
		4. 16 – 20 years	
		5. More than 20 years	

NO.	Question		
6	Please indicate your understanding of housing allowances	1. Limited	
		2. Fair/acceptable	
		3. Good	
		4. Excellent	

SECTIONS B, C AND D

Next to each statement, please tick the number that best expresses the extent to which you agree or disagree with the statement. There is no right or wrong answer. Please tick only one number for each statement.

Please use the following scale / key to guide your decision

<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
Strongly disagree	Disagree	Neutral	Agree	Strongly Agree

1. In your opinion, should Government consider increasing Housing Allowances for employees below Management	1	2	3	4	5
---	---	---	---	---	---

Cadres?					
---------	--	--	--	--	--

2. Do you agree or disagree that housing prices in Khomas region are very high compared to other regions countrywide?	1	2	3	4	5
---	---	---	---	---	---

3. In your opinion, do you think Government should consider regulating house prices i.e. (both rental and buying) for the country?	1	2	3	4	5
--	---	---	---	---	---

4. Do you agree or disagree that there is a need for increasing housing allowances for government employees below management cadres every two years?	1	2	3	4	5
--	---	---	---	---	---

5. Do you support the way Windhoek municipality auctions plots /ervens to residents in the city? Whereby ervens are sold to highest bidders and end of the day only the haves (rich) individuals affords and buy?	1	2	3	4	5
---	---	---	---	---	---

6. Are you in agreement that the subsidy application form is too lengthy and complicated to fill?	1	2	3	4	5
---	---	---	---	---	---

SECTIONS:D

NO	QUESTIONS	MONTHLY	QUARTERLY	YES	NO
1					
2		Monthly		Quarterly	

ACET Consultancy

Anenyasha Communication, Editing and Training

Box 95509 Soweto, Windhoek, Namibia

Cell (264) 0814218613 or 0814234235

Email: mlambons@yahoo.co.uk / nelsomlambo@icloud.com

15 January 2015

To whom it may concern

LANGUAGE EDITING – MS SYLVIA L. SHILONGO.

This letter serves to confirm that a Master's thesis titled "**HOUSING ALLOWANCES FOR GOVERNMENT EMPLOYEES IN THE NAMIBIAN PUBLIC SERVICE: A CASE STUDY OF KHOMAS REGION**" by Ms SYLVIA L. SHILONGO was submitted to me for language editing.

The thesis was professionally edited and track changes and suggestions were made on the document, which if followed by Ms Sylvia L. Shilongo, will result in a thesis with a high standard of English.

Yours faithfully



Dr N. Mlambo

Lecturer

B. A. English & Linguistics

B. A. Honours in English – Cum laude

M.A. in English

M.A. Intercultural Communication – i.p.

PhD in English