

3.6 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

INTRODUCTION TO ECONOMIC DEVELOPMENT

As informed by the Local Economic Development mandate and reinforced by the Ugu District Growth and Development Strategy our initiatives were driven based on the quest to mitigate poverty, unemployment and inequality. Within the context of sluggish economic growth, lack of economic opportunities that characterise Ugu Economy, resource constraints the district municipality has implemented projects within several portfolios designated within its LED Unit which has resulted in notable success, albeit only limited consistent with the scale of projects, which is in turn a function of limited resources. Notably among these initiatives are the following;



3.6.1 The Ezingoleni Tea Tree Essential Oils Project

This project although limited in scale represents a unique partnership between emerging farmers and the Oribi Farmers Association which is an example that industrialization can indeed happen in the hinterland given the existence in optimal quantities of all factors of production (i.e. capital, labour, land and entrepreneurship). Through the relentless and voluntary efforts of white commercial farmers a platform has been laid for a BEE entity by the name of Sizuzimpilo Agricultural Cooperative to acquire both technical and business competencies necessary to make a success in this novel industry.

Apart from this the Oribi Essential Oils Cluster has created the much-needed jobs both in the primary (production) sector as well as during the value adding/distilling process. Apart from this the product is totally geared towards the export market enabling export earnings, which apart from representing an important inflow into the local economy, it further

contributes positively to the balance of payments of the country. The previous years has seen a phenomenal growth in the area under cultivation leading to a correspondingly phenomenal increase in the final product.

3.6.2 SMME and Cooperative Development and Research Portfolio.

These portfolios of the LED Function of Ugu District Municipality have played a pivotal role in creating temporary job opportunities which are mainly geared towards the unemployed youth in the financial year under review. For example, the Research Portfolio, in conducting research initiatives of the Unit has drawn services largely from a pool of unemployed graduates from the district. This strategy serves a dual purpose of creating job opportunities while simultaneously providing the unemployed graduates. On the hand the SMME and Cooperative Development Portfolio has created temporary job opportunities for the youth who show an affinity to the Arts and Crafts Sector.

3.6.3 LED Portable Skills Program

This training Program which goes to the heart of Human Capacity Development as envisaged in Strategic Goal number 7 of the PGDP which relates to Human Capacity Development serves a dual purpose of impart skills that improves employability within the climate of high unemployment it further ensures that those enrolled in the training acquire skills which they can use in the informal sector through self-employment. As such, this program offers in the short-term an opportunity to trainees who have completed an avenue to optimize incomes and to stave off poverty.



Gross Value Added per Sector, 2011-2013

Economic Activity by Sector			
	2011	2012	2013
Total	12 374	12 719	12 899
Agriculture, forestry and fishing	1 003	1 006	1 010
Mining and quarrying	54	57	58
Manufacturing	2 781	2 865	2 865
Electricity, gas and water	272	268	268
Construction	399	407	416
Wholesale and retail trade, catering and accommodation	1 950	2 012	2 048
Transport, storage and communication	1 506	1 550	1 588
Finance, insurance, real estate and business services	2 279	2 372	2 430
Community, social and personal services	685	700	712
General government	1 446	1 482	1 503

Table 3.6.1

Employment by Sector, 2011-2013

Economic Employment by Sector			
	2011	2012	2013
Agriculture, forestry and fishing	11064	10557	9921
Mining and quarrying	410	551	648
Manufacturing	13928	13477	13043
Electricity, gas and water	422	398	327
Construction	13578	13791	12720
Wholesale, retail trade, catering and accommodation	36657	37451	36116
Transport, storage and communication	6783	7373	8186
Finance, insurance, real estate and business services	14793	14867	15553
Community, social and personal services	22644	23663	25768
General government	14670	15081	15761

Table 3.6.2

LOCAL JOB OPPORTUNITIES:

Unemployment remains high in the district – with 29.2% of the working age population being unemployed; the majority of which is the youth. The draft LED strategy and GDS prioritise the objective of the creation of employment opportunities in the district. The LED section through the Business Development and Research portfolio has committed to the employment (on a project-by-project basis) of graduates with qualifications in economic development and related fields with the intention of providing these graduates with hands on experience in the local economic development space.

In addition, other sectors within the LED will intensify their efforts in this regard. Overall the municipality's LED Unit will constantly explore innovative ways within its resources constraints to maximise income generation and livelihoods opportunities under the banner of LED initiatives.

Jobs Created during 2015/2016 by LED Initiatives (Excluding EPWP projects)			
Total Jobs created / Top 3 initiatives	Jobs created No.	Jobs lost/displaced by other initiatives No.	Net total jobs created in year No.
Total (all initiatives)			
2013/2014	1050	Data Unavailable	Indeterminable
2014/2015	74	Data Unavailable	Indeterminable
2015/2016	97	Data Unavailable	Indeterminable

Table 3.6.3

Job creation through EPWP* projects						
SECTOR	PROJECT NAME	LOCATION	NO OF BENEFICIARIES	MALE	FEMALE	YOUTH
ENVIRONMENTAL SECTOR	Ithubalethu Grass Cutting Project	Ugu District Municipality	48	24	24	40
SOCIAL	Mbonwa Vegetable Production	Umuziwabantu Municipality - Ward 4	19	6	11	1
SECTOR	EPWP Data Capturers	Hibiscus Coast Municipality - Ward 18	6	2	4	6
	ICT Schools Support Programme	Schools: Mlotshwa; Sister Joans; Nani; Idwala Lesizwe; KwaHluzingqondo and Sizophumelela High School	7	1	7	7
	Disaster Operation Nciphisa Izihlekelele	Umzumbe Local Municipality	40	20	20	30
	Ugu Car Wash	Hibiscus Coast Municipality & Umdoni Municipality	10	2	8	4
	Msikaba Water Supply	Hibiscus Coast Municipality	11	10	1	5
	Kwanyuswa Water Supply	Umuziwabantu	3	30	0	1
INFRASTRUCTURE SECTOR	Gamalakhe Water Supply	Hibiscus Coast Municipality - Ward 26	10	9	1	5
	Southern Main Augmentation	Hibiscus Coast Municipality - Ward 19	2	1	1	1
	Murchison Reservoir	Hibiscus Coast Municipality - Ward 22	12	10	2	7
	Bhobhoyi to Murchison Pipeline	Hibiscus Coast Municipality - Ward 20	20	13	7	12
	Upgrading of the Bhobhoyi Pump Station	Hibiscus Coast Municipality - Ward 20	22	19	3	6
	Harding Phase 3	Umuziwabantu Municipality - Ward 3	5	4	1	3
	Masinenge Bulk Water	Hibiscus Coast Municipality - Ward 3	4	2	2	1

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SOCIAL	Mbonwa Vegetable Production	Umuziwabantu Municipality - Ward 4	19	6	11	1
	Harding Waste Water Treatment Works	Umuziwabantu Municipality - Ward 3	7	5	2	4
	Mzakhele	Umuziwabantu Municipality - Ward 3	4	2	2	2
	Mzimkhulu Water Augmentation	Hibiscus Coast Municipality - Ward 20	30	25	5	12
	Harding Pump Station	Umuziwabantu Municipality - Ward 3	6	3	3	3
	Isonti Phase 2		10	6	4	7
	Margate Rising Main	Hibiscus Coast Municipality	5	3	2	5

Table 3.6.4

Local Economic Development Policy Objectives Taken From IDP							
Service Objectives	Outline Service Targets	2014/2015		2015/2016		Year 1	
		Target	Actual	Target		Actual	Target
		*Previous Years Year		*Previous Year	*Current Year		*Current Year
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)
Plumbing NQF Level 4	39	25	39	39	27	27	0
Small Appliance Repairs	8	25	8	0	0	0	0
Gate Automation Skills	12	10	12	20	20	20	0
Bricklaying NQF Level 3	0	10	0	10	10	10	0
Catering NQF level 1	0	0	0	0	25	25	0
Plumbing Trade Test	0	0	0	0	0	0	25
Basic Welding Skills Training	15	0	15	0	0	0	0

Table 3.6.5

Employees: Local Economic Development Services					
Job Level	2014/2015	2015/2016			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	01	01	01	00	00
4 - 6	03	04	04	00	00
7 - 9	01	01	01	00	00
10 - 12	00	00	00	00	00
13 - 15	00	00	00	00	00
16 - 18	00	00	00	00	00
Total	05	06	06	00	

Table 3.6.6

Financial Performance 2015/2016: Local Economic Development Services					
R'000					
Details	2014/2015	2015/2016			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	4736	19074	19899	821	-2223%
Expenditure:					
Employees	0	0	0	0	0
Repairs and Maintenance	0	0	0	0	0
Other	18732	19130	19342	20090	5%
Total Operational Expenditure	18732	19130	19342	20090	5%
Net Operational Expenditure	13996	56	-557	19269	100%

Table 3.6.7

Capital Expenditure 2015/2016: Economic Development Services					
R' 000					
Capital Projects	2015/2016				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	None	N/A	N/A	N/A	

Table 3.6.8

LOCAL ECONOMIC DEVELOPMENT PERFORMANCE OVERALL:

The above table shows that no capital expenditure was undertaken with the LED Unit. This situation has persisted for at least the past 5 years due to resource constrained climate that the Municipality is operating in. In general, even the scale of operational expenditure has reduced over the years to mimic the pattern observable with capital expenditure. In reality this limits the effectiveness of LED Interventions.

Furthermore, in line with the proposed restructuring of the LED Function the South Coast Development Agency is envisaged to play an even bigger role in high impact capital projects which according to this restructuring will see an even further diminishing role of the LED towards poverty alleviation projects.

COMPONENT C: COMMUNITY & SOCIAL SERVICES

INTRODUCTION TO COMMUNITY AND SOCIAL SERVICES

In the current year, the municipality improved its engagements with communities through the introduction of the Community Services Unit.

The unit aims to open a grass root platform for communities to report on water losses and educate communities on water saving tips.

The municipality has roped in its service providers to provide social responsibility programmes as part of ploughing back on areas where water service provision is being provided.

One identified social responsibility programme that is at planning stages is the Early Childhood Development Programme which will be expanded in the next year.

By this programme, the municipality aims to upgrade the facilities where the nursery schools are and educate teachers as part of skills development.



3.7 COMMUNITY FACILITIES

INTRODUCTION TO COMMUNITY FACILITIES

Employees: Community Facilities					
Job Level	2014/2015	2015/2016			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0
4 - 6	0	0	0	0	0
7 - 9	1	1	1	0	0
10 - 12	0	0	0	0	0
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	2	2	2	0	0

Table 3.7.1

PERFORMANCE OF COMMUNITY FACILITIES

All Ugu community facilities have been handed over to respective local municipalities.

3.7.1 CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

HIV AND AIDS PROGRAMME

The Special Programmes Section coordinates the functioning and implementation of the HIV and AIDS programme within the District. The coordination involves working closely with the Department of Health, a key partner in the implementation of the HIV and AIDS programme; as well as other Government Departments, Non-Governmental Organizations (BroadReach, FHI360), Civil Society Organizations, Faith-Based Organizations and People Living with HIV Sector.

Developments

The Ugu District AIDS Council (UDAC) is a functional coordinating structure. The purpose of UDAC is to develop a coherent strategy and action plan to deal with the HIV and AIDS pandemic; monitor the implementation of the strategy and initiate work where there are no local projects; assist with the mobilisation of resources and capacity building for AIDS projects within the District.

The UDAC convenes quarterly where issues related to HIV and AIDS and other social ills are discussed. The Council submits multi-sectoral reports to the Provincial AIDS Council (PCA) which convenes quarterly.

- The People Living with HIV Sector (PLHIV Sector) was launched on 06 November 2015. This sector is represented in both UDAC and PCA where they discuss issues which affect them directly.
- The implementation of Triple 90 (90-90-90) strategy has commenced which is defined as follows:
 - 90% of people must get tested;
 - 90% of people tested positive must get treatment; and
 - 90% of people receiving treatment must be virologically suppressed.
- Robust HIV and AIDS awareness campaigns have been conducted in the District (taxi ranks, communities and TVETs)
- Dedicated Health Promoters, based in the District

with a dedicated vehicle and salary sponsored by Office of the Premier have made a great impact in the District especially with the awareness campaigns and condom distribution.

- Over 500 nutritional supplements have been provided to the community-based organizations dealing with HIV and AIDS in the community
- 100 condom dispensers have been placed in war rooms and non-medical outlets within the District.
- Targets for HIV counselling and testing over achieved 33 % to 39 %
- Increased number of MMC has been noted in the District.
- Decreased number of maternal deaths has been noted in public hospitals compared to the other years



The 2015/2016 main indicators and District performance which is continuously reported to Provincial AIDS Council:

Indicator	Apr-Jun 15	Jul-Sep 15	Oct-Dec15	Jan-Mar16
Number of newly registered OVC	885	964	496	1029
Number of registered OVC receiving care and support	885	964	496	1029
Number of new learner pregnancies	355	402	301	142
Baby HIV antibody test positive at 18 months' rate	2%	9%	2%	2%
Baby PCR tested positive at around 6 weeks' rate	1%	2%	2%	2%
Number of males aged 15-49 circumcised	2766	3633	2498	2537
Number of infant death in public health facilities	73	71	61	44
Number of maternal deaths in public health facilities	5	5	0	1
Number of newly registered TB tested positive people	No data	1199	1065	808
Number of new HIV positive cases	4207	2408	4167	4553
Number of new HIV tests conducted	48052	51866	55635	53492
Number of male condoms distributed	3036955	3573189	5028216	2154388
Number of female condoms distributed	193490	195170	151539	126037
Number of ART patients de-registered due to death	107	113	117	94
Total number of patients on ART	69354	71716	74707	76414

Challenges

- Poor reporting by Local Municipalities and sector departments is still a concern.
- Increasing number of sex workers within the District.
- Development of Men having Sex with Men (MSM) in the District.

SENIOR CITIZENS

Senior Citizens must be full participants in the development process and share in its benefits. No individual must be denied the opportunity to benefit from development. Older persons have been previously marginalised, as ageing has been perceived as a problem rather than a natural process.

The Special Programmes Section is the main facilitating section. All of this operation's work is founded on the goal of mainstreaming senior citizens into all policies, programmes and projects across all government spheres. This means effectively ensuring that the focus on the empowerment of and protection of senior citizens is effectively coordinated and monitored. It further has a vital role to play as the principal coordinating institution for the Ugu District Senior Citizens Forum.

In summary, the Senior Citizens Programmes role is to:

- Coordinate and facilitate a comprehensive agenda for the promotion and protection of senior citizens;
- Ensure that government translates its Constitutional and global commitments into measurable and meaningful programmes;
- Establish multi-sectoral Forums to mainstream and monitor the rights of senior citizens;
- To promote close collaboration between the UDSCF, Government Departments, private sector, civil society and the broader NGO-sector involved with the senior citizens sector;
- To coordinate, monitor, evaluate and report on the implementation of programmes and strategies aimed at achieving goals for senior citizens;
- To raise awareness, advocate and lobby for, and conscientise the public about senior citizens' rights with a view to stimulating public debate.

Achievements

- Functional Ugu District Senior Citizens Forum (UDSCF).
- Functional Senior Citizens Forums at local level with vocal members and Chairperson's who participate in the District Forum.
- Senior Citizens participate annually on the Golden Games event which are coordinated from Ward, Local, District, Provincial and National level.
- Robust awareness campaigns regarding senior citizen issues such as elderly abuse have been conducted which have resulted in a decrease in elder abuse cases within the District.
- Inter-generational dialogues are conducted with senior citizens and different sectors.
- The Chairperson and Deputy Chairperson of the UDSCF were appointed as the Provincial Senior Citizens Forum
- UDSCF Chairperson was nominated as the Deputy Chairperson of the South African Older Person's Forum, Speaker of the Provincial and National Senior Citizens Parliament.
- Visible political commitment.

DISABILITY

People living with Disabilities in South Africa encounter a range of physical, cultural social and attitudinal barriers, which prevent them from enjoying and accessing their full civil, political, economic, and social and developmental rights. The Special Programmes Section is committed to promoting an integrated National Disability Forum strategy. The collaboration is aimed at ensuring that those living with disability are included in making decisions about their lives, have access to justice, achieve independent living, establish an adequate standard of living, personal mobility, enjoy freedom of expression and participate fully in society.

The Special Programmes Section is tasked with mainstreaming the Disability Programme within the District. Mainstreaming involves the integration of disability issues and interventions with government legislation and programmes and other sector organisations or programs.

In summary, the Disability Programmes role is to:

- Develop an Ugu District Municipality implementation plan that is aligned to the National Disability Strategy.
- Promote participation by relevant stakeholders in the development and use of research
- Encourage a process allowing the development an integrated project based budget.
- Facilitate capacity development among stakeholders to enhance INDS implementation
- Develop a reporting mechanism to facilitate the dissemination of information by using appropriate medium e.g. Braille.
- Encourage the sharing of resources and the adoption of asset-based approaches.
- Change attitudes through sensitization and awareness programmes.
- Advocate and facilitate inclusion in the decision-making process.

Disability Programmes implemented FY 2015/16:

- Enlighten Broad Skills and Business Opportunities for the Disabled.
- Awareness Campaign Against Drug Abuse and HIV and AIDS.
- Creating Awareness on the Rights of Disabled People.
- Disability Sports Day.
- Awareness Campaign.
- Workshop for Mothers with Disabled Children.
- Reviving of Disability Forum.
- Economic Empowerment Workshop
- Talk Sign Language
- Sanitary Dignity Campaign in Special Schools.
- Wonder Cooker Bags for 20 Disabled Women.
- Economic Empowerment Workshop.
- Autism Awareness Campaign.
- Dress a Child Campaign.
- Career Guidance for Disabled Children.

Challenges:

- People Living with Disabilities lack access to employment opportunities and even if they are able to get employment they face problems such as reasonable accommodation at work, accessibility of public transportation to get them to work.
- The majority of people with disabilities have been excluded from mainstream education and thus are prevented from accessing their fundamental rights in society. Educators are often not aware of the exact causes and nature of exclusion of disabled learners.

Suggestions / Recommendations:

- Support to schools of children with disabilities while at the same time introducing inclusive education for children with disabilities and support for educators through awareness campaigns.
- Intensify support for disabled women and mothers with disabled children.

GENDER

In terms of South Africa's legislative provisions, Section 187 of the Constitution of the Republic of South Africa articulates government's commitment to promote the respect for gender equality and the protection, development and attainment of gender equality in society. The Gender programme is responsible for coordinating and implementing strategies that promote gender equality and raise awareness on issues such as sexual and reproductive health, gender-based violence and access to legal, health, economic and social services within the District.

The Gender programme continues to promote the respect for the rule of law, human rights as well as economic and social development for both women and men to ensure that equal opportunities are observed and secured.

The Special Programmes Section is responsible for the coordination and implementation of Gender Programme strategies that ensure that women play an active role in the economy of the District and the country at large; thereby escaping poverty.