

SECTION B :

SITUATIONAL ANALYSIS

CHAPTER 2

UMTSHEZI STATUS QUO

2.1. POPULATION SIZE AND DISTRIBUTION

The 2021 Stats information Community Survey estimated that the total population of Umtshezi Municipality is 83 907 individuals, broken down as follows:

2.2. POPULATION GROUP BY GENDER

	Male	Female	Total	Percentage
Black	34575	40451	75026	90.23%
Coloured	569	568	1137	1.37%
Indian or Asian	2386	2449	4835	5.80%
White	949	959	1908	2.30%
Other	136	111	247	0.30%
Total	38 615	44 538	83 153	100%

Static's South Africa
Descriptive 2011
Table 1
Population Group by Gender
For person weighted, KZN234: Umtshezi Local Municipality

The Municipality has 19 252 households, spread unevenly on nine (9) municipal wards. The majority of the people are concentrated in urban areas (\pm 29 934) and in farming areas (\pm 19 950), but there are a few patches of high-density settlements within informal areas, hence, there have been Housing projects running to date in different wards of the municipality and this has contributed to the growth rate since the last 2007 community survey was conducted. And the total number of new households is 1688 households and are distributed as follows: Colita (301 households); Wembezi A (515 households); Wembezi D (800 households); Kwanobamba Phase 2 (72 households).

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2.3. AGE BREAKDOWN

The age breakdown determines the kind of economic activities required within the varying wards. Different age groups have different economic needs and different spending patterns.

Approximately 71% of the total population in Umtshezi Municipality area is below the age of 35. Children, below the pre-school enrolment age (that is, 0-4 years of age), constitute 12% of the population, with those who are at school-going age, including pre-school constitute 24% of the entire Municipal population. Approximately 3% of the total population is over the age of 65 years. This scenario indicates the high dependency ratio incident within the municipal area, an event that might have a negative impact on the overall socio-economic development of the area as it impedes on the ability of the individuals to save and invest.

Table 1

AGE	Population		Percentage %	
	Male	Female	Male	Female
0 - 4	5109	5014	13 %	11%
5 – 9	4.625	4.624	12%	10%
10-14	4.519	4.679	11%	10%
15-19	4.217	4.466	11%	10%
20-24	4.053	4.142	11%	9%
25-29	3.564	4.072	9%	9%
30-34	2.600	3.061	6%	7%
35-39	2.221	2.828	6%	6%
40-44	1.829	2.412	5%	5%
45-49	1.594	2.330	4%	5%
50-54	1.210	1.662	3%	3%
55-59	1.057	1.504	3%	3%
60-64	876	1.407	3%	3%
65-69	466	801	2%	2%
70-74	336	613	1%	1%
75-79	150	360	0%	1%
80-84	102	312	0%	0%
85+	87	251	0%	0%
TOTAL	38615	44538	100%	100%

**Population by Age
For person weighted, KZN234: Umtshezi Local Municipality**

The table above (age breakdown) indicates that the largest age group in the municipality is between the ages of 15-34 constituting 37% of the entire population. This is followed by ages 35-64 (25%) and by 5-14 age group (23%). This trend obliges the provincial and national government (implementation) and the local municipality (planning) to allocate a large percentage of their budget

to social development facilities such as schools, child grant, pension and clinics. However, capital facilities such as roads, water and electricity infrastructure and municipal marketing activities require the municipal attention.

2.4. INCOME PROFILE

ANNUAL HOUSEHOLD INCOME	PERCENTAGE (%)
No income	27 %
R 1 – R 4 800	10 %
R 4 801 – R 9 600	20 %
R 9 601 – R 19 200	13 %
R 19 201 – R 38 400	11 %
R 38 401 – R 76 800	9 %
R 76 801 – R 153 600	7 %
R 153 601 – R 307 200	2 %
R 307 201 – R 614 400	0.7 %
R 614 401 – R 1228 800	0.1 %
R 1228 801 – R 2457 600	0.2 %
TOTAL:	100 %

Individual and Household Income levels

The above figures indicate that on average 27% of the households are surviving on less than R12 per day. This indicates high dependency ratios in that most of the households may be surviving on government grants ranging from old-age pension grants, disability grants etc. Even if households employ informal or illegal survival strategies it is unlikely that they generate substantial income given the general lack of viable economic base within rural areas. This situation indicates a need for development of local economic development activities that will ensure that households do manage to have access to the bare minimum of household's amenities.

2.5 Other Relevant Statistics by Percentage

KZN 234: UMTSHEZI LOCAL MUNICIPALITY

Percentage Distribution of household by type of main dwelling

	Census 2007	Census 2011
House or brick structure on a separate stand or yard	52.8	57.7
Traditional dwelling/hut/structure made of traditional materials	35.0	28.2
Flat in block of flats	1.0	5.8
Town/cluster/semi-detached	0.2	0.6
House/flat/room in back yard	.02	2.6
Informal dwelling/shack		
In backyard	1.5	0.8
NOT in backyard e.g. in an informal/squatter settlement	1.7	1.1
Room/flatlet not in backyard but on a shared property	.06	1.5
Caravan or tent	-	0.2
Townhouse(semi detached house in a complex)	-	0.6
Workers hostel (bedroom)	6.9	
Semi detached		0.2
Other	0.1	0.7
Total	100.0	100.0

Percentage distribution of household by type of water sources

	Census 2007	Census 2011
Piped water		
Regional/Local water scheme		69.0
Inside the dwelling	43.25	
Inside the yard	20.2	
From access point outside the yard	11.1	
Borehole	5.9	6.0
Spring	3.4	2.0
Dam/pool	1.6	3.0
River/stream	12.3	10.0
Water vendor	1.2	1.0
Rainwater tank	0.7	1.0
Water tank		6.0
Other	0.4	2.0
Total	100.0	100.0

Percentage distribution of household by tenure status

	Census 2007	Census 2011
Owned and fully paid off	38.0	45.0
Owned but not yet paid off	9.9	11.0
Rented	19.2	15.0
Occupied rent free	31.9	26.0
Other	-	3.0
Total	100.0	100.0

Percentage distribution of households by type of toilet facilities

	Census 2007	Census 2011
Flush toilet (connected to sewerage system)	52.2	47.0
Flush Toilet (with septic tank)	2.6	4.0
Dry toilet facility	2.6	
Chemical toilet	12.3	6.0
Pit Latrine with ventilation (VIP)	8.7	7.0
Pit latrine without ventilation	0.1	13.0
Bucket latrine	-	1.0
None	21.6	18.0
Other		4.0
Total	100	100.0

Percentage distribution of households by type of energy/fuel used for lighting

	Census 2007	Census 2011
Electricity	69.6	73.2
Gas	0.4	0.2
Paraffin	1.4	0.5
Candles	28.4	24.9
Solar	-	0.6
Other	0.1	-
None	-	0.6
Total	100.0	100.0

Percentage distribution of households by type of refuse disposal

	Census 2007	Census 2011
Removed by local authority/private company		
At least once a week	56.4	50.3
Less often	2.7	1.1
Communal refuse dump	0.4	1.0
Own refuse dump	21.7	34.7
No rubbish disposal	18.6	10.2
Other	0.1	2.7
Total	100.0	100.0

Percentage distribution of households by type of energy/fuel used for heating

	Census 2007	Census 2011
Electricity	45.5	45.6
Gas	.08	3.2
Paraffin	10.9	7.5
Wood	37.5	33.0
Coal	0.9	0.4
Animal dung	-	0.1
Solar	0.1	0.2
Other	4.2	0
None	-	10.0
Total	100.0	100.0

Percentage distribution of households by type of energy used for cooking

	Census 2007	Census 2011
Electricity	60.5	64.2
Gas	1.8	3.5
Paraffin	7.9	3.7
Wood	29.6	27.9
Coal	0.3	0.1
Animal dung	-	0.1
Solar	-	0.2
Other	-	0.1
None	-	0.2
Total	100.0	100

2.6. PHYSICAL AND SOCIO-ECONOMIC PROFILES: A DISTRICT VIEW

Uthukela DM covers an area of 11,329km², has a population of approximately 630,000 and is divided into five LMs namely, Emnambithi/Ladysmith (KZ233), Indaka (KZ232), Okhahlamba (KZ235) and Imbabazane (KZ236) and Umtshezi Municipality (KZ234). This district constitutes 12% of the provincial area, 6.5% of the population and contributes 3.5% to the province's gross geographic product (GGP). The region is predominantly characterized by farmland and dense to scattered rural settlements situated in undulating topography, with 88% of the population living in the rural areas. Emnambithi/Ladysmith LM has the largest population (230.511) and Umtshezi LM the smallest (48.328). The average population density is 56 people /km², ranging from 23 people /km² in Umtshezi to 157 people / km² in Imbabazane. The average household size varies within the rural area from 5 to 8 persons. Urban areas include Ladysmith, Ezakheni, Colenso, Ekuvukeni, Estcourt, Emesis, Weenen, Bergville and Winterton / Khethani. The area forms part of the Tugela River Catchments that extends from the high-lying Okhahlamba-Drakensberg Mountains and Free State Province in the west of the Indian Ocean in the east. High rainfalls of 700 to 1.200mm per annum are experienced, and numerous strategic water storage dams have been developed.

The district economy is based primarily on manufacturing and trade (including tourism), with secondary support through agriculture. Most commercial farmlands are located in Emnambithi (Klipriver), Umtshezi and Okhahlamba (Bergville), Imbabazane and Indaka are primarily Ngonyama Trust land, with significant underdevelopment and relative isolation from the main N3 development corridor. The population within Uthukela is generally poor. Only 36% of the population is potentially economically active (20 to 60 years; Census 1996, with 10% earning less than R500 per month and 66% having no income. Therefore a vast majority of the population is unable to contribute meaningfully towards the provision of basic water services. There is large percentage of youth (55%) and 54% of the population is female, both which could impact on future water services requirements and ability to pay. The government has, however committed itself to providing free basic water and sanitation services to all citizens.

2.7. UMTSHEZI ECONOMIC ANALYSIS

The economic analysis undertaken in the Status Quo report indicates that the poverty and unemployment rates in Umtshezi have increased, with employment opportunities not being created quickly enough for the number of people entering the labour force. The Development Bank (2005) has clearly indicated that employment (a job or an income generating activity) is the best protection against poverty. This means that any strategy must protect and build formal employment and assist the poor and second economy participants to access opportunities.

The balance between the two approaches and the use of available resources is also important.

2.7.1. FORMAL SECTOR

The economy experienced a negative growth rate until 1999 – 2000, and even since then has exhibited a fluctuating growth rate in spite of the national positive growth. In terms of sectors the area has had mixed success. The three most positive private sectors remain agriculture, manufacturing and trade. These are also the three most important sectors historically. The three sectors differ in their forecast in terms of potential growth, challenges, and the future of employment demand.

The manufacturing and agri-processing sectors remain important, but have experienced a decline. The Estcourt area has been a key center for the processing of agricultural products (60% of manufacturing was previously in food processing) – mostly meat and dairy products. There are obvious important backward and forward linkages between agriculture and food processing, which can be exploited. The manufacturing sector was well established in the past but has experienced a steady decline with a number of large firms closing down. The decline was partly a result of the national slow down in the sector, but also as a result of industries moving to larger centers. The remaining industries are exhibiting growth as the sector as been growing in terms of GDP/GVA, but not in employment. The upturn in manufacturing will not necessarily lead to industries coming back.

The agricultural sector is well established and indicates a level of stability in terms of employment¹. There are two key challenges in the sector. The first is that there is a dependency on traditional crops and products with very little innovation or value addition. The second is that the sector appears to be struggling with the possible impacts of land reform. There have been some positive signs as the Estcourt Farmers Association has been investigating the local solution developed at Besters near Ladysmith. At the same time there is

also an area proposed for the Gongolo Game Reserve which has been unable to develop a common vision.

The decline in manufacturing employment is notable and a cause for concern. The decline is probably associated with the closure of some firms, the sensitive nature of the sector to broader trends (foreign exchange, cost of raw material, transport etc) and an increase in mechanization. The sector has been growing in terms of GDP/GVA, but not in terms of employment. The increase in employment in community services is largely linked to the establishment of wall-to-wall local government and the expansion of the public sector. This trend will tend to slow as new government structures have been established. The stability in employment in the agricultural sector is positive as this sector is a large employer and has experienced a general down turn in employment at a national level. The construction sector should be showing an improved growth in employment, as should trade. There may have been additional capacity in these sectors, which meant growth could take place without additional employment. Additional capacity may also have been taken on as 'casuals' without permanent employment being created. Finance has remained stable, although the sector is growing.

2.7.2. INFORMAL SECTOR

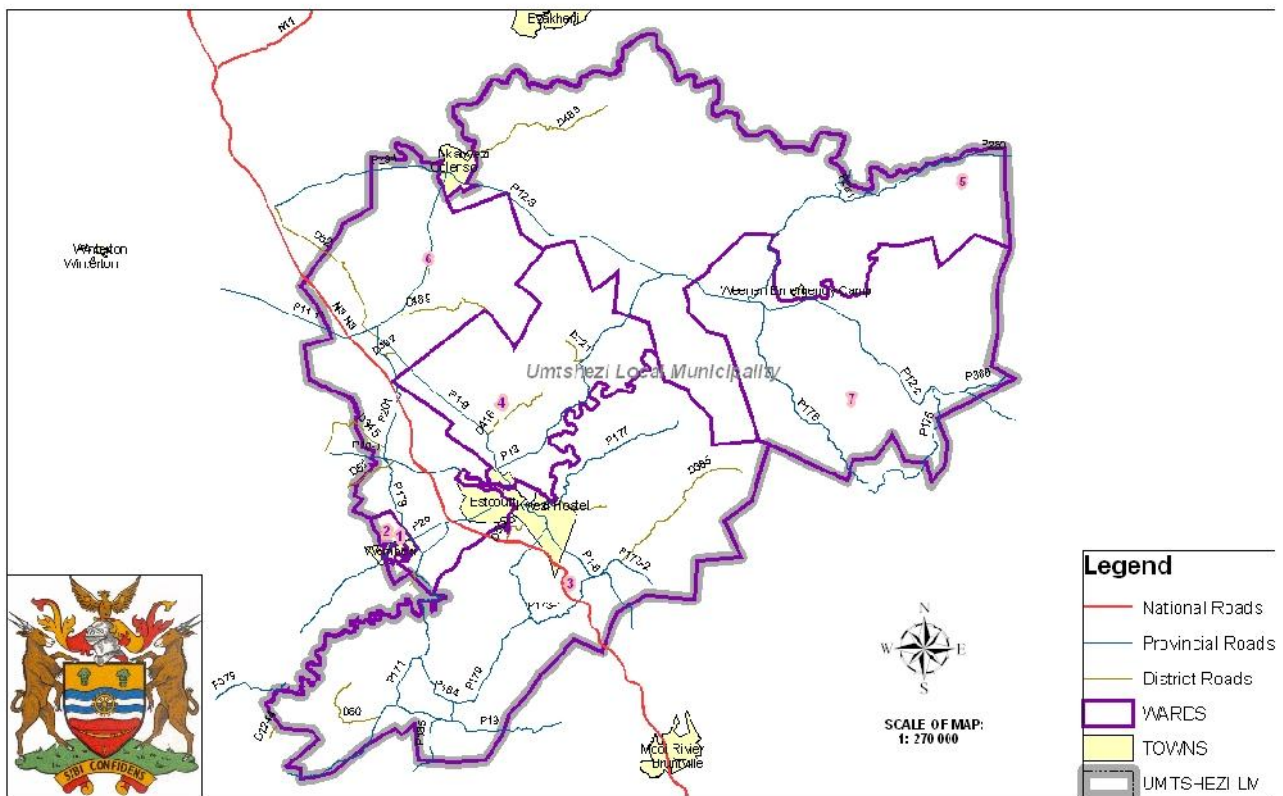
The most disturbing trend is that unemployment and poverty levels will continue to increase unless a new approach is developed. This is despite a growing economy (see Table 1 below). The point is that the economy will not create as many formal sector opportunities as there are job seekers. Future opportunities need to be generated in more creative ways.

Table 1

Unemployment Rate: 1996 and 2004			
	Male	Female	Total
1996	43.6%	57.5%	50.0%
2004	53.1%	73.7%	62.7%
2011	40.0%	60%	29%

2.8 GEOGRAPHICAL DATA

Umtshezi Municipality comprises the former Wembezi / Estcourt and Weenen TLCs. It is located approximately 165km northwest of Durban and 400km southeast of Johannesburg. The National Road N3 also traverses the Municipality on its western portion linking these two major cities i.e. Durban and Johannesburg. Estcourt Town is the main urban center for the Municipality. Umtshezi Municipality is bordered on its southeastern portion by the Mooi Mpofana Municipality, Msinga Municipality on its eastern portion, Indaka Municipality on its northeastern portion, both by Emnambithi/Ladysmith and Okhahlamba Municipalities on its northwestern portion and Imbabazane Municipality on its southwestern portion. (See the map of Umtshezi below)



2.9 CONCLUSION

Umtshezi has identified critical focus areas for the 2012/2017 financial years. These priority areas will be addressed through the identified development strategies within the Municipality. It is however, important that Umtshezi gets support from other sectors that are interested in uplifting the quality of life of the people. The following are the identified priority areas:

1. Social and Local Economic Development.
2. Infrastructure and Services.
3. Institutional Development and Transformation.
4. Democracy and Good Governance.
5. Financial Management.
6. Spatial Development Framework