

2. SOCIO-ECONOMIC ANALYSIS

2.1 POPULATION

2.1.1 TOTAL POPULATION

The total population of the City of uMhlatuze is estimated at 196 183 persons (Demarcation Board, 2001). This correlates closely with the Central Statistics figure of 196 879 persons (2001). The City of uMhlatuze however deems these figures to be an under-estimate of the actual situation, based on the 2000 voting statistics and ascribes this to undercounting. A total number of 104 000 people registered for voting in the uMhlatuze Municipal area, which was deemed to be approximately 80% of the total number of registerable voters. The total number of registerable voters is therefore calculated to be 130 000 persons. Based on the population distribution (Central Statistics figures), 40% of the population in the municipal area is older than 18 years (eligible to vote). The total population for the City of uMhlatuze, calculated according to the number of voters is therefore estimated at 325 000 persons.

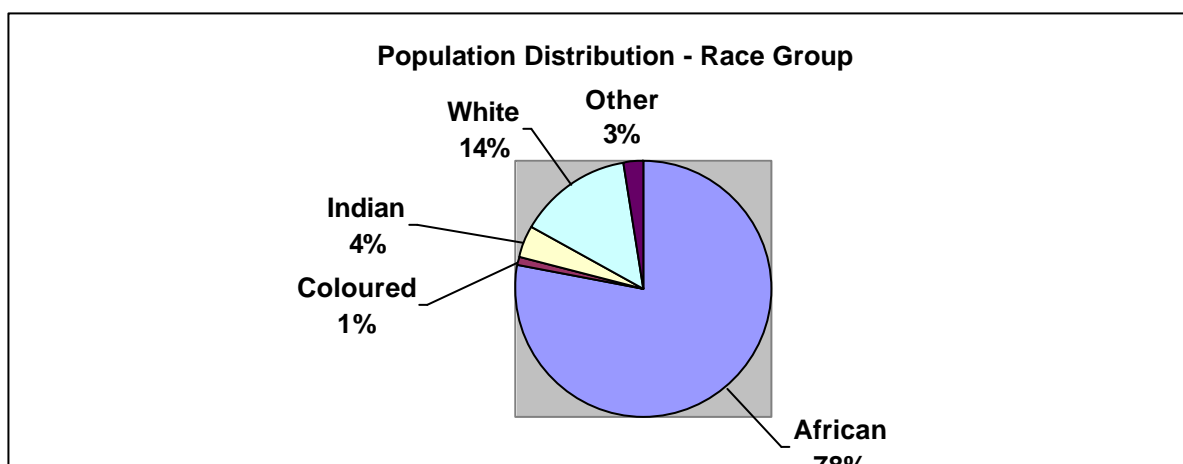
Although the City of uMhlatuze decided that the figure of 325 000 persons was a more accurate figure, it was decided to utilise the Demarcation Board figures for the purposes of the Integrated Development Plan, due to the fact that these figures are used at national and provincial government level to determine the distribution of grant funds and equitable share funding.

The population information from the Demarcation Board was sourced from the Demarcation Board's official website, which is regularly updated. It was however established with reasonable certainty that these figures are based on the 1996 Census statistics, with extrapolations.

2.1.2 POPULATION COMPOSITION

2.1.2.1 Race Groups

The population distribution per race group is as follows:

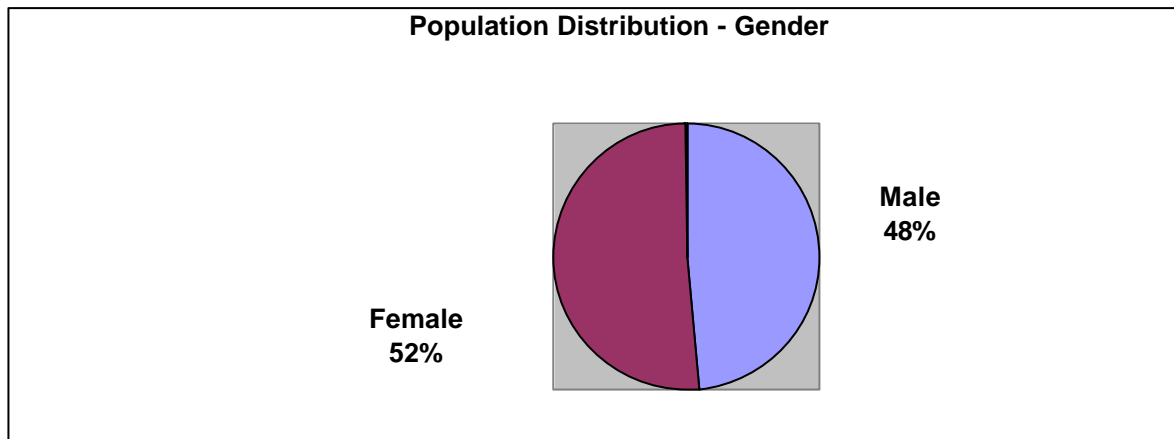


Demarcation Board, 2001

As can be seen from the figure, the dominant race group in the area is Africans, followed by Whites. The population distribution of the City of uMhlatuze is a reflection of the national population distribution in South Africa.

2.1.2.2 Gender

The gender distribution within the City of uMhlatuze is as follows:



Demarcation Board, 2001

The gender distribution is fairly equal, although there are slightly more females than males. This could be attributed to migrant workers, who leave their wives and families behind in townships while they work at mines or farms outside the area.

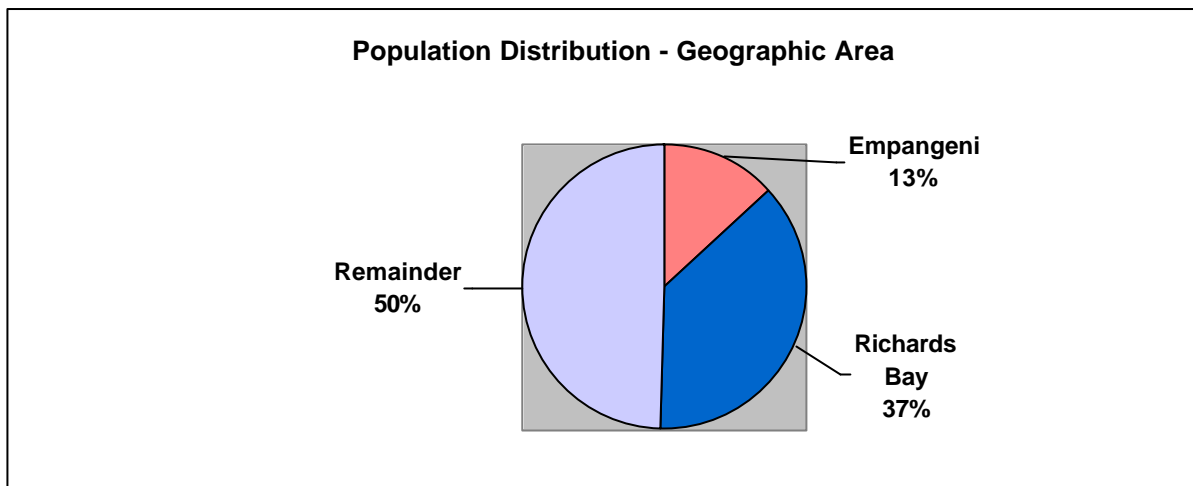
2.1.2.3 Geographic Distribution

The geographic composition according to the previous municipal demarcation is as follows:

AREA	NUMBER OF PEOPLE
Empangeni Municipality	26 116
Richards Bay Local Council	72 670
Remainder of KZ282	97 397
TOTAL	196 183

Demarcation Board, 2001

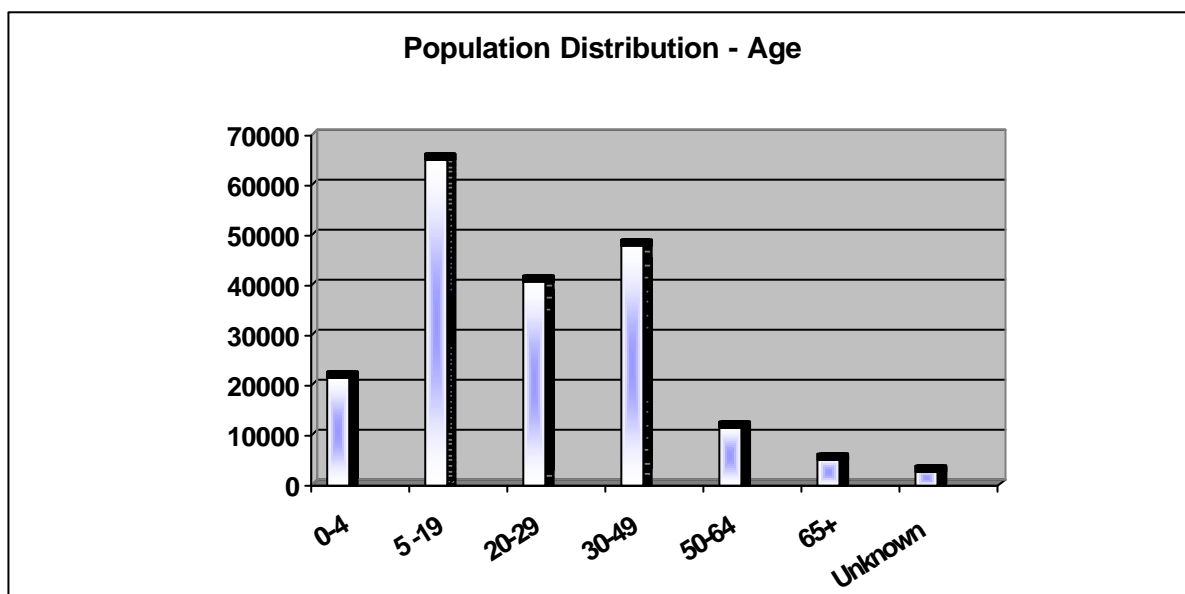
This distribution can be depicted as follows:



Demarcation Board, 2001

It is clear that half of the people within the City of uMhlatuze Municipal area stay in the non-urban areas outside Empangeni and Richards Bay. This is indicative of a densely populated rural area, considering the total size of the uMhlatuze Area. More people reside in Richards Bay than Empangeni, although Richards Bay is a younger town, indicating that Richards Bay grew at a faster rate than Empangeni. Please refer to the **Population Distribution Plan** (overleaf).

2.1.2.4 Age Distribution



Demarcation Board, 2001

The population is relatively young, with 43% being under the age of 19 years. A young population is indicative of future population growth and a high demand on social services including health services, educational facilities, recreational facilities and employment opportunities. Approximately 52% of the population is between 20 years and 65 years of age, which is regarded as the economically active age category. This indicates fairly equal dependency levels, with 52% of the population having to provide for the remaining 46%.

2.2 HIV/AIDS

It is expected that HIV/AIDS will have a significant impact on the South African society. Approximately 34% of the South African population is already infected with the HI virus which causes AIDS, implying that approximately 4 million people are currently affected. This number is expected to grow to 6 million in less than ten (10) years (DBSA, 2000). HIV has also led to an explosion of HIV related diseases, such as tuberculoses and malaria.

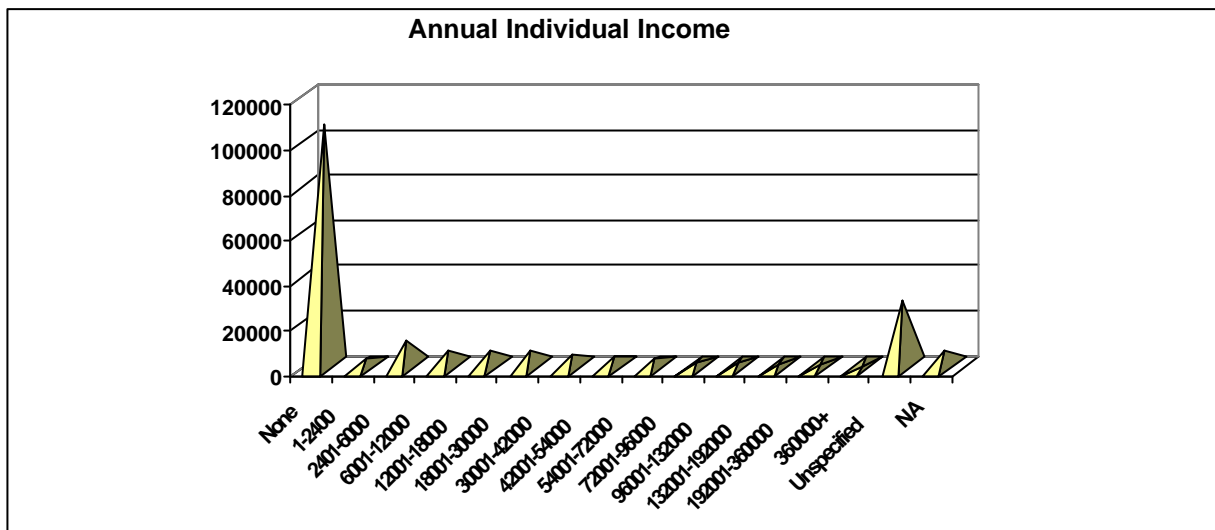
The following projected impacts of AIDS are particularly noteworthy:

- ✂✂ Life expectancy is expected to decline from approximately 60 years average to about 40 years average within the next eight (8) years;
- ✂✂ Women are more vulnerable to infection than men;
- ✂✂ Most of the people who die from the disease are in the age group between 25 and 40. This is also the economically active age bracket, implying that the market loses trained people with experience who are able to work. It is expected that South Africa could lose 20% of its workforce in the next seven (7) years;
- ✂✂ HIV/AIDS has a significant impact on productivity, especially in the second phase of infection where people suffer from AIDS related diseases, reducing productivity to between 80% and 50% of the normal level for mine workers. The loss of productivity will have a negative impact on the entire economy, with some sectors such as mining and transport being among the worst affected;
- ✂✂ The loss of physical and mental capacity to perform work, particularly physically strenuous work such as cane or timber cutting would have a severe impact on performance, productivity and on the entire economy;
- ✂✂ One anticipated impact on the building industry is the decline in demand for affordable housing by as much as 55% over the next five (5) years;
- ✂✂ The cost of health care is expected to rise dramatically, with a severe strain on health resources;
- ✂✂ HIV/AIDS affects the breadwinners in the family (one or both), resulting in a society with a large number of orphans. As many as 2 million people are expected to be orphaned by 2010 because of AIDS;
- ✂✂ The cost of funerals would have a high bearing on household expenditure, particularly in poor families;
- ✂✂ An increase in the number of dependants (children and the aged) in a household with a decrease in the number of breadwinners, resulting in an increase in dependency, poverty, crime, street children and orphans;
- ✂✂ Polarisation at both ends of the income spectrum; and
- ✂✂ Increased poverty (PS Robinson, extracts from the DBSA, 2000; Sunter, C 2001; and Whiteside and Sunter, 2000).

AIDS therefore has a direct bearing on planning and allocation of resources. Although the imminent need for basic services and housing is not denied, AIDS necessitates a shift towards Social Development and expenditure on health and welfare. It also requires a proactive approach in terms of AIDS education, training and skills development programmes for the youth, nutritional programmes and basic health care. This shift in focus should also be reflected in the municipality's allocation of financial and human resources as well as projects and programmes in as far as it relates to municipal powers and functions.

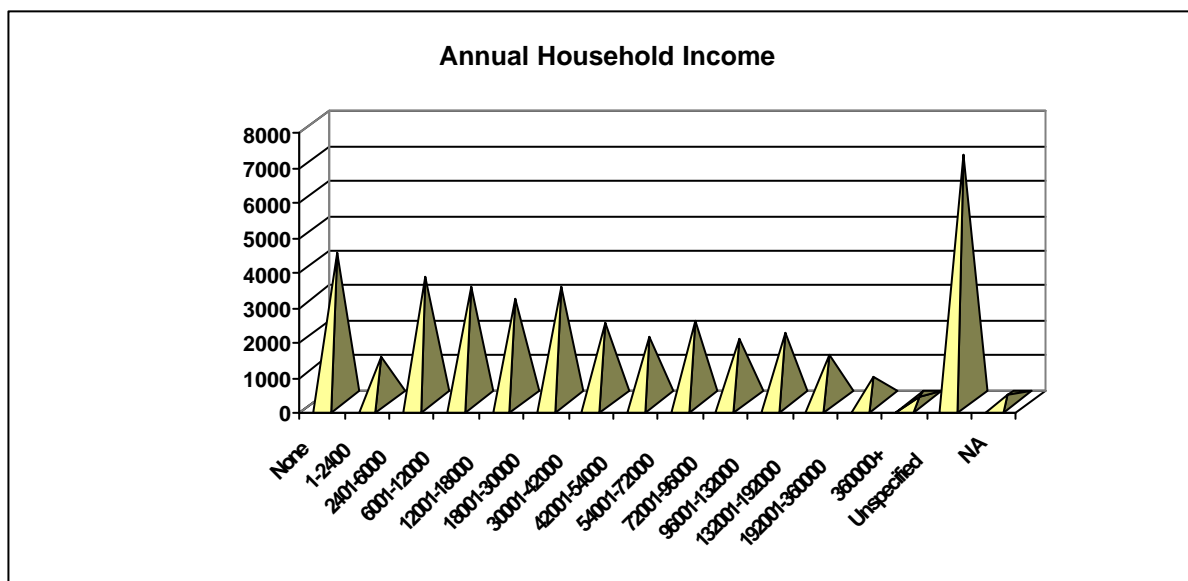
2.3 INCOME LEVELS AND POVERTY

As can be seen from the graph below, annual individual income in the uMhlatuze area is very low, with approximately 54% of the population having no income. The remaining 46% of the population is spread almost evenly among the other income brackets. Low income levels are indicative of low affordability levels for basic services, housing and medical services.



Demarcation Board, 2001

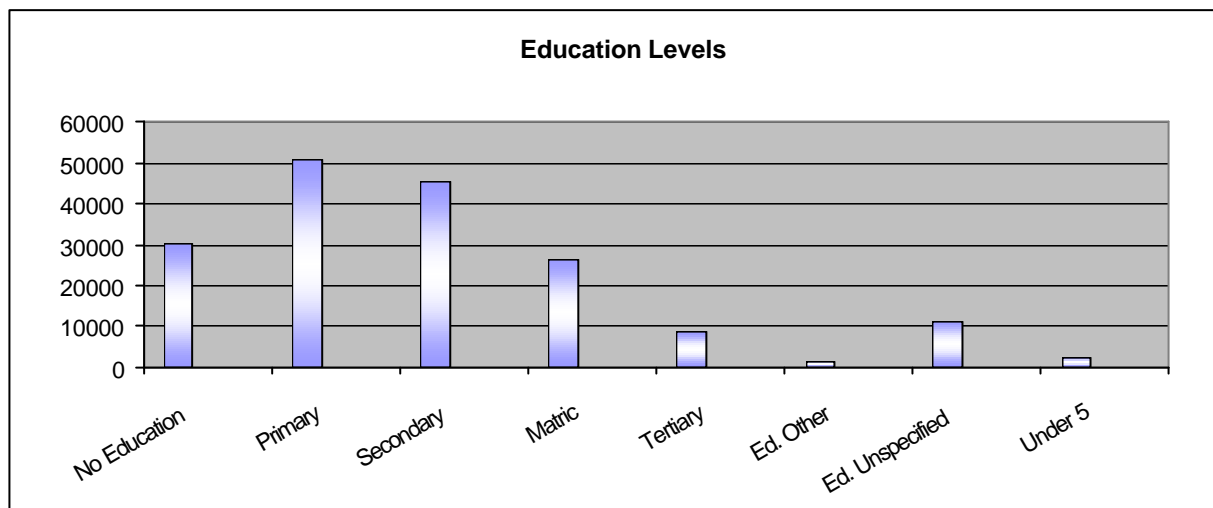
The Annual Household income reflects a more even income distribution across the income brackets. A large segment of the households in the uMhlatuze area have a household income of less than R2 400 per month, indicating that the population could be severely affected by poverty. Housing affordability levels would also be quite low, indicating that a large segment of the population would be reliant on subsidised housing.



Demarcation Board, 2001

2.4 EDUCATION

The graph below provides an indication of education levels in the City of uMhlatuze. Approximately 17% of the population has no form of formal education, which would make it difficult for these people to find employment in the secondary and tertiary sectors. Only 5% of the population has a tertiary education and 15% has matric, indicating that education levels in the area are quite low. Approximately 26% of the population has a secondary education and 29% a primary education, indicating a large proportion of the population currently still studying which would have to be provided for in terms of tertiary education and employment opportunities. Only 1% of the population is younger than five years, with specific needs in terms of pre-school education.

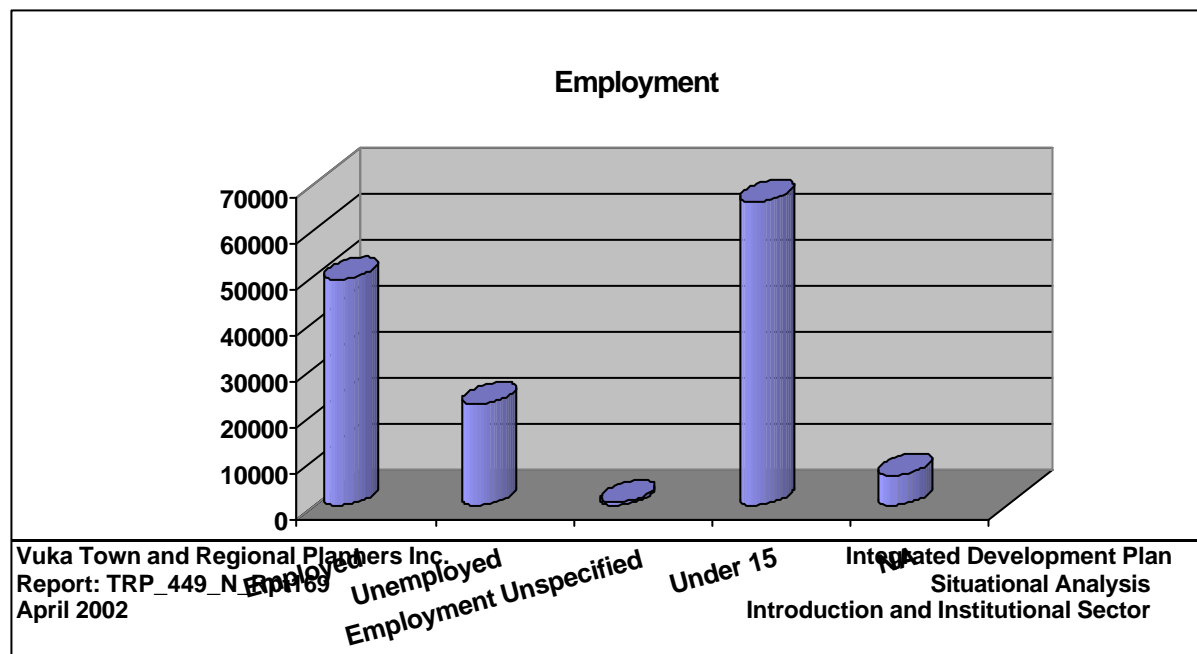


Demarcation Board 2001

2.5 EMPLOYMENT

Unemployment is a serious problem in South Africa, particularly affecting rural areas and unskilled, illiterate people. The economy in South Africa is growing in the tertiary sector, in line with many first world countries in the world, while a large proportion of the South African population does not have the qualifications and skills to find employment in the secondary or tertiary sectors.

The employment situation in the City of uMhlatuze is reflected below:



Demarcation Board, 2001

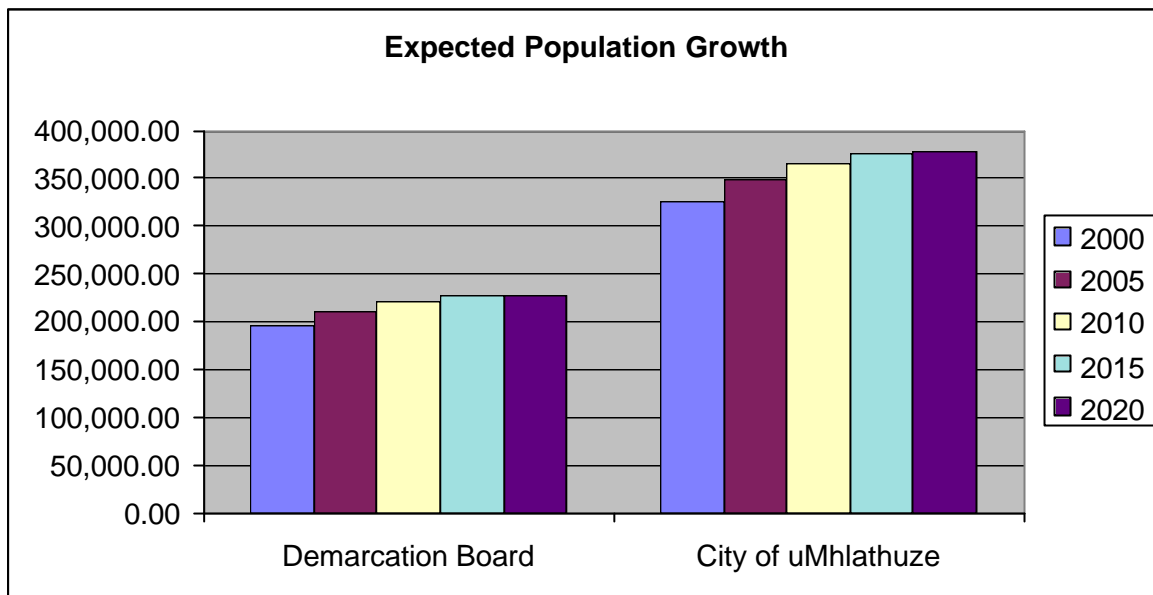
The chart reflects that approximately 34% of the population of the City of uMhlathuze is employed, while only 15% is not employed. This is quite positive, seeing that South Africa has a national unemployment rate of approximately 40%, which is deemed as exceptionally high. Noteworthy is the fact that 46% of the people in uMhlathuze is cited as younger than 15 years, implying that economic growth and job creation is essential to ensure that this large segment of the population is offered the opportunity to enter the job market. In the short and medium term a focus on education and training is required, to ensure that the future workforce is employable and has adequate skills to meet the demands of the workplace.

2.6 GROWTH PROJECTIONS AND TRENDS

In terms of projected population growth rates, the severe impact of HIV/Aids has to be taken into consideration. This is seen in light of the fact that Kwa-Zulu Natal had the highest recorded HIV positive rate in South Africa between 1997 and 1999, indicating that the impact of HIV/Aids is likely to be more severe in this province than in the rest of South Africa. Based on this, a steady decline in the average annual compound population growth rate is expected. This growth rate for Kwa-Zulu Natal was adopted and applied to the population figures for the City of uMhlathuze and is reflected below:

CITY OF UMLATHUZE: PROJECTED POPULATION GROWTH					
	2000	2005	2010	2015	2020
Population growth rate		1.44%	0.96%	0.58%	0.08%
Demarcation Board	196,183.00	210,720.88	221,031.56	227,516.26	228,427.78
City of uMhlathuze	325,000.00	349,083.69	366,164.53	376,907.20	378,417.24

Demarcation Board, 2001



Source: Demarcation Board, 2001
 Statistics South Africa, 1996

Due to the fact that there is a considerable difference between the population figures supplied by the Demarcation Board and the population figure adopted by the City of uMhlatuze, both these population projections are reflected. The slow population growth rate is clear from the graph, this implies that the City of Umhlatuze will grow with 24 848 people by 2010, but with only 32 244 people over a period of twenty (20) years (Demarcation Board figures). The initial population growth rate is therefore significant, with a significant impact on planning, particularly the provision of housing and social facilities in the short term.

2.7 ECONOMIC CONDITIONS

The City of uMhlatuze consists of two urban settlements, namely Empangeni and Richards Bay. To understand the function of these settlements, it is necessary to look at the origin thereof. Please refer to the **Economic Sector Activity Plan** (overleaf).

Empangeni had its origins in May 1841 with the establishment of a mission station, Inkanyezi next to the Mpangeni River. This mission station was later replaced with the first Lutheran Mission Station north of the Thukela and marked the introduction of a western culture to this traditional Zulu area. The area where these mission stations were located is now known as Matshana and forms part of the Madlebe Tribal Area.

The emergence of a commercial function was instituted with the granting of a license to establish a pioneer store in Empangeni on 26 January 1894. This was the inception of Empangeni as the commercial hub of Zululand. The relocation of the magistrate’s court to Empangeni sparked the flame for the development thereof as an administrative centre, an important function it still fulfilled today.

The birth of Empangeni Rail in 1903 provided a commercial artery with Durban and a crucial element in the growth of this town. The agricultural sector and specifically the sugar industry sustained the development of the centre while the allowance of white urban dwellers in Zululand led to the declaration of Empangeni as a village on 19

June 1906. The establishment of the Empangeni Sugar Mill in 1911 played an important role in the emergence of Empangeni's light industrial sector. The opening of a Public Hall in 1916 led to the involvement of Empangeni as the regional centre for the society in its surrounds. At this stage the town was divided between the Village, Rail and the Mill but the amalgamation thereof in 1931 to form the first Town Board of Empangeni saw the birth of a formal municipality and a town in its own right.

Empangeni experienced two decisive economic growth periods, the first being a period of industrial expansion after the Second World War. The second was due to spin offs from the stimulation and development of Richards Bay as a harbour and industrial centre. This encompassed residential development as well as commercial and retail in support of the residential component. The growth of Richards Bay was also accompanied by the growth of Ngwelezane and Esikhaweni as dormitory townships and employment basis for the harbour development.

Empangeni originally grew as two (2) separate nodes, one associated with the sugar mill and the other around the rail terminal. The residential expansion eventually married the two, joining the CBD and the industrial areas to the south. The outward growth of Empangeni is to a certain extent restricted by the surrounding sugar cane fields, focusing further expansion to the north, north western and eastern periphery of the town (Empangeni Local Development Plan, 1999).

Richards Bay is named after Frederick William Richards, R.N. who was appointed Commander of the West Coast of Africa in 1878. On his arrival at the Cape, hearing of the British defeat at the hands of the Zulus at Isandhlwana in 1879, landed at Port Dunford on the East coast with 250 men to offer relief. One of the ships under his command, HMS Forrester, surveyed the coastline at the Mhlathuze lagoon, recording it as Richards Bay (Richards Bay Tourism Association Brochure). The settlement developed slowly, but saw a complete transformation in 1968, when it was decided to develop a deep-water harbour at Richards Bay and a rail link to the Witwatersrand. This resulted in the development of Richards Bay as a modern and dynamic port town, one of the few urban centres of the country which has continued to grow despite serious periods of national recession, international economic pressures and nation-wide political uncertainty (Richards Bay Structure Plan Executive Summary, 1998).

Empangeni is situated on two (2) major transport links, namely the north south road from Durban to St Lucia as well as the linkage through Vryheid with Gauteng, the economic hub of South Africa. It is well connected to the rest of the country by means of other links, such as major railroad lines converging onto Richards Bay as export harbour as well as the airport in Richards Bay.

In terms of regional context, Empangeni used to be the most prominent town in the area, but due to the stimulation of Richards Bay as Port City the latter is playing an increasingly important role in the region. Empangeni and Richards Bay form the urban focus in a predominantly semi-urban/rural hinterland. This hinterland is densely populated, especially within the former proclaimed KwaZulu Towns in close proximity to these urban nodes, which function as satellite or dormitory townships.

Richards Bay is developed around the harbour as main function, with heavy industries associated with the main function characterising the town. Empangeni functions as service centre with higher order commercial, retail, administrative, social, business transportation, storage, institutional and light industrial uses. Traditionally there used to be a clear distinction in function between these two (2) centres, although the commercial and residential sectors in Richards have expanded to the extent that the distinction is no longer that clear. By the same token, Empangeni has realised the potential of heavy industrial development and is capitalising on this opportunity. This implies that symbiosis between these two (2) centres should be sought to avoid competition to the detriment of either centre.

The fact that Empangeni continued to grow in the past, despite the considerable state injections to Richards Bay was an indication of its comparative locational advantage. This aspect needs to be built upon to ensure its continued regional function and status.

The unification of Empangeni and Richards Bay into one jurisdictional area, namely the City of uMhlathuze, is expected to have a synergistic effect in terms of unifying two (2) towns to become a metropolitan area. This was augmented with the adoption of city status for the area, by the Council endorsing the naming of the area to the City of uMhlathuze. This was done specifically with the intention of attracting investment and development to the area.

Some of the major industries located in the City of uMhlathuze are:

NAME	APPROXIMATE NUMBER OF EMPLOYEES	OPERATIONS
Alusaf (Biliton)	4 400	This was the first industry established in Richards Bay in 1971. It produced approximately 170 000 tons aluminium per annum until 1995. A further development of the new R7,2 billion Hillside Smelter increased the capacity to 636 000 tons per annum.
Mondi Kraft	700 skilled and 00 semi-skilled personnel	This company was established in the area in 1984 and produces approximately 300 000 ton pulp and 150 000 tons liner boarder per annum. Approximately 60% of its products are exported. The main raw material inputs to the manufacturing process are wood and chemicals. The wood is mainly obtained from KwaZulu Natal, Mpumalanga and Swaziland. The demand for timber and some bagasse means the Mondi operation stimulated forestry and some sugar cane growth in the area.
Indian Ocean Fertilisers	487	Indian Ocean Fertilisers started its production in 1976 as Triomf Fertilisers producing approximately 300 000 tons phosphoric acid per annum. Approximately 60% of the production is exported while most of the raw material inputs are imported from overseas or from outside the region.
Central Timber Cooperative	150	This company is one of the largest wood chip producers in the world, producing between 500 000 and 850 000 ton per annum. Most of the production is exported to Japan, Taiwan and Finland. The raw material inputs to the production process are mainly wattle and eucalyptus from KwaZulu Natal and Mpumalanga.
Suncrush	240	This companv produces and bottles carbonated soft drinks

		which are distributed throughout South Africa.
Bell Equipment Company	1 500 people in South Africa	This company produces a variety of operating machines for the mining, construction, forestry and sugar cane industries internationally.
Syncat	70	Syncat produces Zeolite catalysts for the international market which is exported through the Durban harbour.
Silva Cel	Unknown	This operation was established in 1993 in Richards Bay and produces wood chips for the export market from wattle and eucalyptus received from KwaZulu Natal, Mpumalanga and the Southern Cape.
Iscor Heavy Minerals	Unknown	This company acquired land in Empangeni in 1999 and recently announced that that it will increase investment to R2,6 billion.

uThungulu Regional Development Plan, 1998 and uMhlathuze News, September 2001

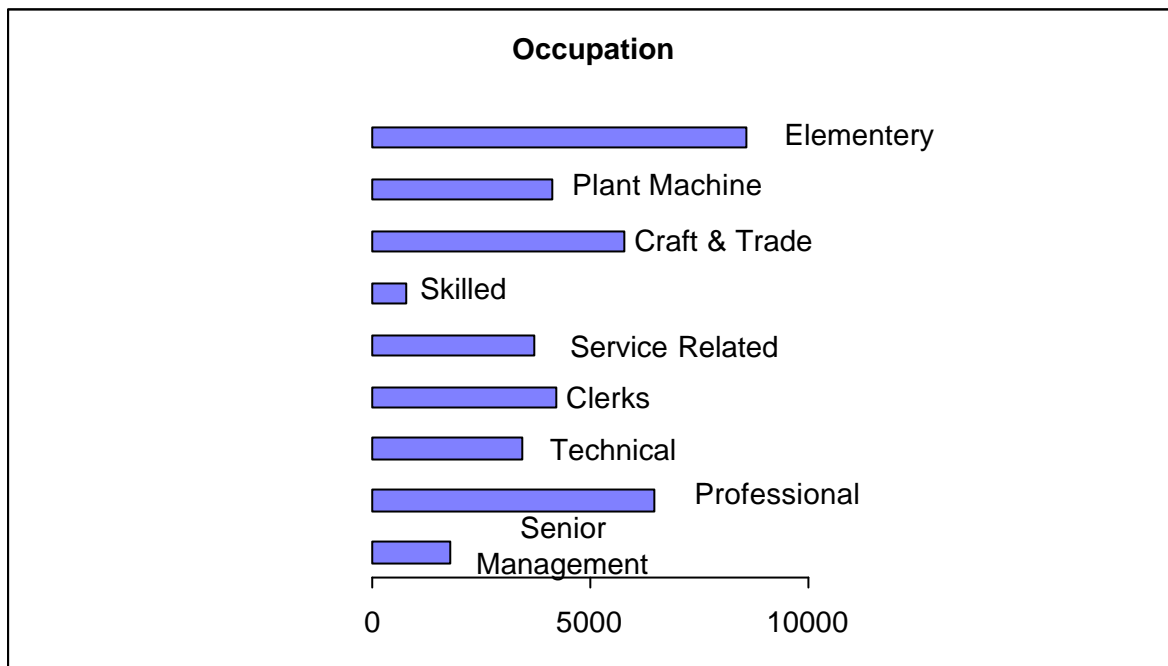
Other significant industries include:

- ✂✂ Alusaf (Billiton);
- ✂✂ Felixton Sugar Mill;
- ✂✂ Rowley Morgan Engineering;
- ✂✂ Rumdel Construction;
- ✂✂ Richards Bay Coal Terminal;
- ✂✂ Richards Bay Minerals (located outside the area but making a significant contribution to the area; and
- ✂✂ National Ports Authority of South Africa (Portnet).

The National Ports Authority, Richards Bay, plays a significant role in the local economy of the City of uMhlathuze. It is currently only 40% developed and already handles 55% of South Africa's cargo tonnage (uMhlathuze News, September 2001). The harbour holds the key to the growth of the City of uMhlathuze and with its considerable expansion capacity it may be said that the city has unlimited growth potential.

Empangeni has recently seen considerable industrial expansion with the development of land by Iscor for a smelter plant, which marked the introduction of heavy industries to Empangeni. The Department of Public Works acquired land for the development of Correctional Facilities in Empangeni, complementing the judicial status of the City of uMhlathuze in terms of the magistrates court situation in Empangeni. The prison provides for 1 400 beds and saw a direct investment of approximately R300 million into the area.

The dominance of the industrial and agricultural sectors in the City of uMhlathuze can clearly be seen from the graph indicating occupation, with a large number of people employed in the elementary, plant and machine as well as craft and trade sectors. The professional sector is also dominant, which is reflective of the function of the City of uMhlathuze as a service centre to the surrounding rural area.



Demarcation Board, 2001

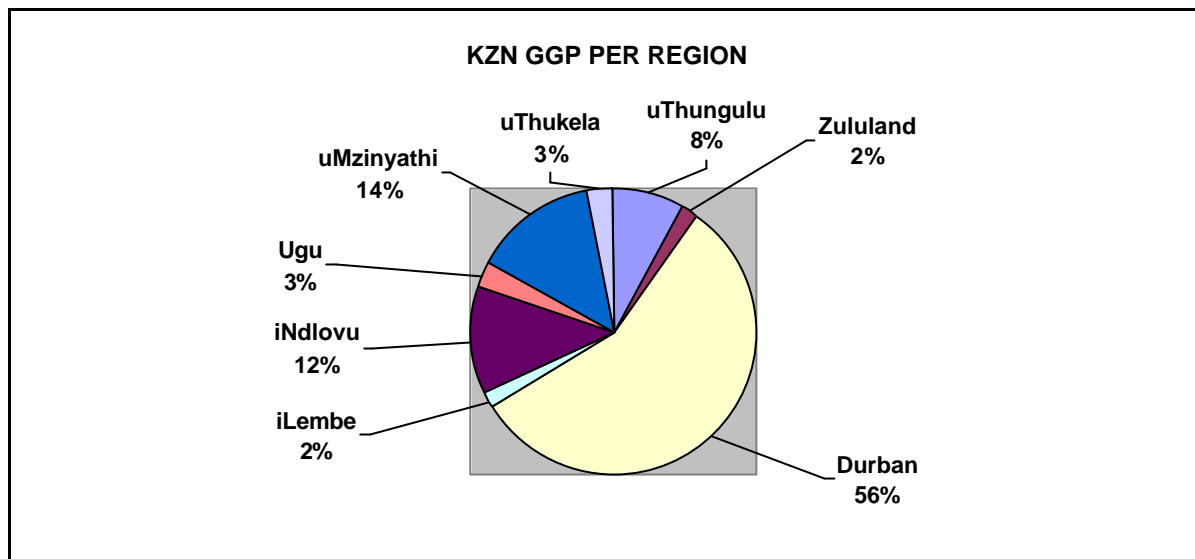
The Richards Bay harbour plays a significant role in the industrial development of the City of uMhlatuze and the uThungulu District. The harbour is deep with an entrance channel dredged to 21,5 metres, implying that it can accommodate very large vessels. The port handles 3,5 million tons of general cargo, 53 million tons of coal and 7,8 million tons of dry cargo. This represents 45% of South Africa's sea borne cargo trade. The port facilities include:

- ✍️ Twenty four hour seven days a week cargo handling terminals;
- ✍️ Multi-purpose dry bulk terminal with a capacity to handle three million tons of imports and seven million tons of exports per annum;
- ✍️ An export terminal with a variety of storage facilities (including open shed as well as bin storage);
- ✍️ A general cargo terminal served by four quays;
- ✍️ Two 10 000 m² forest product warehousing (as well as extensive open storage areas for the pre-assembly of cargo);
- ✍️ A bulk metal terminal handling in excess of 2,5 million tons per annum; and
- ✍️ A bulk liquid and chemical quay serving two privately operated terminals and marine services providing pilot and tug services.

A new development, which will drastically improve marine service levels, is a helicopter service for transferring pilots to and from vessels waiting at the outer anchorage (uThungulu Regional Development Plan, 1998).

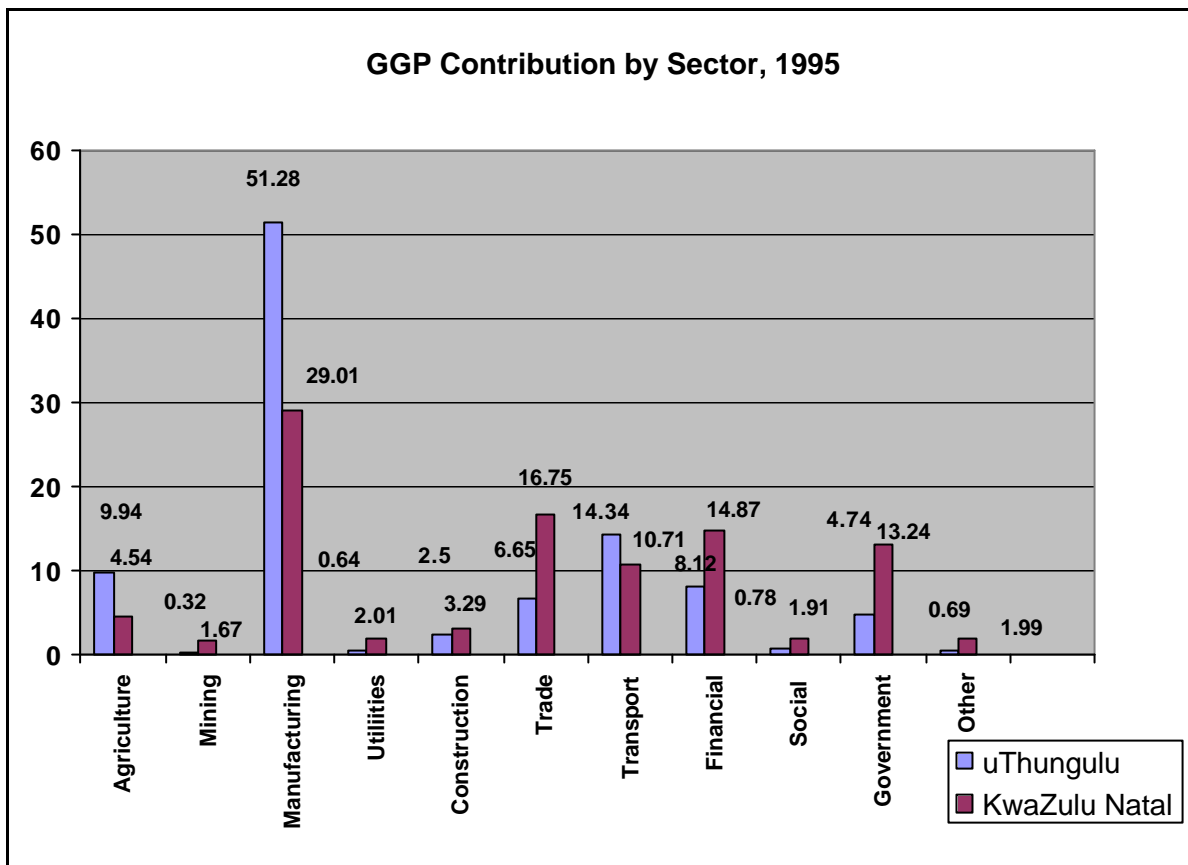
2.7.1 CONTRIBUTION TO GROSS GEOGRAPHIC PRODUCT

The graph below indicates the distribution of economic activity in the province. The Durban Metropolitan area is dominant in KwaZulu Natal, followed by iNdllovu, uMzinyathi and then the former uThungulu District. The average annual growth rate of the uThungulu Region between 1986 and 1995 was 3,77% and was considerably higher than the provincial rate of 1,45% and the national rate of 1,19%.



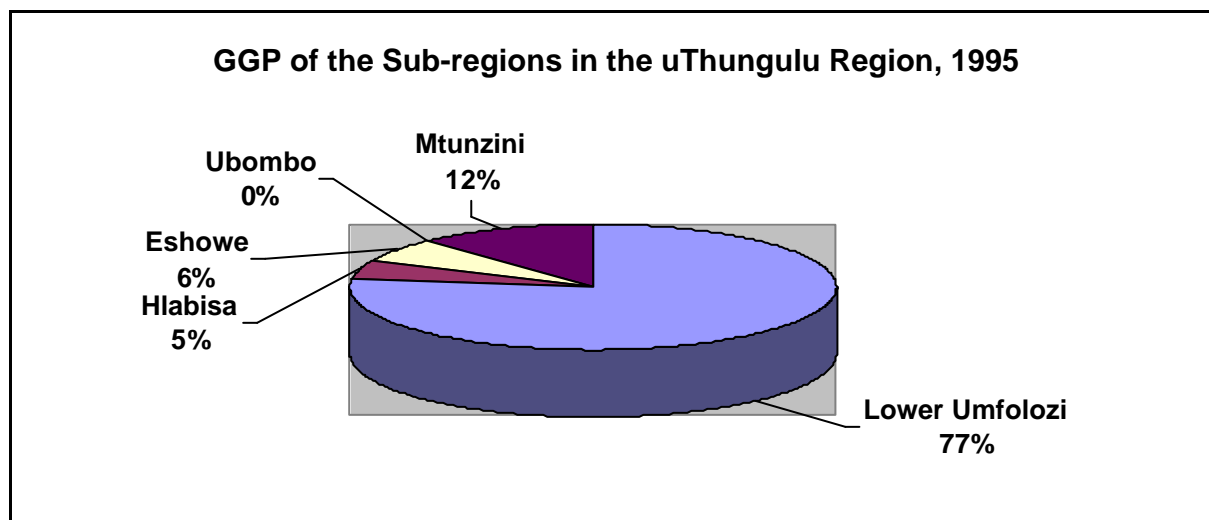
uThungulu Regional Development Plan, 1998

The graph below depicts the structure of the regional economy in comparison to the province. The significance of manufacturing in the regional and provincial economy is clear, but it is interesting to note that manufacturing in uThungulu exceeds manufacturing in the province, indicating uThungulu’s function and significance at provincial level. In the case of agriculture and transport the region’s contribution to GGP is also higher than the provincial contribution. Noteworthy is the fact that the trade sector plays a subservient role (6,65% in the region compared to the province (16,75%). This is important considering that tourism is mostly recorded in the trade sector, indicating that the tourism sector is substantially smaller in the region than in the province.



uThungulu Regional Development Plan, 1998

With regards to the regional economy, the Lower Umfolozi Sub-region is dominant within the uThungulu Region. This Sub-region comprises Empangeni, Richards Bay and a large rural area, with most of the secondary economic activities concentrated in Empangeni and Richards Bay. This indicates that Empangeni and Richards Bay, now consolidated into the City of uMhlatuze, are the dominant areas in terms of contribution to GGP in the uThungulu Region. The manufacturing, agriculture and transport sectors in the City of uMhlatuze therefore make a significant contribution to the provincial GGP.



uThungulu Regional Development Plan, 1998

The total Gross Geographic Product (GGP) for the City of uMhlatuze area for 1997 was estimated at approximately R3 705 million, with a growth in GGP between 1988 to 1997 of approximately 6,7% per annum. This is indicative of the growth potential of

the area, seeing that there was a steady economic growth in spite of the periods of political and economic instability faced in this time.

2.8 DIFFERENTIATIONAL ANALYSIS

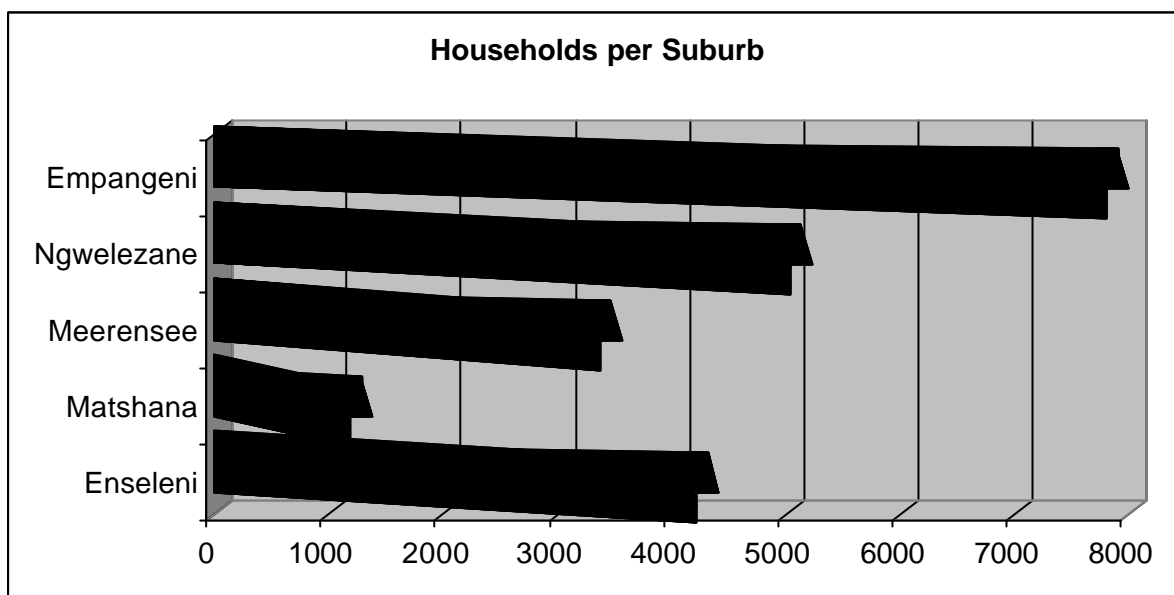
Within the City of uMhlathuze, a distinct differentiation may be derived between the different settlements within the area. In this regard, there is a considerable difference between the Richards Bay and Empangeni areas and the areas of Nseleni, Vulindlela, Esikhawini and Ngwelezane, mainly due to the former apartheid policy. Likewise, there is a considerable difference between these urban areas and the surrounding rural areas. Selected statistics from each of these areas were used to illustrate this difference.

2.8.1 POPULATION DIFFERENTIATION

The graph below provides an indication of the size of the areas investigated, in terms of the number of households. The following areas were investigated for differentiation purposes:

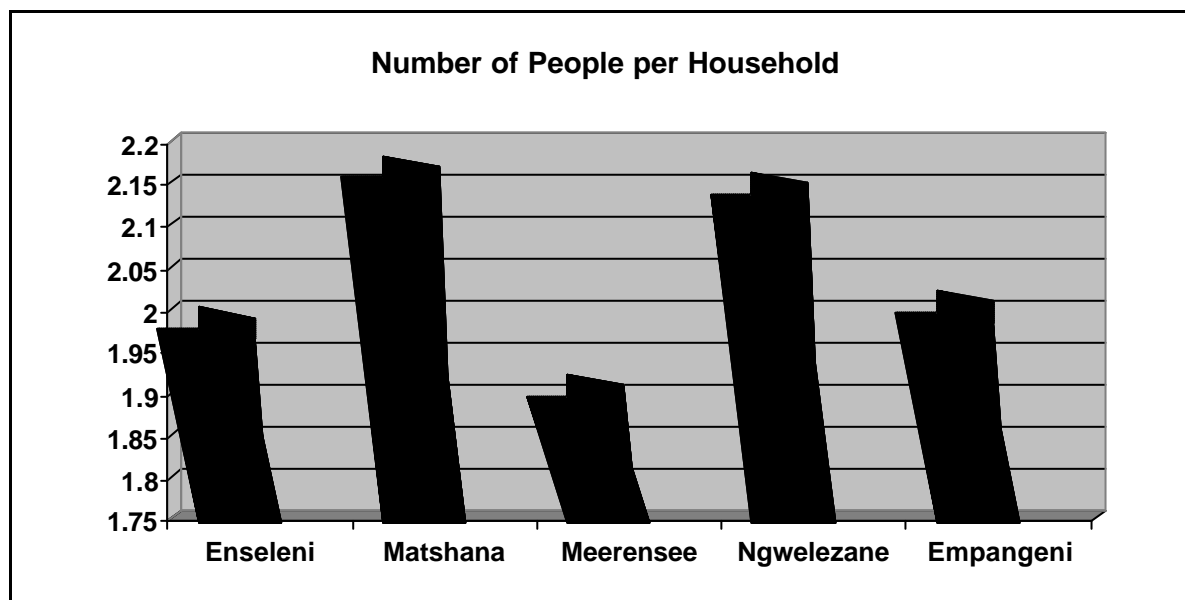
- ✘ Empangeni: suburb in Empangeni, urban settlement, former white area;
- ✘ Ngwelezane: suburb in Empangeni, urban settlement, former black area;
- ✘ Matshana: tribal area, rural settlement, predominantly black area;
- ✘ Meerensee: suburb in Richards Bay, urban settlement, former white area; and
- ✘ Nseleni: suburb in Richards Bay, urban settlement, former black area.

2.8.1.1 Population Size and Density



Demarcation Board, 2001

This graph is purely indicative of the size of the various suburbs under investigation, in terms of number of households and therefore number of people. Interesting to note is the number of people per household, with Matshana and Ngwelezane having the most people per household, while household size in Meerensee is quite small, with less than two persons per household. Considering the physical size of these suburbs, the population density in the former black urban areas is considerably higher than in the former white urban areas.

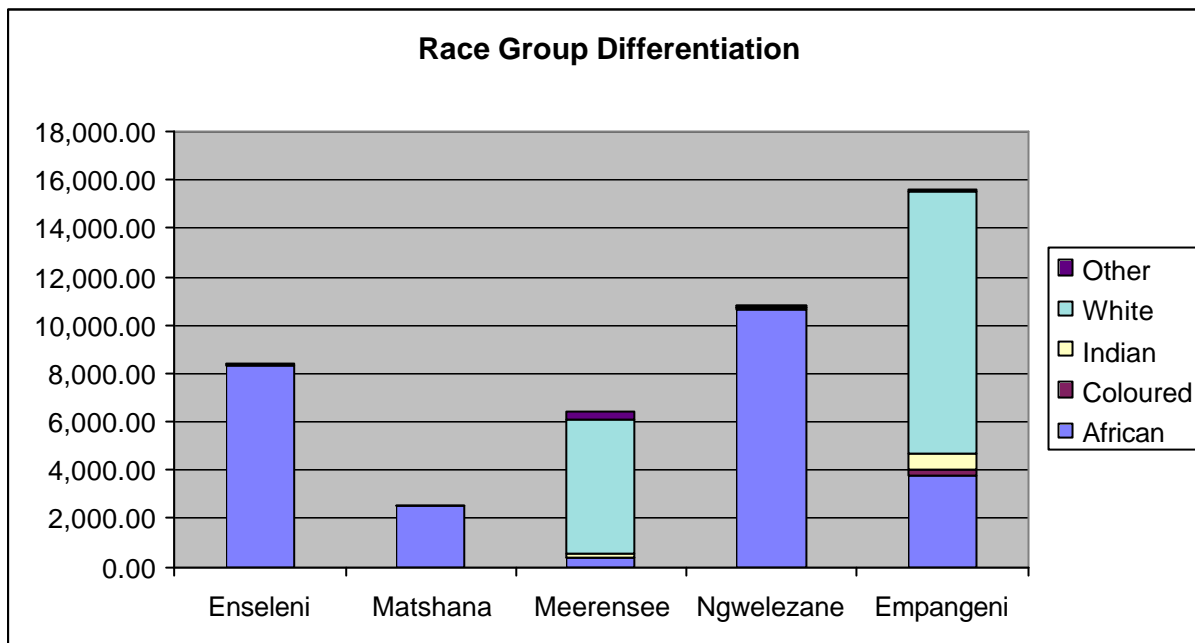


Demarcation Board, 2001

The race group differentiation is the result of the former apartheid policy, which instituted the physical segregation of people on the basis of race. Enseleni, Ngwelezane and Matshana are almost entirely black areas, while Meerensee is almost entirely white. It is interesting to note that Empangeni shows a mix of

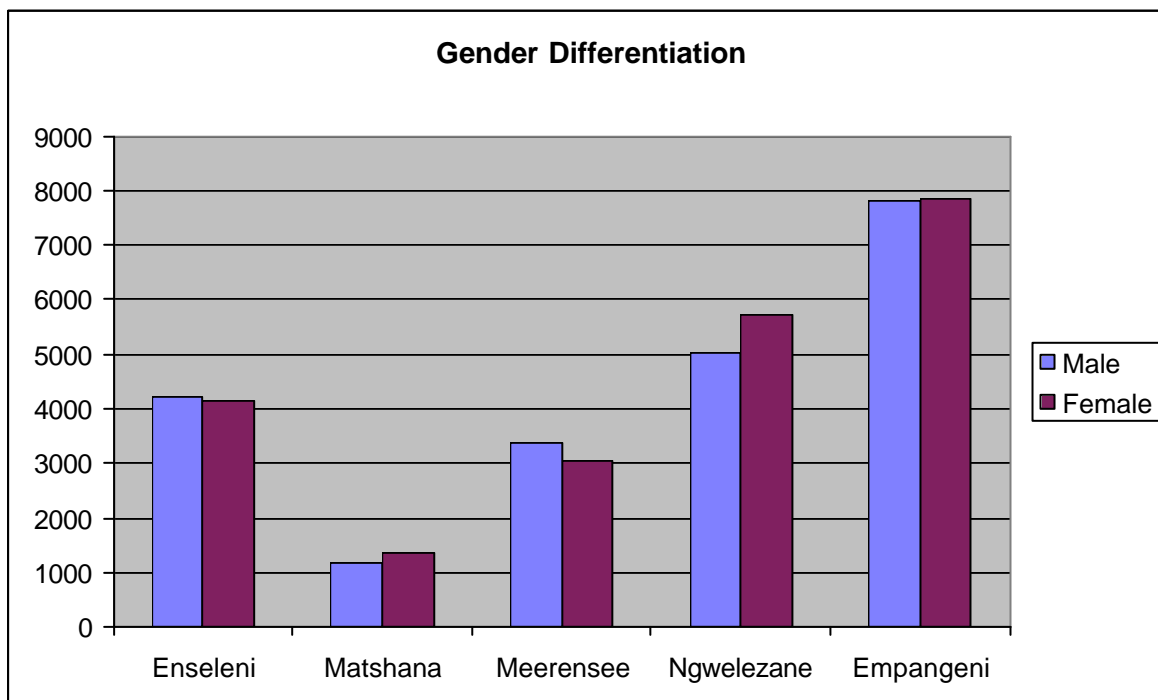
population groups, the large proportion of black people may be ascribed to domestic workers and gardeners residing in second dwelling units, although some of the high-density housing areas now have a mix of race groups. Overall the abolishment of apartheid has not led to some physical integration within specific areas.

2.8.1.2 Population Distribution



Demarcation Board, 2001

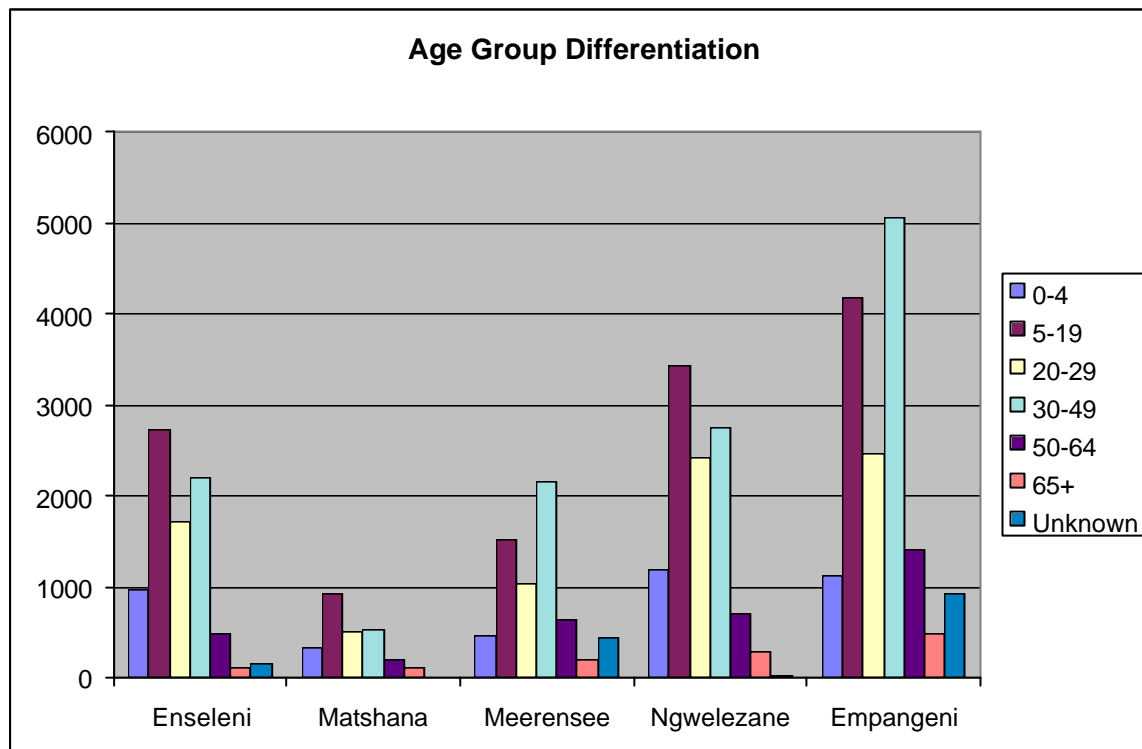
2.8.1.3 Gender Differentiation



Demarcation Board, 2001

The gender distribution in Enseleni and Empangeni is fairly equal, while Meerensee is the only area where the number of females exceeds the number of males. In Matshana and Ngwelezane there are considerably more males than females, which may indicate that these areas are home to migrant workers.

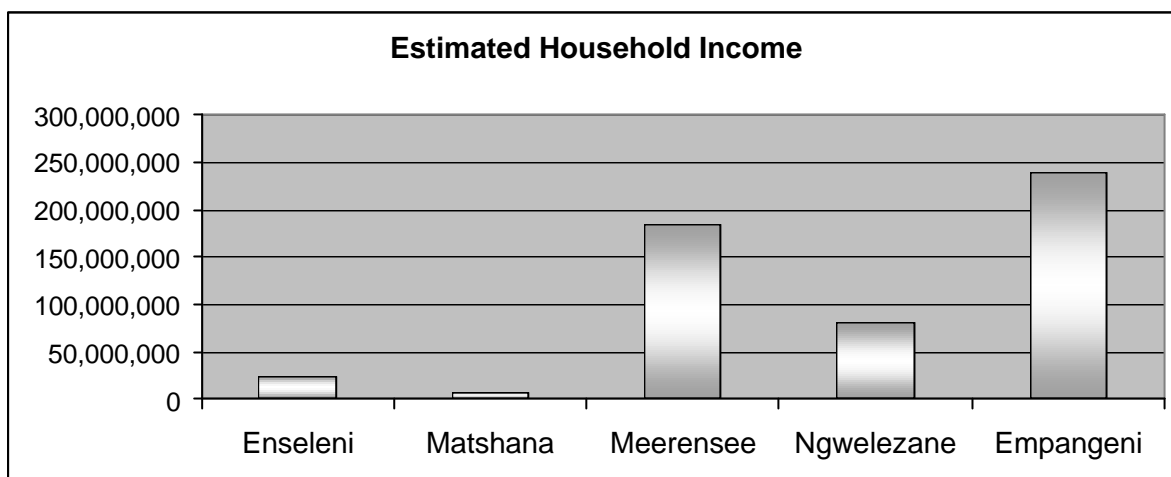
2.8.1.4 Age Group Differentiation



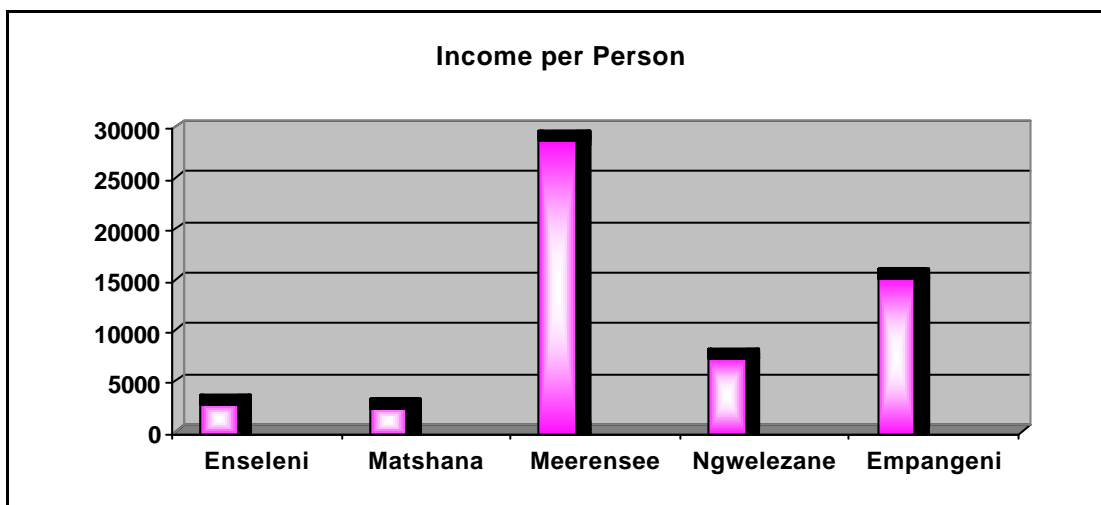
In terms of age group differentiation, there is a strong similarity between Meerensee and Empangeni. In both these areas, the number of economically active people (30-49 years) exceeds the number of dependants (5-19 years) whereas in all the other areas, the number of dependants (5-19 years) exceed the number of economically active people (30-49 years). Noteworthy is the fact that in all the different areas (except Matshana) there is a significant decline from the 5-19 year age group to the 20-29 year age group and then a significant increase in the 30-49 year age group. This may be indicative of the fact that people beyond school going age leave the City of uMhlatuze to seek employment or for tertiary education. It however seems that a large number of people tend to return, or that economically active people are attracted to the area, hence the rise in people in the 30-49 years age bracket.

The Matshana tribal area is characterised by a high dependency rate and an almost equal distribution between the 20-29 year age bracket and the 30-49 year age bracket. This indicates that very few people in the 20-29 year age bracket leave the area, as is the case with the urban areas.

2.8.1.5 Income Levels



The comparison between households per suburb and estimated household income reveals interesting trends. Ngwelezane has almost 5 000 households, whereas Meerensee has just more than 3 000 households, but the estimated household income in Meerensee is almost double that of Ngwelezane. Both these areas are urban settlements, therefore the deduction could be made that this is the result of the former apartheid policy, which resulted in the marginalisation of former black areas.



Demarcation Board, 2001

The estimated income per person reveals a considerable discrepancy between the various areas. While the income per person in Meerensee is approximately R28 900.00, it is less than R5 000.00 per person in Enseleni (R2 900) and Matshana (R2 500). There is also a considerable discrepancy between Meerensee and Empangeni, which are both former white urban areas, with the income per person in Empangeni being approximately R15 400.00. There is also a significant difference between Ngwelezane (R7 500.00) and Enseleni (R2 900.00), which are both former black urban areas.

The Challenge

From the population profile and differentional analysis it is clear that the communities residing in the rural areas have a lower income and are more severely affected by aspects such as poverty, than the urban community. Community upliftment and empowerment programmes should therefore be focused in the rural areas. Economic development, attraction of investment and maintenance of development standards in the urban areas are however essential to ensure the overall growth and development of the City of uMhlathuze.