



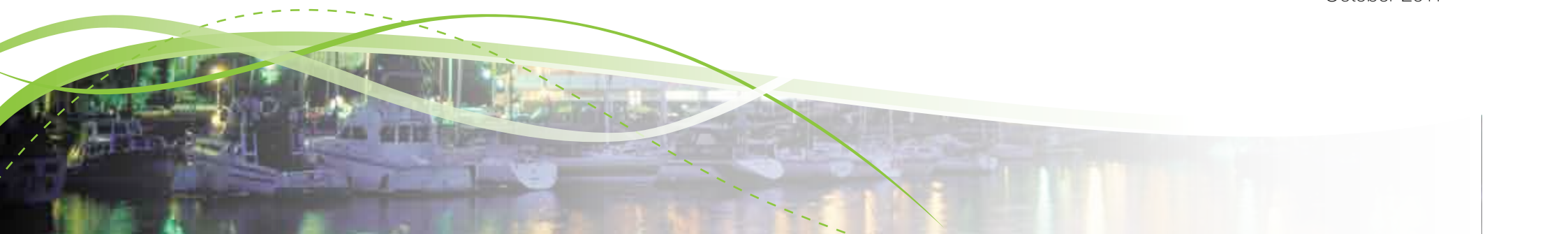
EDGE

Economic Development
& Growth in EThekweni



Fast Facts

October 2011



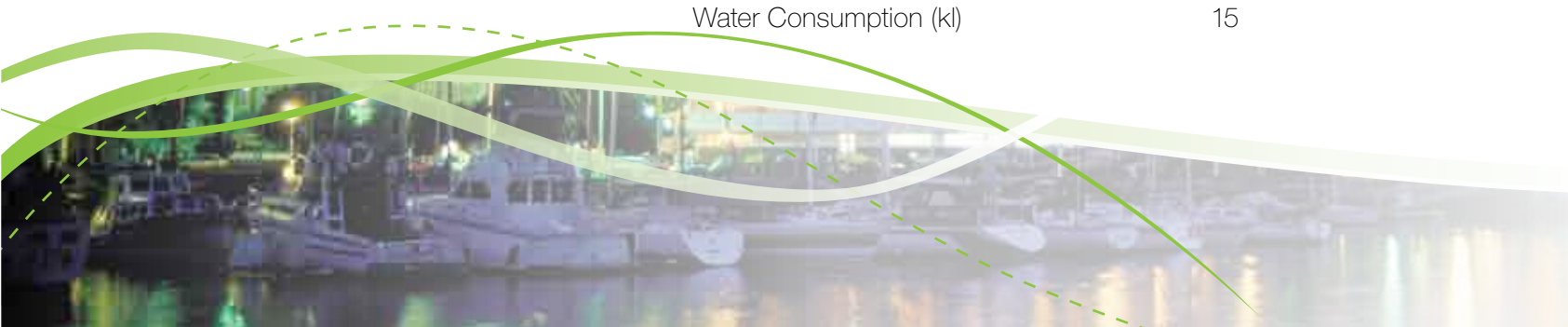
The EDGE Fast Facts is a quarterly snapshot of the eThekweni economy containing the latest and most pertinent data and statistics on a number of key indicators.

It is a continuation of the main bi-annual publication, 'the EDGE', with the purpose of informing stakeholders and decision makers within the region.

Information for this newsletter was obtained from sources believed to be accurate and reliable. The eThekweni Municipality and all other providers make no representations or warranties expressed or implied to any subscriber, person or entity as to the accuracy, timeliness, completeness, merchantability or fitness for any particular purpose of any of the information or forecasts contained herein.



Demographics and Development	4	Durban Airport Movements	9	Recent Developments	16
Population	4	Tourism	10	National Treasury Budget Report	16
Poverty – number of people living on less than \$2 per day	4	Number of trips by purpose of trip	10	Special Economic Zones	16
Human Development Index	5	Bednights by origin of tourist	10	Durban Business Fair	16
Gini Coefficient	5	Trade	11	Number of visitors (current and historical)	17
Economic Growth and Job Creation	6	International Trade Data	11	Cato Ridge Local Area Plan	17
Gross Domestic Product	6	Imports and Exports 2001-2010	11	Mpumalanga Town Centre	17
Unemployment – Official Definition	6	Durban Port Statistics	12	Number of Durban Business Fair Participants	17
Gross Domestic Product at 2005 constant prices	6	Cargo Handling Imports in TEUs/Units	12	Contact Details	18
Economic Growth and Job Creation	7	Motor Vehicle Production	12		
UIF Claims	7	Cargo Handling Exports in TEUs/Units	12		
Economic Growth and Job Creation Employment	8	Municipal Services	13		
Formal Sector Employment	8	Building Plans	13		
Informal Sector Employment	8	Number of Residential Building Plans Passed per Region	13		
Tourism and Travel	9	Number of Non-Residential Building Plans Passed per Region	13		
Durban Airport Statistics	9	Electricity Consumption	14		
		Number of Water Connections	15		
		Water Consumption (kl)	15		



Fast Facts

Demographics and Development

Population

The total population grew by 0.9% during 2009-2010. Highest growth was in the African section of the population with an increase of 1.3%. In 2011, the eThekweni population is approximately 3,584,681, accounting for 7.2% of National and 3.4% of KwaZulu-Natal.

Year	African	White	Coloured	Asian	Total
2009	2,439,519	344,526	88,100	678,514	3,552,706
2010	2,471,233	345,905	88,893	678,650	3,584,681
% change	1.3%	0.4%	0,9%	0.02%	0.9%

Source: EThekweni Municipality: Procurement and Infrastructure: Development Engineering/Global Insight



Poverty – number of people living on less than \$2 per day

According to IHS Global Insight, the number of people living on less than \$2 per day decreased in 2010 by 27%. The national share of people in eThekweni is 4.5%, and 14% of the KwaZulu-Natal Province .

	2009	2010
Number of people living on less than \$2 per day	149,921	108,768

Source: IHS Global Insight



Fast Facts

Demographics and Development

Human Development Index

The Human Development Index measures the well-being and human development of a country. It is a comparative measure of life expectancy, literacy, education and standards of living for countries throughout the world. The range of this index is valued from 0 to 1. Countries that rank over 0.8 are part of the high HDI group, countries that rank between 0.5 and 0.8 are part of the medium HDI group and countries with an HDI below 0.5 are ranked as low HDI countries. The differences in HDI among various race groups indicate a fairly large disparity in human development. The HDI for the African group is below the national average of 0.74 and of the South African total of 0.66.

Gini Coefficient

This gives a measure of income inequality which varies from 0 (in the case of perfect equality where all households earn equal income) to 1 (in the case where one household earns all the income and other households earn nothing). In practice the coefficient is likely to vary from approximately 0,25 to 0,70.

Human Development Index

Year	African	White	Coloured	Asian	Total
2009	0.56	0.91	0.73	0.75	0.66
2010	0.56	0.91	0.72	0.75	0.66

Source: IHS Global Insight

Gini Coefficient

Year	African	White	Coloured	Asian	Total
2009	0.59	0.43	0.53	0.51	0.63
2010	0.58	0.42	0.53	0.51	0.62

Source: IHS Global Insight

Fast Facts

Economic Growth and Job Creation

Gross Domestic Product

The eThekweni region experienced the highest growth between 2009 and 2010 when compared with KwaZulu-Natal and Nationally. According to IHS Global Insight, eThekweni's GDP is forecast to move from R196.4 billion in 2010 to R230.3 billion in 2014.

Gross Domestic Product at 2005 constant prices

	2009 (bn)	2010 (bn)	Percentage change
EThekweni Municipality	190,7	196,4	2.9%
KwaZulu-Natal	291,7	300,0	2.8%
South Africa	1,783,6	1,834,4	2.8%

Source: IHS Global Insight

Unemployment – Official Definition

In the official definition, the unemployed are those people within the economically active population who did not work during the seven days prior to the interview; want to work and are available to start work within two weeks of the interview; and have taken active steps to look for work or to start some form of self employment in the four weeks prior to the interview.

	2009	2010	Percentage change
Unemployment	298,479	266,678	-10.7%
Unemployment Rate	22.4%	20.5%	Changed by -1,9 percentage points

Source: IHS Global Insight

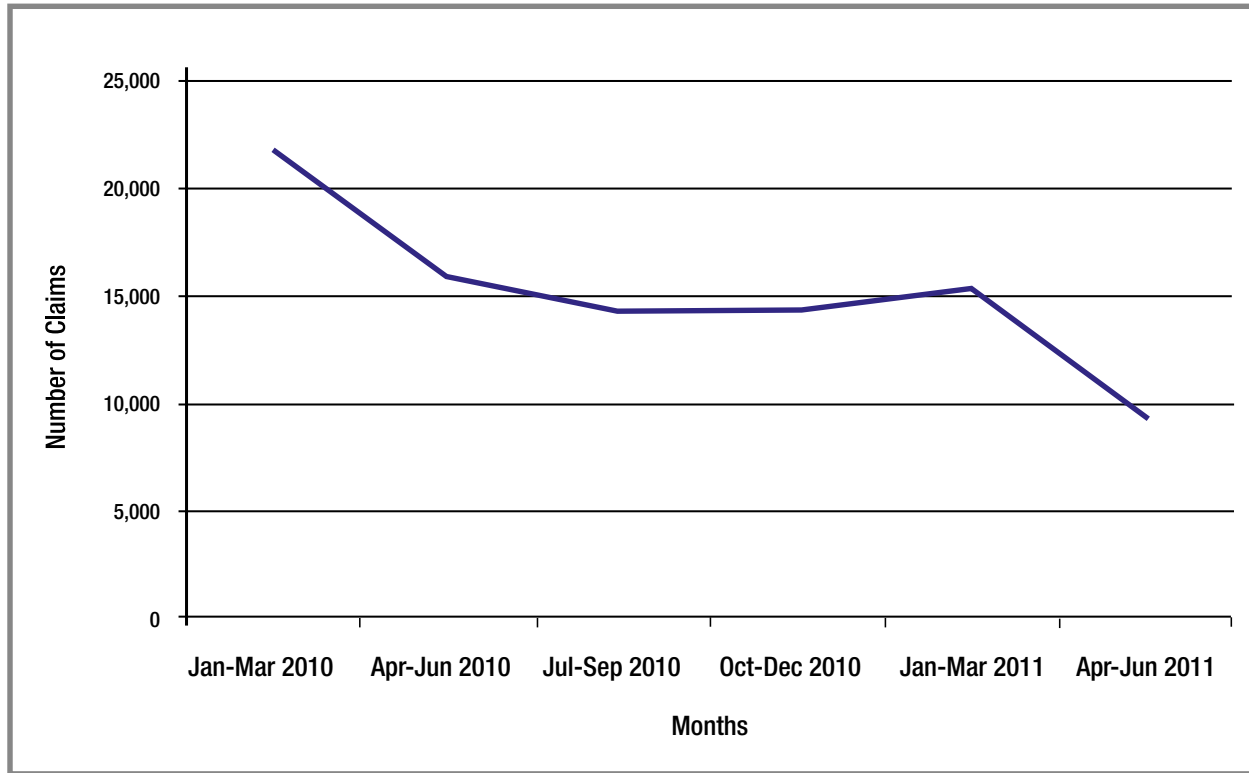
eThekweni's GDP is forecast to move from R196.4 billion in 2010 to R230.3 billion in 2014.



Fast Facts

Economic Growth and Job Creation

UIF Claims



Source: Department of Labour

UIF Claims appear to have decreased considerably over the 2010 and first half of the 2011 period.



Fast Facts

Economic Growth and Job Creation

Employment

Employment in the eThekweni region increased by 0.27% (0.84% for the informal sector) during 2009 to 2010. In the same period, unemployment decreased by 10.7%. These improvements in the labour indicators may suggest that the economy is quickly recovering from the financial crisis which caused the recession during 2008/09. This is also evidenced by the decreasing trend of UIF claims since January 2010.

Formal Sector Employment – 9 Broad Economic Sectors

	2009	2010
Number of formally employed people	795,553	797,714
Percentage change	-	0.27%

Informal Sector Employment

	2009	2010
Number of people employed in the informal sector	220,048	221,890
Percentage change	-	0.84%

Source: IHS Global Insight



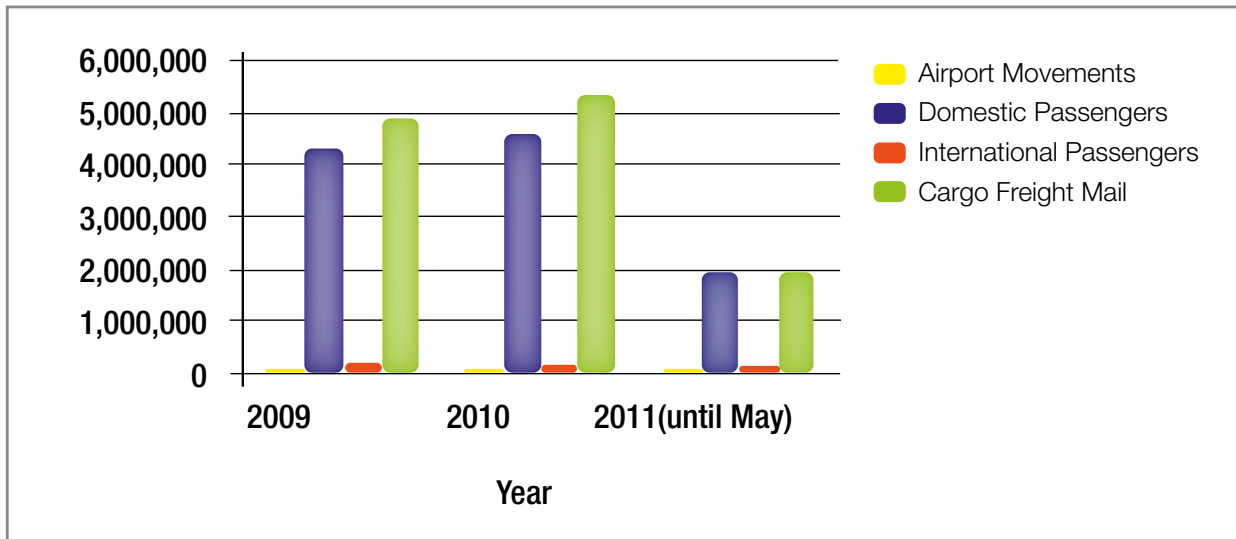
indicators may suggest that the economy is quickly recovering from the financial crisis

Fast Facts Tourism and Travel

Durban Airport Statistics (Old Durban International Airport and King Shaka International Airport)

This graph shows the amount of passenger movements from 2009 to May 2011. It includes the data from the previous airport up until April 2010, and King Shaka International Airport from May 2010 onwards. King Shaka International Airport recorded 4,9 million passengers in 2010/2011, with the majority (4,7 million) being domestic and 179,732 being international passengers.

Durban Airport Movements



Source: Airports Company South Africa



Fast Facts

Tourism and Travel

Tourism

Although international tourism increased by 3.3%, total bednights decreased by 4% largely due to a drop in domestic tourism by 5.3%.

Number of trips by purpose of trip

Year	Leisure/Holiday	Business	Visits to Friends/Relatives	Other (medical, religious etc)	Total
2009	428,989	205,581	2,224,279	197,402	3,056,252
2010	448,072	214,668	2,262,800	198,844	3,124,385

Bednights by origin of tourist

Year	Domestic	International	Total
2009	12,862,161	2,193,251	15,055,412
2010	12,186,439	2,265,175	14,451,614

Source: IHS Global Insight

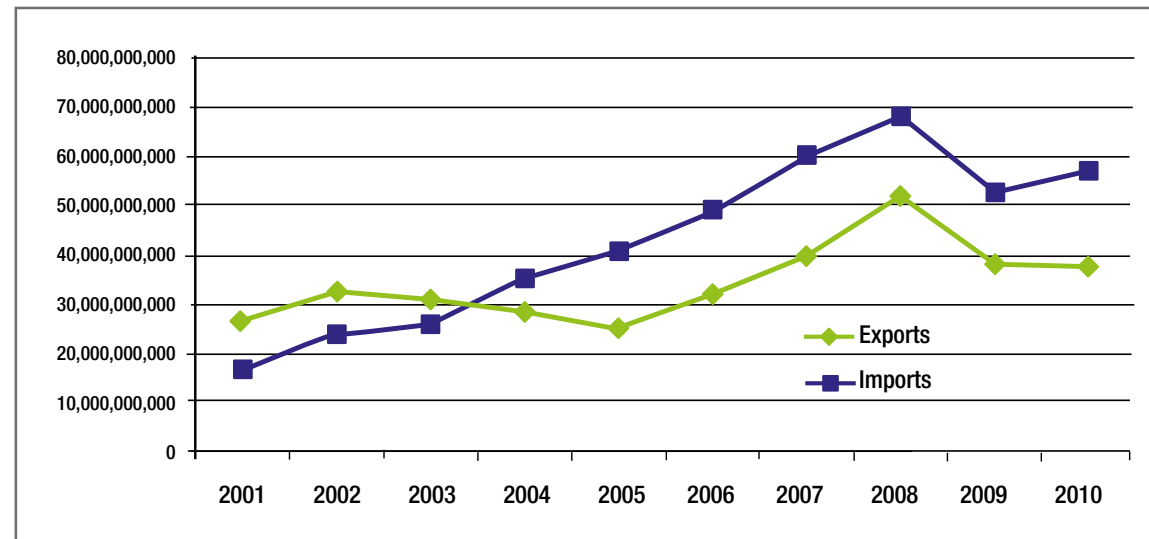
International Trade Data

	2009	2010
Imports	R 52,322,214	R 56,436,820
Exports	R 37,617,458	R 37,238,410

The table above indicates that imports between 2009/2010, recorded an increase of 7.9%, whereas exports decreased by 1.0%.

Imports and Exports 2001-2010: EThekwini Municipal Region (R1000)

Since mid-2003, total annual imports have exceeded exports in the Municipal region and mirrors the national trend. The significant drop after 2008 was the impact from the global financial crisis and there seem to be signs of improvement after 2009 for both imports and exports.



Source: IHS Global Insight

Durban Port Statistics

Cargo Handling Imports in TEUs/Units

Cargo	2010 Jan - June	2011 Jan - June
Containerised cargo	602,874	650,213
Dry bulk cargo	1,715,237	2,118,855
Liquid bulk cargo	12,049,919	12,165,298
Break-bulk cargo	231,489	590,142
Vehicles	124,824	131,380
Total	14,724,343	15,655,888
Percentage change	-	6.3%

Source: Transnet National Port Authority

Cargo Handling Exports in TEUs/Units

Cargo	2010 Jan - June	2011 Jan - June
Containerised cargo	557,944	641,277
Dry bulk cargo	2,118,675	2,866,696
Liquid bulk cargo	1,449,160	1,521,722
Break-bulk cargo	932,768	860,189
Vehicles	50,973	68,570
Total	5,109,520	5,958,454
Percentage change	-	16.6%

There were significant increases in cargo handling between January-June 2010 and January-June 2011 for both imports and exports of 6,3% and 16,6% respectively.

Motor Vehicle Production

Motor vehicle production displayed notable increases in relation to both cars and light commercial vehicles, with increases of 17.6% and 21.6% respectively.

Type	2009	2010
Cars	40,018	47,069
Light Commercial Vehicles	62,804	76,415

Source: OICA

Fast Facts

Municipal Services

Building Plans

Number of Residential Building Plans Passed per Region

Region	2010 Jan - June	2011 Jan - June
Central	453	379
Inner West	102	111
North	114	304
Outer West	48	49
South	112	115
Total	829	958
Percentage change	-	15.6%

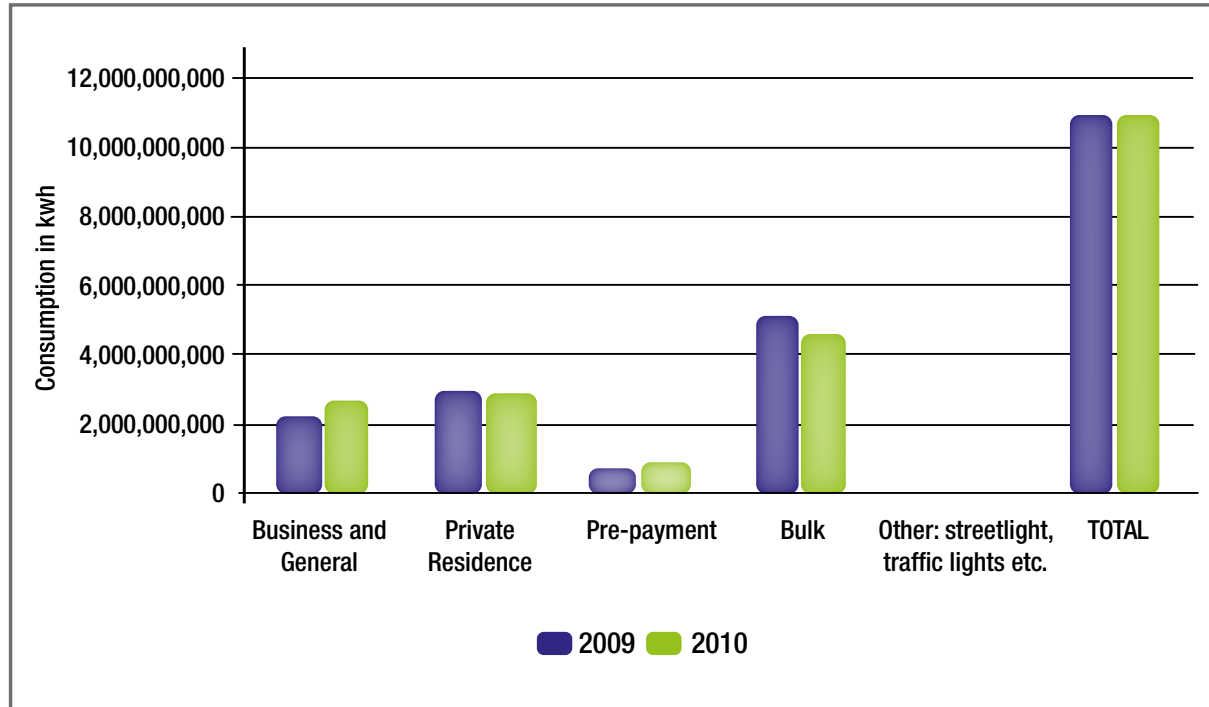
Source: EThekwini Municipality; Corporate Policy Unit

Number of Non-Residential Building Plans Passed per Region

Region	2010 Jan - June	2011 Jan - June
Central	33	31
Inner West	16	20
North	18	43
Outer West	2	6
South	3	33
Total	72	133
Percentage change	-	84.7%

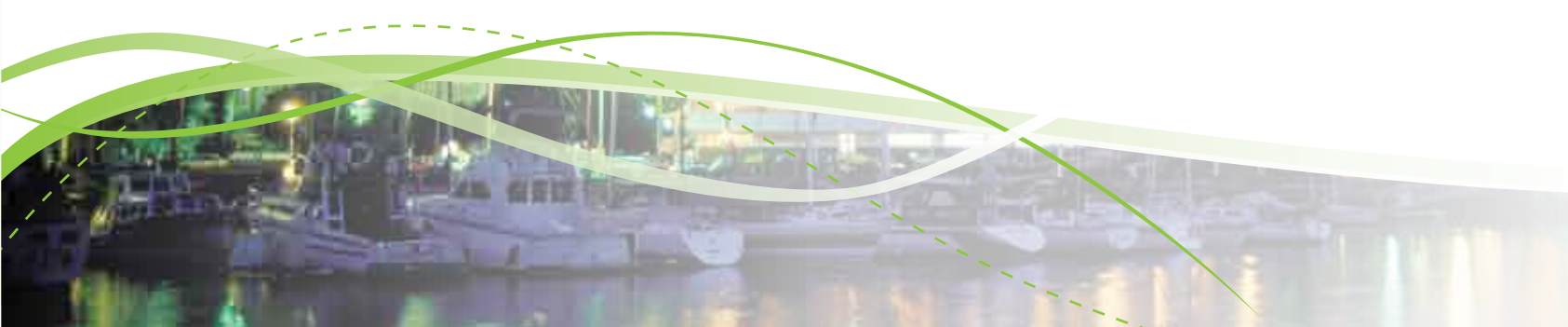
The number of residential building plans passed for the half-year periods of Jan-June 2010/11 increased by 15,6% and by 84,4% for non-residential. The Central and North regions appear to dominate with the number of plans passed indicating a sustained high level of demand and hence construction activity in these areas.

Electricity Consumption



Source: EThekweni Municipality: Electricity Department

Electricity consumption has been fairly consistent over 2009/2010.



Fast Facts

Municipal Services

Number of Water Connections

Customer	2010 Jan - June	2011 Jan - June
Domestic	2,529,809	2,638,832
Non-domestic	105,431	107,422
Total	2,635,240	2,746,254
Percentage change	-	4.2%

Water Consumption (kl)

Customer	2010 Jan - June	2011 Jan - June
Domestic	1,969,559	1,980,225
Non-domestic	1,460,180	1,349,494
Total	3,429,739	3,329,719
Percentage change	-	2.9%

Source: EThekweni Municipality: Water and Sanitation Unit

Water connections and consumption has steadily increased during the first two quarters of 2010 and 2011.

National Treasury Budget Report

On the 14th of September the National Treasury released the Local Budget and Expenditure Review. The Review provides a context for local governance, financing and financial management issues, municipal performance in service delivery, and service delivery contexts of different municipalities.

According to the revenue and expenditure trends in local government in 2010/2011, Municipalities had placed R191 billion in operational budgets, approximately one fifth of overall government spending. R41 billion was allocated to infrastructure spending, which is equivalent to 15.9% of total public sector infrastructure spending.

In general, Municipal revenues and expenditures have grown rapidly over the Review period. Capital spending grew very strongly until 2009/2010, but has since shown signs of little growth over the medium term.

The 2011 Local Government Budgets and Expenditure Review is available at www.treasury.gov.za

Special Economic Zones

Industrial land challenges in South Africa continue to undermine the competitiveness of the industry. The Economic Development Unit in partnership with Municipal Institute of Learning (MILE) held a seminar to discuss the following:

- Diverse challenges facing the cities
- Promotion of learning
- Strengthening partnerships in research, policy development and implementation

The specific objective of the seminar was to share lessons learnt from the implementation of spatial development initiatives in enhancing industrial competitiveness. The theme of the seminar was centred on increasing the international competitiveness of economic regions through special economic zones (SEZs).

Municipalities had placed R191 billion in operational budgets, approximately one fifth of overall government spending

Durban Business Fair

On the 23rd to 25th September 2011, the Durban Business Fair was held at the Durban Exhibition Centre. The Fair, currently in its 13th year of existence within the city, provides an excellent opportunity for SMME'S, corporations, and financial institutions to show case their products and services.

The objectives of the fair are to:

- Affirm eThekweni Municipality's commitment to SMME promotion and development
- Build common understanding on issues affecting business operations
- Provide networking opportunities for SMME's and national, provincial and local support agencies and structures
- Capacitate and prepare SMME's for exposure in marketing and sales of their products and services

Recent Developments

Durban Business Fair Statistics:

Number of visitors (current and historical)

Days	2008	2009	2010	2011
1st day	3,642	4,276	5,390	3,500
2nd day	2,748	5,678	5,750	3,200
3rd day	3,776	5,118	5,270	3,625
Total	10,166	15,072	16,410	10,325

Number of Durban Business Fair Participants

2008	2009	2010	2011
314	367	372	390

Cato Ridge Local Area Plan

The Cato Ridge Local Area Plan (LAP) opens for public comment on the 1st October 2011 and closes on the 24th October 2011. Please contact Ashena Ramloutan at ramloutana@durban.gov.za for more information.

Mpumalanga Town Centre

The Mpumalanga Town Centre receives a further R4.4 million from COGTA and R5 million from National Tourism.



The EDGE Fast Facts is produced by the eThekweni Economic Development Unit (Policy, Strategy Information and Research department).

To provide feedback or queries please email Aurelia Albert on
AlbertA@durban.gov.za
Tel: 031 311 4015.

