



**Lejweleputswa**  
DISTRICT MUNICIPALITY

# **Lejweleputswa**

# **Growth and Development**

# **Strategy**

**2007/08**

**'Beyond the rock'**

## CHAPTER 1: INTRODUCTION



**Executive Mayor: Cllr Sebenzile Nqanelizwe**

“Beyond the rock” is a theme that exemplifies the determination to transform the Lejweleputswa economy far beyond the mining sector into an economy that is viable and sustainable that will serve the people for generations to come.

Lejweleputswa is not developing a GDS in isolation. A range of National and Provincial policy documents informs GDS thinking for Sedibeng and creates an important context for our own plans and strategies. Achieving a developmental state is not a responsibility of government alone – let alone municipalities. In the spirit of the 2003 agreement at the National Growth and Development Summit, stronger partnerships between government, organized labour, organised

business and the community constituency are needed to address the investment, employment and poverty challenges our country faces. Over the last three years, government has developed a range of intervention approaches to support and guide action on growth and development. The most important of these are:

- a) The Ten Year Review: Reflecting on the lessons and experience flowing from the first democratic decade;
- b) Asgi-SA: A framework setting out how South Africa can achieve shared and accelerated growth;
- c) National Spatial Development Perspective: Outlining a spatial approach to the economic development of South Africa;
- d) Free State Growth and Development Strategy: Identifying the key levers for growth in the Free State;

The era post 2006 local government elections ushered in urgency to position districts and metro on a sound growth and development trajectory. Lejweleputswa, like other districts in the country, is not immune to high poverty and unemployment levels and therefore has a moral obligation to address these challenges with all the might it deserves. The growth and development of the district is not only the challenge of Lejweleputswa District Municipality, but a commitment by all three spheres of government in their endeavour to grow the economy at a rate that will yield the improvement of the socio-economic conditions of South Africans as a whole.

The district has been adversely affected by the decline in the gold industry and therefore requires an interventionist approach to bring the economy to a positive growth trajectory. While it is true that municipality's role is to ensure that the environment is conducive for

economic development and to play a leading facilitation role. However, growth and development can be achieved when all stakeholders are in partnership, namely, business, labour, civil society and the NGO sector. Lejwleputswa has embarked on a stakeholder participation process in its endeavour to develop a district GDS.

The district comprises the following 5 municipalities and covers an area of 31686 square kilometres:

- **Masilonyana Local Municipality** consisting of the following towns: Theunissen, Brandfort, Winburg, Soutpan and Verkeedevlei
- **Matjhabeng Local Municipality** consisting of the following towns: Welkom, Virginia, Odendaalsrus, Hennenman, Ventersburg and Allanridge
- **Nala Local Municipality** consisting of the following towns: Bothaville and Wesselsbron
- **Tokologo Local Municipality** consisting of the following towns: Boshof, Dealesville and Hertzogville
- **Tswelopele Local Municipality** consisting of the following towns: Bultfontein and Hoopstad.



## CHAPTER 2: GROWTH AND DEVELOPMENT IMPERATIVES



<b>MDG</b>	<b>NEPAD'S GOALS AND PRIORITIES</b>
<p>Goal 1: Eradicate extreme poverty and hunger</p> <p>Goal 2: Achieve universal primary education</p> <p>Goal 3: Promote gender equality and empower women</p> <p>Goal 4: Reduce Child mortality</p> <p>Goal 5: Improve maternal health</p> <p>Goal 6: Combat HIV/AIDS, malaria and other disease</p> <p>Goal 7: Ensure environmental sustainability</p> <p>Goal 8: Develop a global partnership for development</p>	<p>NEPAD's goals are threefold:</p> <ol style="list-style-type: none"> <li>1. To promote accelerated growth and sustainable development,</li> <li>2. To eradicate widespread and severe poverty, and</li> <li>3. To halt the marginalisation of Africa in the globalisation process.</li> </ol> <p>These goals translate into six concrete sectoral priorities:</p> <ol style="list-style-type: none"> <li>1. First, bridge the Infrastructure Gap (this priority is tackled along four different angles - bridging the Digital Divide, Energy, Transport, Water and Sanitation).</li> <li>2. Second, build human resources (this priority regroups four missions - reduce poverty, bridge the education gap, reverse the Brain Drain and improve health).</li> <li>3. Third, develop a strong and sustainable agriculture.</li> <li>4. Fourth, ensure the safeguard and defence of the environment.</li> <li>5. Fifth, spread and favour culture across the continent. Sixth, finally, develop science and technology.</li> </ol>

### 2.1 Global and Continental Context (MDG and NEPAD)

The eight Millennium Development Goals (MDGs) – which range from halving extreme poverty to halting the spread of HIV/AIDS and providing universal primary education, all by the target date of 2015 – form a blueprint agreed to by all the world's countries and the world's

leading development institutions. They have galvanized unprecedented efforts to meet the needs of the world's poorest.

**"We will have time to reach the Millennium Development Goals – worldwide and in most, or even all, individual countries – but only if we break with business as usual. We cannot win overnight. Success will require sustained action across the entire decade between now and the deadline. It takes time to train the teachers, nurses and engineers; to build the roads, schools and hospitals; to grow the small and large businesses able to create the jobs and income needed. So we must start now. And we must more than double global development assistance over the next few years. Nothing less will help to achieve the Goals."**

***United Nations Secretary-General***

***Kofi A. Annan (Fmr. UN Secretary General)***

## **2.2 National Context (NSDP and ASGISA)**

As far back as 2003 government has embarked on a social dialogue in its endeavour to form a partnership with its constituencies in Nedlac to address the investment, employment and poverty challenges the

country faces. The work of the partnership culminated in the formulation of a growth and development strategy.

### **Objectives of the GDS**

To give effect to this vision, the constituencies commit to:

- a. Building an enduring partnership - Promoting a shared vision of South Africa's growth and development strategy to frame sector and developmental agreements and lay the basis for partnerships in action.
- b. Addressing urgent challenges - Selecting from many possible interventions those which hold the promise of the greatest possible impact in the shortest possible time for accelerated investment, job creation, improved efficiency and productivity, greater social equity, and a fairer distribution of economic opportunities and rewards, while undertaking serious social dialogue on broad policy frameworks.
- c. Lending a hand - Securing the commitment and active participation of all constituencies in those areas identified for prioritised action in ways that build on lessons learnt from development programmes.

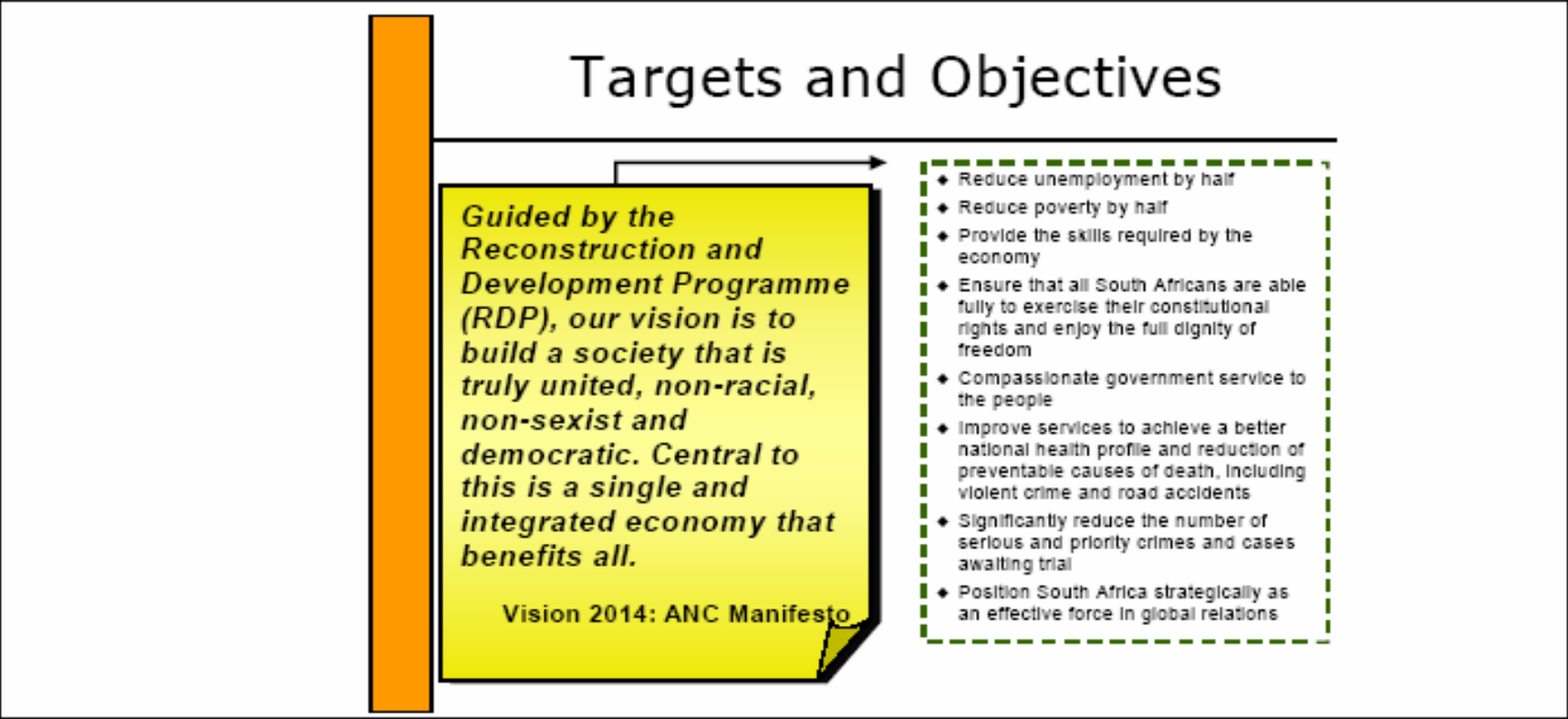
The constituencies recognise that the outcomes of the GDS will lay the basis for:

- a. Immediate action to address the challenges set out above.
- b. Ongoing social dialogue on the employment challenge and on a range of issues of mutual interest on which a national consensus needs to be developed after the GDS.

Subsequently this process cascaded down to provincial and local government levels which culminated in the hosting of GDS summits nationally. Many initiatives were undertaken at national level in particular such as AgiSa, JIPSA, the National Spatial Development Perspective (NSDP) and others to provide for the macro economic framework in which growth and development should occur. The growth

and development further has to occur within the context of the Millennium Development Goals (MDG's) targeting 2015 as well as the Nepad goals and targets which resulted in the government's 2014 Vision (See Figure 1) in particular of halving poverty and unemployment; and to set economic growth targets of 6%.

Figure 1: Government's 2014 Vision



Source: Robust and Inclusive Municipal Economies (dplg, 2005)

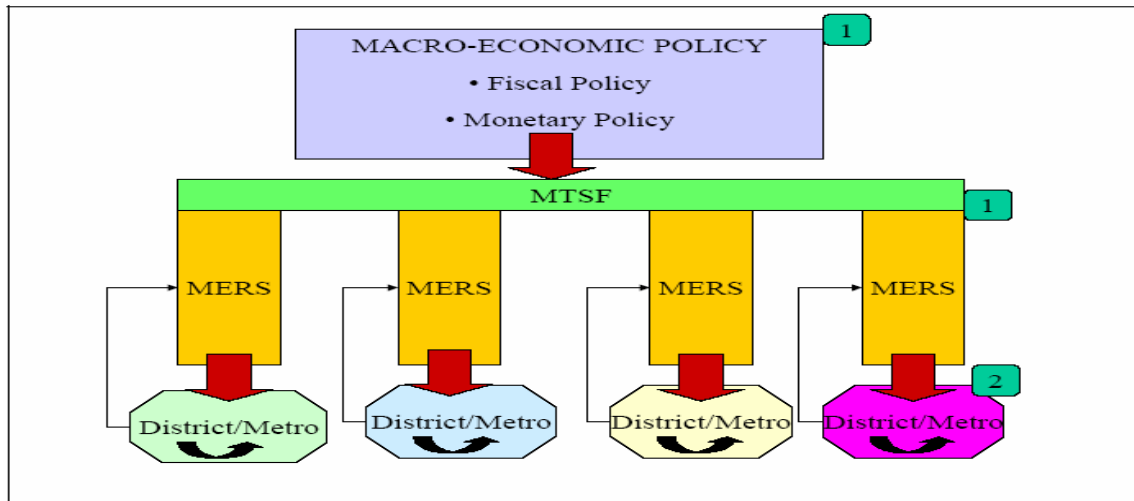
Figure 2 below illustrates the coordination between national and provincial policy coordination and how they cascade down to district and metro levels. According to the figure there are two key drivers for growth and development in the context of a developmental state. The first is what national and provincial government does within district and metropolitan areas (supply-side measures). The second is what district and metropolitan municipalities together with local role players do to grow the local economy (self-driven measures). National and provincial governments have developed growth and development strategies as well as what is term Micro Economic Reform Strategies (MERS) which are the Growth and Development Strategies (GDS). National government came up with the NSDP, AsgiSa and JIPSA as

initiatives to growth the economy and to enhance development. The key performance areas of MERS are:

- economic growth;
- employment creation;
- competitiveness;
- broad-based economic empowerment; and
- appropriate geographic spread of economic activity.

MERS will focus on identified input sectors, growth sectors and cross cutting interventions (dplg, 2005).

**Figure 2: Economic policy coordination framework**

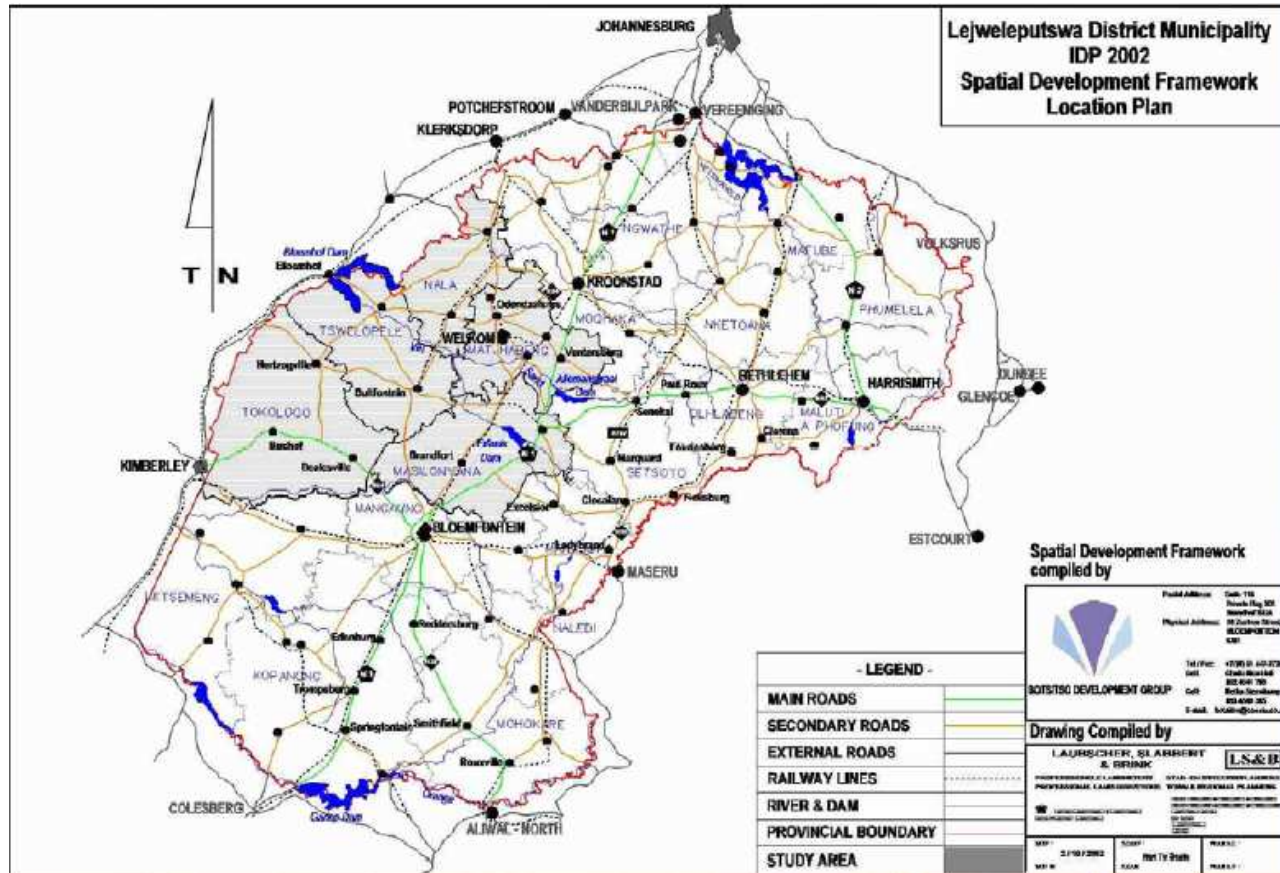


Source: Robust and Inclusive Municipal Economies (dplg, 2005)

### 2.3 Provincial Context (FSGDS)

The Free State Growth and Development Strategy (FS GDS) outlines the development vision and, in line with Vision 2014, sets the goal for attaining an economic growth rate of 6% per annum.

Figure 3:





### 2.3.1 Development Objectives and Targets

Based on the social and economic development challenges of the province, the Free State Province has identified the following as primary development objectives:

- *Stimulate economic development.*
- *Develop and enhance the infrastructure for economic growth and social development.*
- *Poverty alleviation through human and social development.*
- *Ensure a safe and secure environment for all the people of the province.*
- *Promote effective and efficient governance and administration.*

To give effect to these developmental objectives, the province has identified the 11 areas that need to be addressed by 2014:

1. To achieve an annual economic growth rate at least equal to the national average economic growth rate.
2. To reduce unemployment from 38.9% to 20%.
3. To reduce the number of households living in poverty by 5% per annum.
4. To improve the functional literacy rate from 69.2% to 85%.
5. To reduce the mortality for children under five years to 65 per 1000 live births.
6. To reduce the obstetrical maternal mortality rate from 65,5 to 20,06 per 100 000 women in the reproductive age group.
7. To stabilise the prevalence rate of HIV and AIDS and reverse their spread.
8. To provide shelter for all the people of the province.

9. To provide free basic services to all households.
10. To reduce the crime rate by at least 7% per annum.
11. To provide adequate infrastructure for economic growth and development.

### 2.3.2 Key Priority Areas

In order to achieve the above-mentioned targets, the following key priority areas, strategies and programmes have been identified particularly aimed at economic growth and development as well as employment:

#### 2.3.2.1 Economic Growth, Development and Employment

- Apart from the current high, unacceptable rate of unemployment and the low levels of economic growth, the challenges facing the province are the job losses in primary industries due to global cost drivers. This will enable the Free State to move up the value chain by beneficiating its raw materials thereby creating much-needed job opportunities.
- The Free State aims to optimise and broaden the province's current economic profile by placing more emphasis on the key economic sectors such as tourism, agriculture and manufacturing. In our commitment to bridge the gap between the first and second economies the province will focus on developing and expanding the SMME sector, facilitating greater access to capital and creating opportunities for Broad Based Black Economic Empowerment.

### 2.4 District Context

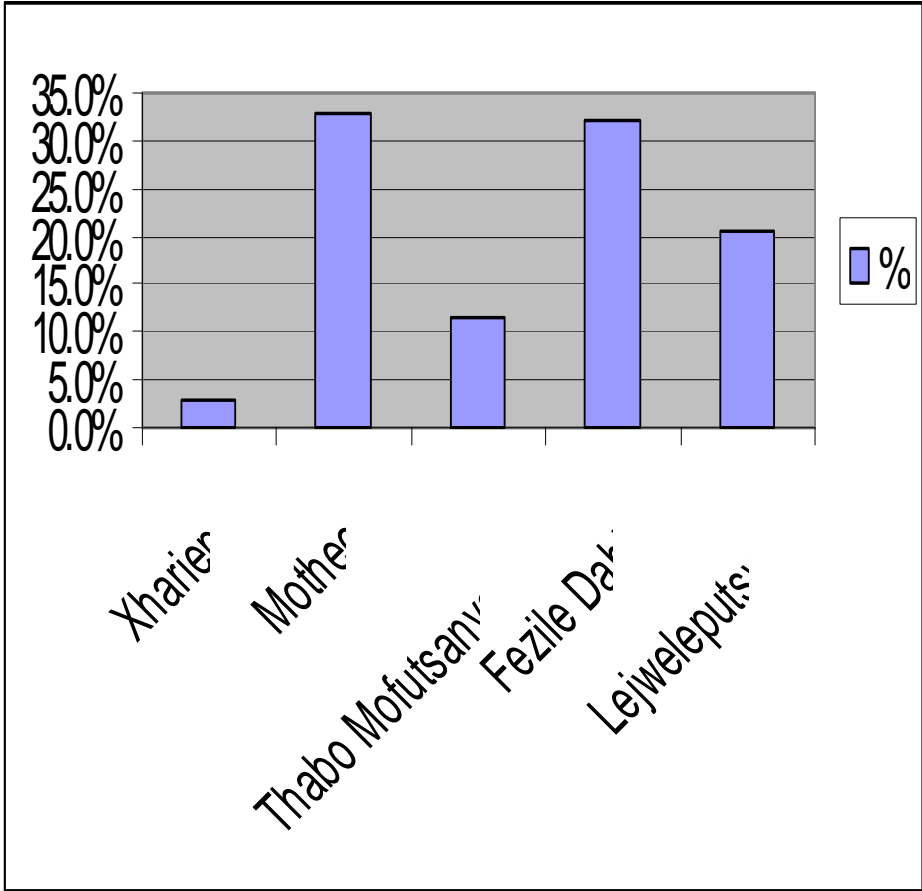
Considering the FS Growth and Development Strategy, all districts should align their development plans in accordance with the objective set by the Vision 2014 which sets the goal for attaining an economic growth rate of 6% per annum.

Lejweleputswa is therefore the responsible body to produce a GDS in unison with stakeholders from all five local municipalities. Local municipalities remain responsible for their own LED strategies, however synergy has to prevail between what is termed the “regional economic strategy”, which is the regional GDS and the LED strategies of local municipalities. The district GDS is developed within the context of the district IDP.

**2.4.1 District demographics**

The geographic area of the LDM is an economic landscape dominated by mining and agriculture sectors, evident in population density (Lejweleputswa District Economic Strategy, 2005).

**Graph 1: Comparative GDP contribution per district to the Free State economy**



The demographic information in relation with some of the key economic data provides for a departing point with regards to the socio-economic profile of Lejweleputswa.

Although a more detailed economic analysis will be provided later in the document, a broad overview is required at this stage (see Table 1).

Municipalities	Population, 2001		GDP contribution (%), 2004	Area	
	Numbers	%		Ha	%
Masilonyana	64409	9.8	10.8	679696	21.3
Tokologo	32457	4.9	1.5	931928	29.2
Tswelopele	53719	8.2	5.9	651412	20.4
Matjhabeng	408167	62.1	72.4	515548	16.2
Nala	98264	15.0	9.4	412270	12.9

Source: Statistics South Africa, 1996 and 2001; Global Insight, 2004

Considering the statistical overview provided above in Table 4.2 the following main conclusions should be made:

- Matjhabeng covers 16.2% of the area of the District, but accommodates 62.1% of the population and produces 72.4% of the District GDP. The main economic contribution comes from the mining sector.
- Masilonyana covers 21.3% of the area of the district, has 9.8% of the population, and has the second highest GDP contribution in the District (10.8%). The main economic sector is again mining.
- The third largest economic contribution comes from Nala with 9.4%. The main economic contribution comes from agriculture.
- Tswelopele covers just over one fifth of the area of the municipality with 8.2% of the population. It contributes 5.9% of the GDP in the Free State. Agriculture is the largest contributor to the economy in this municipality.
- Tokologo's economic contribution is the lowest (1.5%), but it has the largest area in the District (29.2%) [**Economic Profile for Lejweleputswa, 2007**].

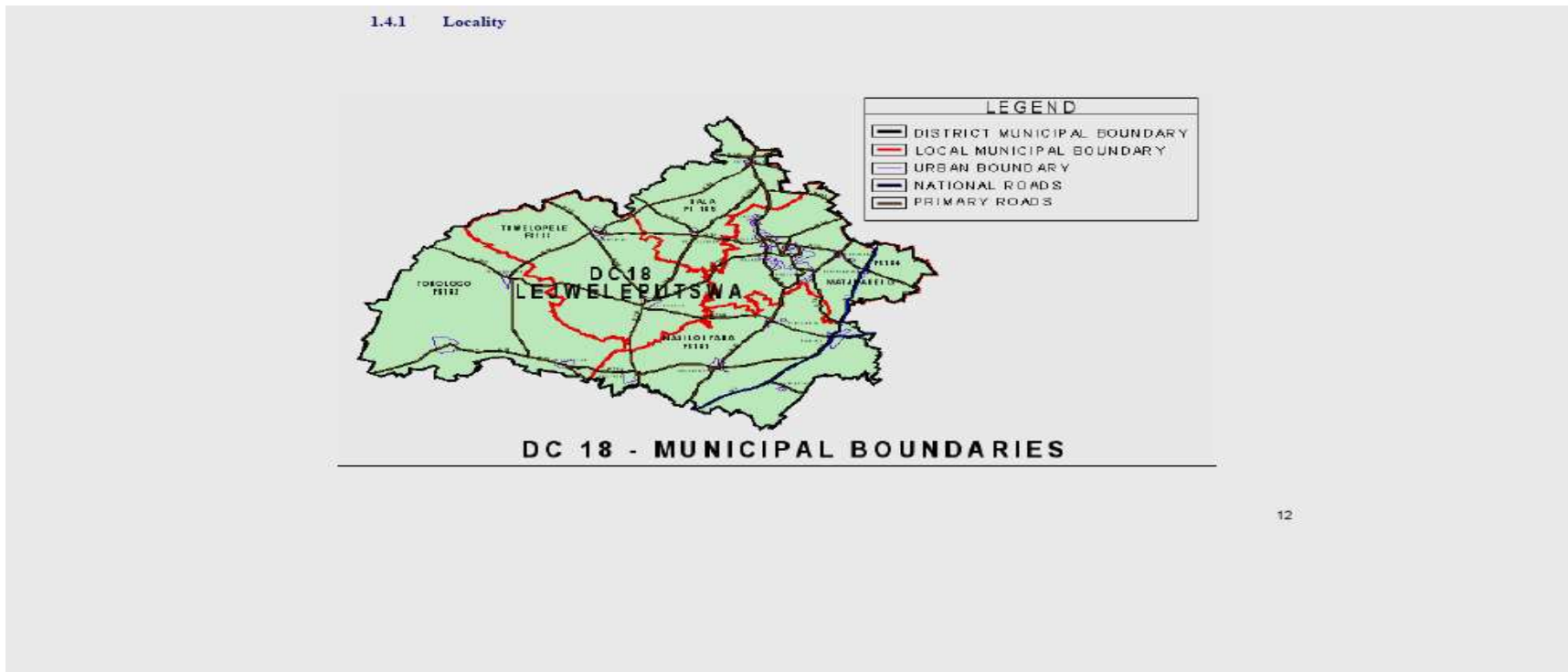
## CHAPTER 3: SPATIAL OVERVIEW

### 3.1 Area description

According to the discussion Document for the Economic Profile for Lejweleputswa, in terms of area, the Lejweleputswa District is the second largest with 24.6% of the provincial area. The District has 24.3% of the Free State's population and contributes to 20.6% of the

economic output in the Free State. The District has the third highest percentage of the Free State's population as well as economic output. According to the IDP Review of 2004/2005, the annual population decrease of 1.3% in Lejweleputswa is significant and is directly related to the decline in the mining industry. However, this does not mean that there is no pressure on township establishment. As many mineworkers move out of hostels as a result of retrenchments, they seek formal stands to settle on.

#### 3.1.1 Area Map



### 3.1.2 Spatial features

Lejweleputswa District Municipality area of jurisdiction is situated in the north western part of the Free State and borders North West to the north; Northern Free State and Thabo Mofutsanyane to the north east and east; Motheo and Xhariep to the south; and the Northern Cape to the west (IDP Review, 2004/2005). The Lejweleputswa District, the Goldfields, is situated north of Mangaung Municipality in the Free State Province. It is accessible from Johannesburg, Cape Town, Klerksdorp and Kimberley (Lejweleputswa District Economic Development Strategy).

### 3.2 Spatial Integration

Lejweleputswa enjoys the benefits of sharing borders with three provinces; the Northern Cape, North West where it is connected to the Maize Triangle and a small chunk of Gauteng. One of the country's main arterial is running through the district namely the N1 which an important economic road link for goods and services linking Gauteng, Limpopo and parts of Northwest provinces with the Northern Cape, the Eastern Cape and the Western Cape provinces. The District has a transport centre for rail, road, pipeline, and airport that makes it accessible to travel and transport goods between Gauteng and the Cape provinces, South Africa's two economic giants.



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**LED & Finance Cluster**

## CHAPTER 4: SOCIO-ECONOMIC PROFILE OF LEJWELEPUTSWA

### 4.1 Cultural heritage

The proud history and heritage of the region will take you on a journey to a variety of landscapes, richly endowed with diverse cultures and peoples (Lejweleputswa, 2004).

The first gold was discovered in the early 1940's. Welkom was specifically designed for the gold-mining community and is one of very few cities in the world designed to completion before any development took place. Development of the city started in 1947 and the first gold in the area was produced in 1951.

The history of gold prospecting and mining in the Free State goes back to the late 19th century when gold was discovered and mined near Vredefort, but it took a considerable time before any substantial gold deposits were found under the open, desolate plains of the north-western Free State. In April 1948, a borehole sunk in search for water on the farm St Helena struck lava, not sub-terranean water. Those who inhabited the farm remained thirsty, but the lava was that of a deep-flowing source of gold ore linked to the famous Witwatersrand. Foreigners and their mines came overnight, people from the rest of the Free State, prospectors from

South Africa, fortune-seekers from the world (Lejweleputswa, 2004).

### 4.2 Social Analysis

#### 4.2.1 The impact of HIV & Aids on the economy

Matjhabeng has the 2nd highest HIV infection rate in the country, and this will have a detrimental economic impact on the region over the next few years. The long-term effect of HIV/AIDS can and will be devastating on the whole community and have a major impact on all economic sectors. Infection rates of as high as 50% has been detected in some areas in the region during tests but the overall rate would probably be closer to the rural and urban areas with added pressure on the rendering of health and educational services and increased costs.

#### 4.2.2 Youth employability

Youth Employability is a priority issue in all the municipalities as youth empowerment and youth development are critical to economic stability. Youth employability goes beyond equitable political representation and opportunity for participation. It deals with issues of skills development and life skills/personal development, which are critical issues for ensuring employability. Skills development focuses on equipping youth with skills that assist them to access economic opportunities and develop technical and professional competencies.

The areas that are a priority in the district for youth employability are as follows: Property Development; Information, Technology and Communication; Agribusiness; and Mining Beneficiation. In addition, the development of mentorship and support programs that link the youth with skills to jobs or entrepreneurial support. Life skills development helps the youth to develop personal behaviours and attitudes that will assist them as employees and entrepreneurs.

#### 4.2.3 Education

A high level of illiteracy exists in the region especially in the rural areas and efforts to address this problem are hampered by a lack of facilities and unavailable resources. There is general lack of technical and agricultural training facilities throughout the region. Vista is the only university in the region and although there are satellite campuses of other institutions in Welkom it is not always accessible to remote urban and rural areas.



#### 4.2.4 Crime analysis

The current level of crime is high and is not bounded to a specific area or person. There is a relationship between crime and the high unemployment rate and migration from rural to urban areas.

#### 4.3 Poverty Profile

##### 4.3.1 Poverty levels

In addition to all the indicators used thus far, a more detailed assessment of poverty levels should also be considered. Table 8.5 compares the Lejweleputswa District with the remainder of the Free State. In Table 8.6, the poverty levels in the District's municipalities are compared.



**TABLE 8.5: Poverty profile per District Municipality, 1996 and 2004**

District	1996			2004		
	People living in poverty	% of people living in poverty in the FS	% of people living in poverty of total population	People living in poverty	% of people living in poverty in the FS	% of people living in poverty of total population
Xhariep	66515	6.3	36.1	98 590	5.9	49.5
Motheo	218096	20.6	33.2	325 958	19.5	44.9
Lejweleputswa	260183	24.5	34.9	448 163	26.8	56.1
Fezile Dabi	193152	18.2	40.4	289 284	17.3	56.1
Thabo Mafutsanyana	321935	30.4	47.1	510 124	30.5	68.1
Free State	1059881	100.0	28.6	1 672 119	--	55.9
South Africa	17100720		40.5	23500962		49.7

Source: Statistics South Africa, 1998; Global Insight, 2006<sup>1</sup>



1996			2004			2005		
People living in poverty	% of people living in poverty in the FS	% of people living in poverty of total population	% of people living in poverty of total population	People living in poverty	% of people living in poverty in the FS	People living in poverty	% of people living in poverty in the FS	% of people living in poverty of total population
260183	24.5	56.1	34.9	448 163	26.8			

Year	People living in poverty	% of people living in poverty in the FS	% of people living in poverty of total population
1996	260183	24.5	34.9
2004	448 163	26.8	56.1
2005*	444 953	27.9	55.3

\* Source: SDS (Specialised Development Sources) , 2007<sup>ii</sup>

Municipality	Number	Percentage in the District	% of people residing in poverty
Tokologo	22923	5.1	79.0
Matjhabeng	249034	55.7	46.7
Nala	71299	15.9	74.6
Tswelopele	46158	10.3	80.1
Masilonyana	56946	12.7	67.7
Lejweleputswa	446360	100.0	56.1

Source: Statistics South Africa, 1998; Global Insight, 2006<sup>iii</sup>

Proportionally, the percentage of people living in poverty in the Free State has increased in the Lejweleputswa District. In 2004, 56.1% of people in Lejweleputswa lived in poverty in 2004 compared to 34.9% in 1996. The 2004 % is also considerably higher than the average for the Free State or South Africa, whilst in 1996 Lejweleputswa was better off than the National average.

#### 4.3.2 Employment/Unemployment

In this section, an overview is provided of employment trends in the Lejweleputswa District.

##### 4.3.2.1 Overview of employment issues

An overview is provided of the number of people formally and informally employed in the Free State

**Table: Employment profile per District Municipality in the Free State, 1996 and 2004**

District	Formal employment				Informal employment			
	1996		2004		1996		2004	
	Number	%	Number	%	Number	%	Number	%
Xhariep	44646	7.1	48232	8.2	4234	7.7	7 912	7.7
Motheo	141714	22.6	156000	26.7	16762	30.5	33 017	32.2
Lejweleputswa	229954	36.7	164390	28.1	11359	20.7	20 503	20.0
Fezile Dabi	100064	16.0	109606	18.7	8491	15.5	15 353	15.0
Thabo Mafutsar	109418	17.5	106477	18.2	14042	25.6	25 705	25.1
Total	625796	100	584705	100	54886	100.0	102 491	100.0

The number and percentage of people that are formally employed in the Lejweleputswa District has dropped from 229 954 (36.7% of the total percentage of people formally employed in the

Free State) to 164 390 (28.1% of the total percentage of people formally employed in the Free State). This sharp decline within 8 years is due to the scaling down of the gold-mining industry. The number of people that are informally

employed in Lejweleputswa has increased from 11 000 to 20 500. However, as a percentage of the informally employed in the Free State, the percentage has remained stagnant at around 20%.

#### 4.3.2.2 Unemployment

Having considered the trends in employment above, the focus now shifts to unemployment. Table 8.2 compares the unemployment levels in terms of the expanded definition across the five Districts as well as with South Africa. Table 8.3 compares unemployment figures within the Lejweleputswa District.

**Table: Unemployment profile per District Municipality in the Free State, 1996 and 2004**

District	1996			2004		
	People unemployed	% of total people unemployed	Unemployment rate	People unemployed	% of total people unemployed	Unemployment rate
Xhariep	17 160	5.8	26.9	28 301	5.6	34.0
Motheo	74 599	25.2	31.3	120 173	23.7	37.8
Lejweleputswa	82 654	27.9	26.2	156 568	30.9	38.8
Fezile Dabi	45 477	15.4	27.4	75 893	15.0	35.6
Thabo Mafutsanyana	75 926	25.7	36.7	125 941	24.8	45.8
Free State	296 427	100.0	29.9	506 876	100.0	39.1
South Africa	4 627 824		33.9	7 382 156		40.4

<b>Table: Unemployment profile in the Lejweleputswa District, 1996 and 2004</b>						
	<b>1996</b>			<b>2004</b>		
	<b>People unemployed</b>	<b>% of total people unemployed</b>	<b>Unemployment rate (%)</b>	<b>People unemployed</b>	<b>% of total people unemployed</b>	<b>Unemployment rate</b>
Tokologo	2174	2.6	<b>22.9</b>	3674	2.4	<b>31.0</b>
Matjhabeng	59746	72.6	<b>26.8</b>	113457	74.5	<b>39.9</b>
Nala	8089	9.8	<b>31.3</b>	13634	8.9	<b>40.8</b>
Tswelopele	4175	5.0	<b>25.7</b>	6904	4.5	<b>32.8</b>
Masilonyana	8080	9.8	<b>26.5</b>	14583	9.5	<b>38.2</b>
Lejweleputswa	82654	100.0	<b>27.2</b>	156 568	100.0	<b>38.8</b>

The percentage of people being unemployed in the Free State, located in the Lejweleputswa District has increased from 27.9% in 1996 to 30.9% in 2004. Within the Lejweleputswa DM, the unemployment rate in Matjhabeng has increased considerably more than in other local municipalities in the District. The municipality with the highest unemployment rate is Nala (40.8%), but it only holds 9% of the unemployed people in the District.

#### **4.3.2.3 Employment per sector**

The table provides an overview of employment per economic sector and for each of the five municipalities in the Lejweleputswa District.

**Table: Changing employment per economic sector in Lejweleputswa, 1996 and 2004**

<b>1996</b>	<b>Agriculture</b>	<b>Mining</b>	<b>Manufacturing</b>	<b>Electricity</b>	<b>Construction</b>	<b>Transport</b>	<b>Finance</b>	<b>Community Services</b>	<b>Total</b>
Tokologo	3,714	366	112	36	72	41	106	539	5,170
Tswelopele	6,722	0	315	30	34	103	208	1,134	9,084
Nala	6,784	168	695	91	185	419	301	1,857	11,365
Matjhabeng	17,034	102,785	5,941	657	2,782	4,938	4,459	15,475	165,049
Masilonyana	5,261	12,959	225	91	322	293	210	1,580	21,598
<b>Total</b>	<b>39,513</b>	<b>116,278</b>	<b>7,288</b>	<b>904</b>	<b>3,395</b>	<b>5,794</b>	<b>5,283</b>	<b>20,584</b>	<b>212,266</b>
% of total	<b>18.6</b>	<b>54.8</b>	<b>3.4</b>	<b>0.4</b>	<b>1.6</b>	<b>2.7</b>	<b>2.5</b>	<b>9.7</b>	<b>100</b>
<b>2004</b>	<b>Agriculture</b>	<b>Mining</b>	<b>Manufacturing</b>	<b>Electricity</b>	<b>Construction</b>	<b>Transport</b>	<b>Finance</b>	<b>Community Services</b>	<b>Total</b>
Tokologo	3908	308	73	36	52	33	113	734	5414
Tswelopele	7094	0	206	30	31	93	223	1553	9743
Nala	7140	154	458	91	154	294	356	2514	12004
Matjhabeng	17344	46766	3631	659	2125	3106	4525	20785	108962
Masilonyana	5536	5914	136	92	277	223	240	2161	15249
<b>Total</b>	<b>41021</b>	<b>53143</b>	<b>4504</b>	<b>908</b>	<b>2640</b>	<b>3748</b>	<b>5457</b>	<b>27749</b>	<b>151373</b>
% of Total	<b>27.1</b>	<b>35.1</b>	<b>3.0</b>	<b>0.6</b>	<b>1.7</b>	<b>2.5</b>	<b>3.6</b>	<b>18.3</b>	<b>100</b>
<b>Per annum growth in employment, 1996 - 2004</b>	<b>0.5</b>	<b>-9.3</b>	<b>-5.8</b>	<b>0.0</b>	<b>-3.1</b>	<b>-5.3</b>	<b>0.4</b>	<b>3.8</b>	<b>-4.1</b>
<b>Economic growth, 1996 - 2004</b>	<b>0.8</b>	<b>-7.9</b>	<b>-2.1</b>	<b>-6.0</b>	<b>-3.5</b>	<b>2.1</b>	<b>1.5</b>	<b>0.9</b>	<b>0.8</b>

The change in employment reflected above in the table requires in the following comments

- The labour absorption rate for mining and agriculture, especially in respect of lower-skilled workers, should be acknowledged. This is evident in the fact that these two sectors provide, as a percentage, more jobs (or similar) to the economic output discussed earlier.
- The evidence above again suggests that large-scale job losses were experienced in mining (-9.3% per annum) and in manufacturing (-5.8%). The annual percentage of job losses in mining corresponds more or less to the decline in economic for sector.
- However, the increase in unemployment in manufacturing is considerably higher than that of the decline in GVA for the sector.
- Noteworthy is also the fact that although the transport sector has grown, jobs have been lost at more than 5.3% per annum, implying that growth took place through increased efficiencies.
- Furthermore, the only sector in which job creation was considerably higher than the economic growth was community services. This probably suggests that job creation in this sector is not necessarily linked to higher levels of economic growth.

#### 4.3.2.4 Informal employment per sector

The profile of informal employment is provided below in the table

**Table: Informal employment per economic sector in the Lejweleputswa District, 2004**

Sector	(n)	(%)
Manufacturing	974	4.7
Construction	1,777	8.7
Trade	13,217	64.4
Transport	485	2.4
Finance	1,917	9.3
Community services	2,159	10.5
Total Informal	20,529	100.0

The vast numbers of people finding an economic basis through trade related activities (spaza shops, shebeens, hawkers, etc.) is again problematic since trading activities is about circulation of goods and money, not about the production of goods (through cultivation or manufacturing). A mechanism should be put in place to assist businesses and enterprises in the second economy to formalise their activities, since the more they remain outside the formal economy, the more they operate parasitically on the formal economy since the latter then has to generate the levies, taxes and rates with which infrastructure expansion and maintenance can be undertaken by the District and Local Municipalities. Such efforts should rather be geared at enterprises with potential and in the right sectors rather than a general approach, e.g. informal manufacturing and transport economy.

The employment levels indicators tell the traditional tale when split on gender base, as men have more employment opportunities in the mining and agriculture sector than women.

The economic reality is that in many instances, two household incomes are necessary to provide sustainable disposable income. This creates the need to ensure that this study leads to interventions that include employment and income-earning opportunities for women, as the mining sector is gender bias. The service industry is one such employment opportunity where women can take a leadership role within the district. When discussing income earning opportunities, caution is necessary, as there is a tendency to link women with informal sector opportunities that make ends meet and does not extend to sustainable projects with sizeable income. The above demographics do not provide us with sufficient breakdown on whether employment includes informal sector economic activity. The current debate is that if an informal sector based on survival mechanisms does not provide sustainable household income, can it be classified as employment? What is critical is that the strategic interventions of this study must create job and income generation opportunities that will improve the current employment, underemployment and unemployment levels, in particular to those of women in the district.

#### **4.4 Development and Underdevelopment in Area**

##### **4.4.1 Rail**

The national railway networks were originally the heavy transportation system of South Africa. The main North South Railway line crosses the area from Brandfort to Henneman in a South-West to North-East line. From this

main route links have been established between Theunissen and Winburg; and Henneman and Railway lines to the national network link some Goldmines in Matjhabeng.

##### **4.4.2 Telecommunications**

Three types of telecommunication systems exists in the areas:

- **TELKOM System** – According to statistics released by the DEMARCATION Board 89,062 households are using public or nearby facilities with another 15,255 households that has no access to telephone services. However this national provider has served the community well and has infrastructure over the whole area. Their policy of cost effective services however means that farming communities that do not use the phone enough cannot have access. Thus the use of Telkom phones is denied to these communities in emergency situations. Telkom infrastructure is prone to theft and thus the cost of providing a services increase.
- **Cell Phone System** – private companies such as Vodacom, Cell C and MTN do provide enough coverage of the whole area.

#### **4.5. Real Estate (Land Availability and Business Properties)**

##### **4.6 Infrastructure development**

###### **4.6.1 Water**

Water infrastructure consists mostly of reservoirs and pipelines of Sedibeng Water. These supply mainly the Goldfields region and the mines with water from the Vaal River near Bothaville and to a lesser extent from the Sand

River. Main reservoirs are east of Allanridge, at Welkom, north and south of Virginia. Pump stations are east of Allanridge and at Virginia where a purification plant also exists. Other water infrastructure consists of Dept. of Water affairs dams, Allemanskraal and Erfenis, together with canals serving the Sand – Vet irrigation scheme. In the south and western region no bulk water supply systems exist except the irrigation canals along the Modder River (IDP Review, 2004/2005).

All towns are thus dependent on ground water extraction. Farmers are also dependent on ground water, but the quality varies substantially becoming more brackish further west. The town of Brandfort extracts water from the Vet river south-west of Theunissen, which is then pumped along the road to Brandfort. The north-western and northern areas of the region have access to the Vaal River system.

#### **4.6.2 Roads and road connectivity**

The road network in the region is well developed and there is no need to extend the network any further. However the road condition is deterioration at rapid pace and very little maintenance is done due to a lack of funding. The maintenance of all primary roads must be an urgent priority for the next five years. It is very important to maintain and upgrade all main routes in order to continue the flow of traffic through area. An emerging fact is that since the drive to curb the overloading of vehicles, secondary roads are more frequented by overloaded trucks to avoid weigh bridges. These secondary roads are not designed to carry these weights and are thus damaged beyond repair within a short space of time.

The maintenance of the tertiary roads is important as it forms the lifeline for the rural community, health, emergency and educational services. In the urban areas the main problem is the condition of the streets and storm water drainage in the townships. Due to high cost of road construction this problem also has to be resolved in a systematic, integrated and sustainable basis (IDP Review, 2004/2005).

#### **4.6.3 Electricity**

The bulk electrical network is well established specifically around the Matjhabeng area. Eskom serves all mines and towns in the District Council area and thus there is sufficient bulk infrastructure available to serve the whole area. However a change in cost recovery and their subsidisation policy has made it very expensive to electrify the rural area, and thus further electrification to farms and farming communities need support.

#### **4.6.4 Solid waste management**

Most towns experience problems with the management of their waste disposal sites and to meet the requirements of the department of Water Affairs. A plan to establish a regional framework for effective waste disposal is required including the possibility of regional dumping sites and how to deal with toxic waste.

#### **4.7 Economic Profile**

According to the IDP Review (2004,2005), the impact of the mining sector is mainly felt in the densely populated urban areas while the main impact of the agriculture sector is the surrounding rural areas. At a national level both

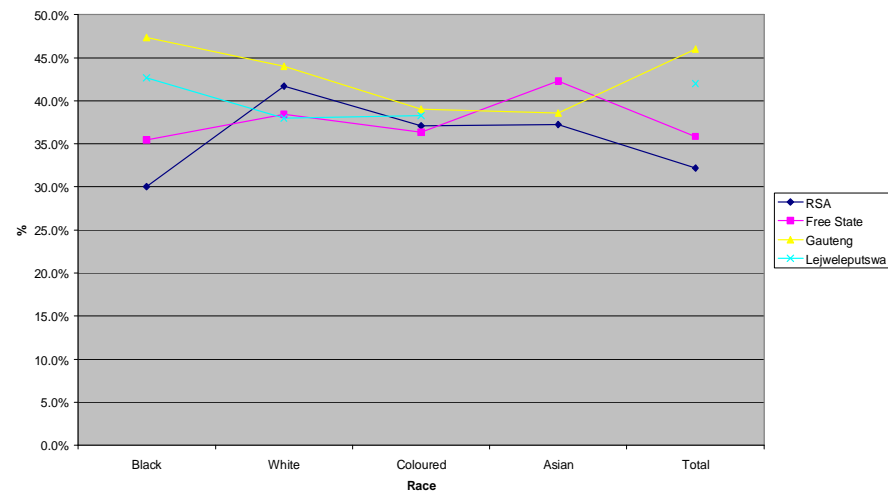


these sectors are recording negative growth rates and this trend is repeating itself at a regional level. The industrial base of the region is mainly centred on the mining and agriculture sectors with very little new industrial development. Apart from moderate industrial activities in the main towns very little industrial activities is taking place in the rest of the region apart from Henneman and Bothaville. One of the challenges for the region is to develop a diversified industrial and commercial base. This can be achieved through a beneficiation process with agriculture products. All primary products are for distribution. The process of value adding to our primary products is one of essential elements to broaden our industrial base. However the economic base of the country is growing away from industries towards information and financial services but the shortage of skills in this area will prevent further growth.

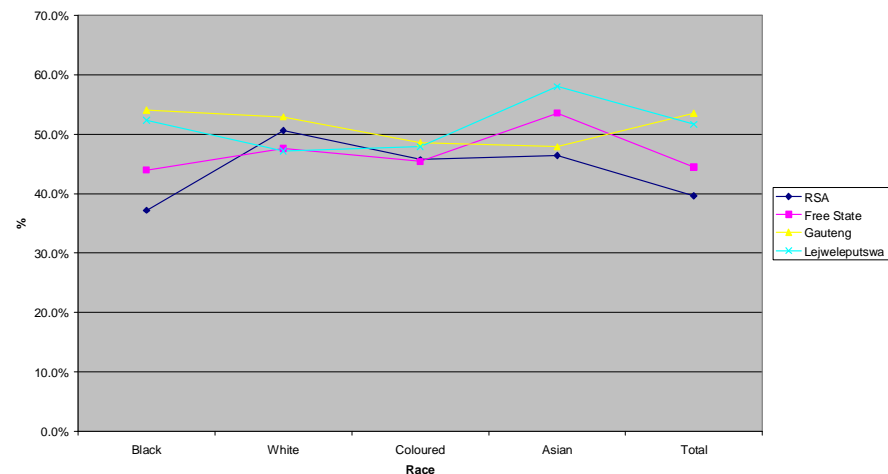
Serious attempts to move our labour force from unskilled work towards skilled work will be absolutely necessary to increase the economic viability of the region. There is very little economic development in all the previously disadvantaged areas with a lack of business infrastructure and business activities. It will be absolutely essential to develop a stronger business presence in these areas and make more business services accessible to local communities.

repeating itself at a regional level.

1996 % Economically active of total population



2005 Economically active population as % of total population



This section provides an overview of the economic profile of the Lejweleputswa District and the district's relation with the Free State province. Lejweleputswa includes the Free State Goldfields and is a major agricultural area. The district is principally known for the Free State Goldfields which are linked to the larger Witwatersrand Basin (gold reefs). By 1992, the goldfield had produced 7 360t of gold from some 20 mines. Almost 90% of all manufacturing and service industries and suppliers were dependent on gold-mining, for example. Therefore the main sectors of the economy are mining with gold as a sub-sector, followed by agriculture (maize production as a sub-sector).

Bothaville is considered one of the most important maize centres in South Africa and also forms part of the Free State Maize Route. The annual

National Maize Production Organization (NAMPO) Harvest Farm and Festival attracts more than 50 000 visitors and is the second largest private agricultural show centre in the world.

Lejweleputswa constitutes one of the large urban areas in the Free State in terms of economic functionality (Assessment of the Free State Growth and development Strategy, 2004). The economic profile of the region is dominated by the mining and agriculture sectors.

The demographic statistics together with a broad overview of the basic geographical information for the Lejweleputswa District and the district's economic contribution to the Free State provides for a comparative analysis with other districts in the Free State (see Table 4.1)



**Table 4.1: A comparison of population size (2001), area (2006), and economic contribution (2004) in Lejweleputswa in comparison with the other districts in the Free State**

District	Population, 2001		Area, 2006		GDP contribution (%) in the Free State, 2004
	Number	% share	Ha	%	
Lejweleputswa	657010	24.3	3 190 855	24.6	20.6
Xhariep	135245	5.0	3 421 312	26.4	2.8
Motheo	728262	26.9	1 399 483	10.8	32.7
Thabo Mafutsanyana	725939	26.8	2 830 200	21.8	11.7
Fezile Dabi	460315	17.0	2 127 178	16.4	32.2

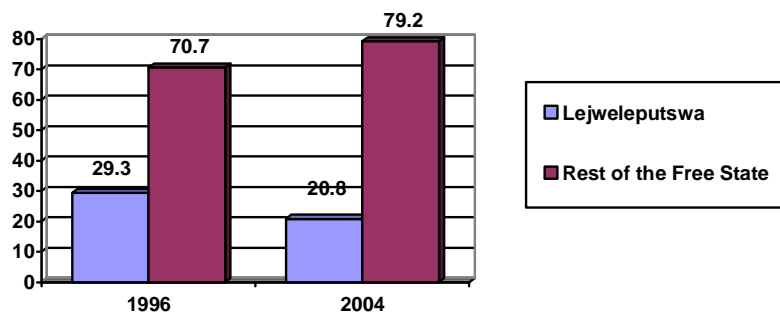
Source: Statistics South Africa, 1996 and 2001: FS GDS, 2006

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The following main comments should be made in respect of the above table:

- In terms of area the Lejweleputswa District is the second largest with 24.6% of the provincial area
- The District has 24.3% of the Free State's population and contributes to 20.6% of the economic output in the Free State.
- The District has the third highest percentage of the Free State's population as well as economic output.

The Lejweleputswa District has 24% of the Free State population and contributes 20.6% of the GDP in the province. **Below is** a comparison of the share of the Lejweleputswa district to the economy of the Free State in 1996 and 2004 (see Figure 6.1).



**Figure: Percentage share of Lejweleputswa of the Free State economy (GDP), 1996 and 2004 (Source: Global Insight, 2004)**

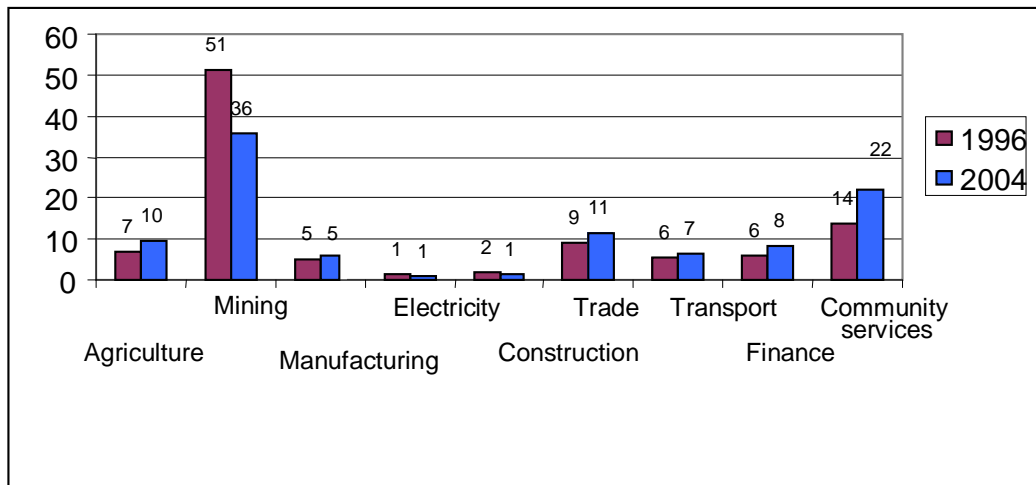
It is evident from the figure above that the proportional contribution of the Lejweleputswa District has declined considerably between 1996 and 2004.

In 1996, the District contributed to 29.3% of the Free State's economy. This has declined to 20.2% in 2004.

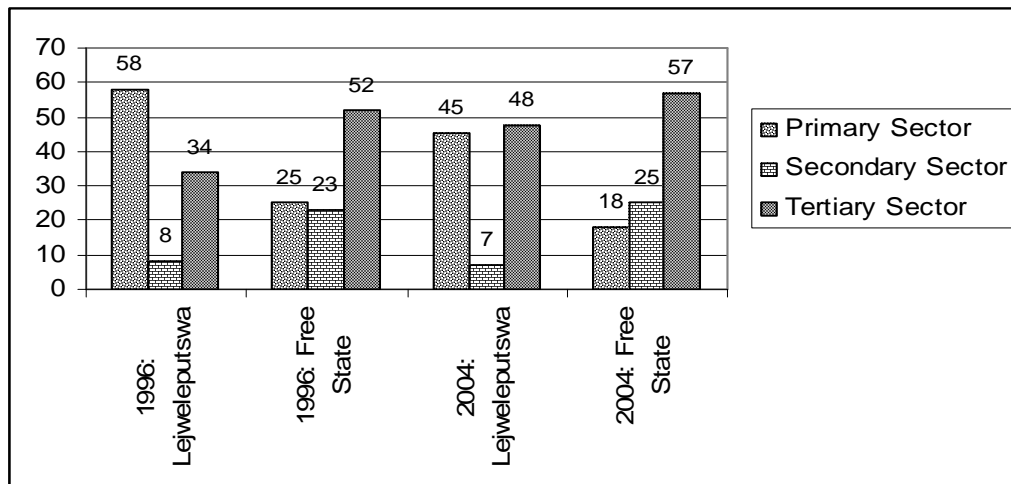
#### 4.7.1 Relative economic contribution of each economic sector in relation to the Free State

Next, the relative contribution of the District's economy to the economy of the Free State is discussed per sector (see Figure 6.3 and Figure 6.4).





**Figure 6.3: The relative contribution of the economic sectors in Lejweleputswa, 1996 and 2005 (using real figures for each year)**  
 (Source: Global Insight, 2004)



**Figure 6.4: The relative contribution of the broad economic sectors in Lejweleputswa in comparison with the Free State, 1996 and 2004 (Source: Global Insight, 2004)**

The following main conclusion should be made:

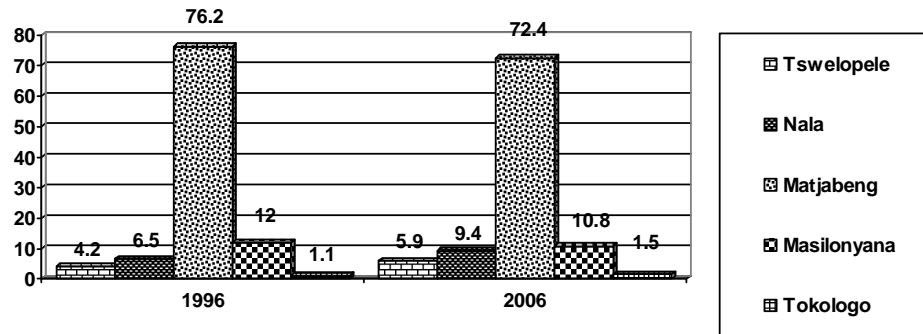
- In mining and construction, the relative contributions to the economy have declined between 1996 and 2004. Mining's relative contribution has declined from over 50% in 1996 to 36% in 2004. In the case of construction, there has been a decline from 2% in 1996 to 1% in 2004.
- In all the other economic sectors, there has been an increase in the relative contribution to the economy – except electricity where it remained more or less constant. The increases in the relative contributions by the other sectors should not necessarily be seen as an increase in the output of these sectors. It is more due to the massive decline in the mining industry output.
- If the statistics are grouped in terms of the primary, secondary and tertiary sectors, it should be noted that the primary sector has declined from 58% in 1996 to 45% in 2004.
- Also to be noted is the fact that the secondary sector has declined from 8% in 1996 to 7% in 2004. The report already alluded to the fact that construction has declined. This decline is directly linked to the declining demand by the mining industry for construction and manufactured goods.

- Compared to the Free State picture, the secondary sector remains underdeveloped. In fact, the slight decline in the secondary sector in Lejweleputswa between 1996 and 2004 had little impact on the the Free State where the relative contribution of this sector increased from 23% - 25% between 1996 and 2004.
- The Lejweleputswa district has experienced a rapid increase in the contribution of the tertiary sector. This sector's relative contribution to the economy of the District has increased from 34% in 1996 to 48% in 2004. However, it still remains lower than the percentage for the Free State (57%).

#### 4.7.2 Percentage of economic contributions per municipality in Lejweleputswa

The relative contributions made to the economy by the respective municipalities (see Figure 6.2 and Table 6.2).





**Table 6.2: The relative contribution of each municipality per sector in the Lejweleputswa District, 2004**

Municipality	Agriculture	Mining	Manufacturing	Electricity	Construction	Trade	Transport	Finance	Community Services
Tokologo	6.3	0.2	1.4	1.5	1.9	0.9	1.0	1.2	2.1
Tswelopele	39.9	0.0	3.7	4.6	1.4	3.7	3.7	4.2	5.2
Nala	25.7	1.3	6.6	8.1	11.8	8.8	11.4	5.2	9.3
Matjhabeng	17.6	79.6	84.8	77.1	75.9	81.7	79.2	84.7	76.1
Masilonyana	10.5	18.9	3.5	8.7	9.0	4.8	4.7	4.7	7.3

**Figure 6.2: The relative economic contribution for the five municipalities in Lejweleputswa, 1996 and 2004 (Source: Global Insight, 2004)**

Source: Global Insight, 2004

The dominant position of Matjhabeng in respect of the economy of the District should be noted. Overall, about 72% of the district's economic output is generated in Matjhabeng. Matjhabeng is followed by Masilonyana where 10.8% of the economy of the District is produced. However, these relative contributions from Matjhabeng and Masilonyana have decreased since 1996. The main reason for the decreases in these two municipalities is the overall decline of the mining industry. At the same time, the relative contributions from the other three municipalities have increased considerably between 1996 and 2004. These increases however do not

reflect real growth, but rather increases because of the declining mining economies in Matjhabeng and Masilonyana.

In respect of the sectoral contributions, the following notes should be made:

- More than 98% of mining takes place in Matjhabeng and Masilonyana
- Just over 65% of agricultural output in the District comes from Tswelopele and Nala.
- Nearly 85% of all manufacturing output is produced in Matjhabeng. Noteworthy is the fact that Nala contributes 6% of output in this sector.
- Matjhabeng is also the main contributing area to the economic output for the other sectors – ranging between 75% and 85% of the economic output.
- The contributions of Nala in respect of Construction (11.8%), Transport (11.4%), Electricity (8.1%), and Trade (8.8%) should also be acknowledged.

#### 4.7.3 Economic diversity

Linked to the above discussion, the question is how diverse the economy of the Lejweleputswa District is? The Tress index measures economic diversity in a specific location. The nearer the index is to 0, the more diverse the economic nature of the specific location is.

**Table 6.3: Economic diversification as measured by the Tress Index in Lejweleputswa, 1996 and 2004**

Area	1996	2004
Tokologo	57.32	60.54
Matjhabeng	68.70	60.88
Nala	54.16	55.92
Tswelopele	77.93	77.52
Masilonyana	78.40	75.29
Lejweleputswa	67.67	62.90
Free State	35.58	40.41

Source: Global Insight, 2004

Overall, the economic diversification in the District is lower than that of the Free State. The Tress Index in Lejweleputswa is 62.9 compared to 40.4 in the Free State. The improvement in the Tress Index from 67.67 in 1996 to 62.90 in 2004 is also not due to other sectors catching up against mining, but rather the mining sector slipping against the other sectors. The best level of economic diversification in Lejweleputswa is found in Nala and Tokologo in 2004

#### 4.7.4 Economic growth

The economic growth rate in Lejweleputswa is considerably lower than the rate for the Free State between 1996 and 2004. At the same time, it should also be noted that there has been a strong link between the up and down



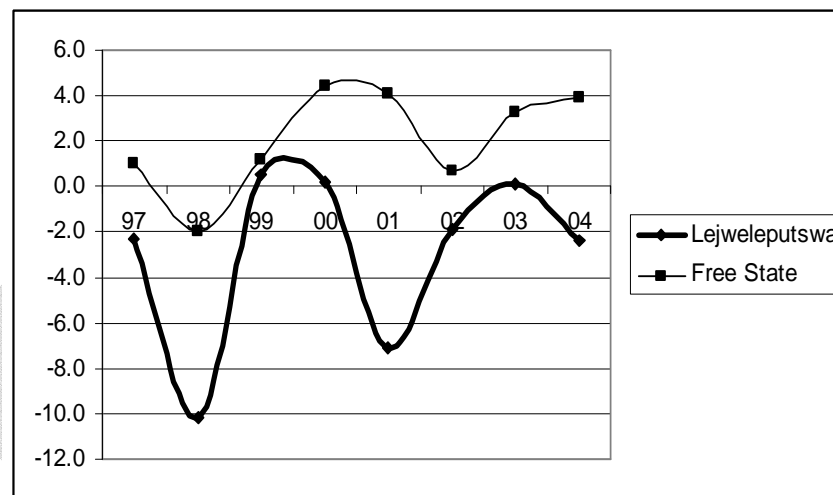
curves of the Free State and Lejweleputswa. The decline in the LDM economy in 1997 to the middle of 1998 pulled down the Free State economy. Similarly the strong upward curve in LDM from middle 1998 to end 1999 pushed the Free State economic growth, with the decline in 2000 till middle 2001 again pulled the FS economy down. LDM growth from middle 2001 to mid 2003 again had a positive impact on the provincial

**Table 6.4: GDP per capita in Lejweleputswa, 1996 and 2004 (constant 2000 figures)**

Area	1996		2004	
		As % of province per capita		As % of province per capita
Tokologo	5575.80	33.523	5346.60	32.941
Matjhabeng	18959.03	113.984	13451.43	82.875
Nala	8054.78	48.427	8234.79	50.735
Tswelopele	9771.25	58.746	9681.66	59.649
Masilonyana	18375.41	110.476	12568.82	77.437
Lejweleputswa	15857.02	95.335	11876.18	73.170
Free State	16 633.00		16 231.00	

economy. The **graph below** shows negative fluctuations for the LDM and positive fluctuations for the province. In addition, it appears as if the LDM economic patterns preceded the provincial developments. The rise in economic growth rates in Lejweleputswa between 1999 and 2000 can be attributed to the weakening of the Rand against the Dollar during that period that had a positive effect on mining output since the mines earn in dollars.

Figure 6.5 provides an overview of annual economic growth since 1997.



**Figure 6.5: Economic growth per annum in Lejweleputswa, 1997 – 2004 (Source: Global Insight, 2004)**

Linked to the economic decline reflected above, Table 6.4 provides an overview of the decline in the GDP per capita in Lejweleputswa between 1996 and 2004.

In 2004, the GDP per capita in Lejweleputswa was considerably lower than in the Free State. This is also visible in the GDP per capita in terms of current prices. The GDP per capita in the Free State was R21 532 (2004 figures) compared to 13 220 in the Lejweleputswa District. Overall, the GDP per capita has decreased since 1996 (constant figures). In 1996, it was recorded as R15 875 per capita compared to R11 876 per capita (constant figures). Large-scale decreases have taken place in Matjhabeng and Masilonyana with small decreases in Tokologo and Tswelopele.

Despite the decreases, the GDP per capita is still considerably higher in these two municipalities compared to the other three municipalities. The per capita GDP decrease in the LDM was severe. In 1996 it was still at 95% of the provincial figure, but by 2004 it has dropped to 73.1%. The decrease was the severest in the local municipalities of Matjhabeng and Masilonyane where it declined from 114% to 83% and from 110% to 77% respectively. The decline of the mining industry was very severe.

#### 4.7.5 Economic analysis per sector

This section provides an analysis of the structure and growth of each of the economic sectors in Lejweleputswa.

##### 4.7.5.1 Mining:

Lejweleputswa District has been reliant on gold mining, with minimal diamond mining that has untapped potential in some parts of the district. Mining and quarrying are primary economic activities within the district, predominately in the Matjhabeng Local Municipality. This sector has declined and it is currently undergoing restructuring and inevitable retrenchments as a consequence. The district finds itself with an economic crisis as the mining sector has created a dependency extended to other economic sectors. The mining sector creates opportunities in machinery and plant; mining timber; iron and steel industry products; explosives; electrical machinery and equipment; and chemicals. Hence, decline in the mining sector has a direct impact on the manufacturing sector, and indirectly impacts on sales in the retail sector and services sector. Taking into consideration the indirect contribution to the economy and the multiplier effects, gold mining's total contribution to GDP is closer to 10 percent.

#### These multiplier effects include:

- Backward linkages, which arise from the purchase of goods and services by the gold mining industry which stimulate industrial production and the provision of services (e.g. gold mines consume 15 percent of all electricity generated in South Africa).
- Forward linkages, arising from the use of mineral products in other domestic industries, such as jewellery fabrication and production of refined gold.
- Social multipliers which arise from the role of mining in the development of human resources and infrastructure such as schools, colleges, clinics, roads, and housing.
- Subsistence multipliers - between seven and 10 people rely on each mineworker for their daily survival.
- The primary incomes multiplier which arises from household expenditures of primary incomes derived from mining.
- The employment multiplier, which arises from the employment created in other industries as a result of gold mining. This multiplier includes the benefits of the provision of employment for workers from deep rural communities and the transfer of funds back to these areas.
- The income terms-of-trade multiplier which arises from the positive impact that gold export earnings have on the balance of payments, foreign reserves, monetary policy and ultimately upon the general level of business activity in the country.
- The capital formation multiplier which arises from mining's influence in attracting foreign capital to the country (via the Johannesburg Stock

- Exchange or via direct investment), and in domestic capital formation.
- Despite the 38 per cent decline in total profits to R2,2 billion in 2000, the industry's direct contribution to the fiscus declined by only 7,7 per cent to R748 million.

The untapped BEE potential within this sector still exists as follows: small-scale mining; re-usage of existing mining infrastructure; alternative development of mining land; and educational and tourism sites on mining land.

The mining sector has been in a process of restructuring for some years and is still retrenching staff, which is particular affecting the mining towns Welkom, Virginia, Odendaalsrus and Allanridge. Allanridge is considered a dying town. It is also estimated that most of the retrenched labour, mainly unskilled, remains in the region and adds to the social problems associated with declining economy conditions.

#### **4.7.5.2 Tourism**

Covering an area which stretches from Ventersburg in the south, to Hoopstad in the north and Boshof in the west and including the vibrating Goldfields of the Free State, the Lejweleputswa region offers a wide variety of tourism jewels - some already glittering and some waiting to be discovered.

Tourism in the area is suppressed, particularly as the region lack natural attractions. There is however a potential to develop tourism with regard to specific areas such as eco-tourism, game farming, mining and cultural

tourism and major sport events. The tourism infrastructure of the region is underdeveloped and will require upgrading before any serious attempts towards tourism promotion is done. The remote rural areas, such as Boshof, Brandfort and Hertzogville offer opportunities towards eco tourism and farms (IDP Review, 2004/2005).

Based on extensive research and consultations, the tourism sector in the Lejweleputswa region has been identified as one of the propellants having the best dynamism to assist in taking regional development significantly forward. Whilst integrally linked to other economic sectors in the region, a unique brand of tourism applications such as events tourism, mining-orientated tourism, game farms / zoological gardens and business tourism, offers exciting entrepreneurial opportunities.

##### **4.7.5.2.1 Existing jewels**

Amongst the existing jewels are the following :

- The Phakisa Race-way between Welkom and Theunissen - world-renowned for its MotoGP races and other motor-racing events. The asset has great investment potential, as well as to become the centrifugal force for secondary tourism hub development around it.
- The Flamingo Casino at Welkom is an attraction in itself.
- Jewellery manufacturing from gold beneficiation at the Jewellery School in Virginia.
- Tikwe Lodge Resort & Conference Centre at Virginia.
- Aventura Aldam Resort & Conference Centre, with the Willem Pretorius Game Reserve, at Allemanskraal Dam.
- The Goldfields Tourism Route starting at Welkom.

- The Anglo Boer War Cemeteries at Brandfort, including different sites of Boer, African and British graveyards.
- The Winnie Mandela House at Brandfort.
- The Winburg Voortrekker Monument.
- The 1956 Women's Pass Resistance Site next to the old Magistrate Court in Winburg.
- The Arts & Crafts Route and Tavern Tours in Welkom.
- Excellent nature reserves, such as Sandveld, Willem Pretorius, Rustfontein, Soetdoring and Erfenis Dam.
- Many private game farms and nature reserves, often offering a host of additional outdoor activities.
- The salt pans at Soutpan.
- Numerous exquisite B&B's, hotels, restaurants, etc.

#### 4.7.5.2 Unearthed Jewels

Jewels to be discovered include the following possibilities:

- An extensive waterfront development on the banks of the Sand River at Virginia
- A fully-fledged tourism centre at Welkom
- Further developments around the Phakisa Race-way
- Possible goldmine underground tours at Welkom, Virginia and St. Helena
- A community-run game project at Boshof

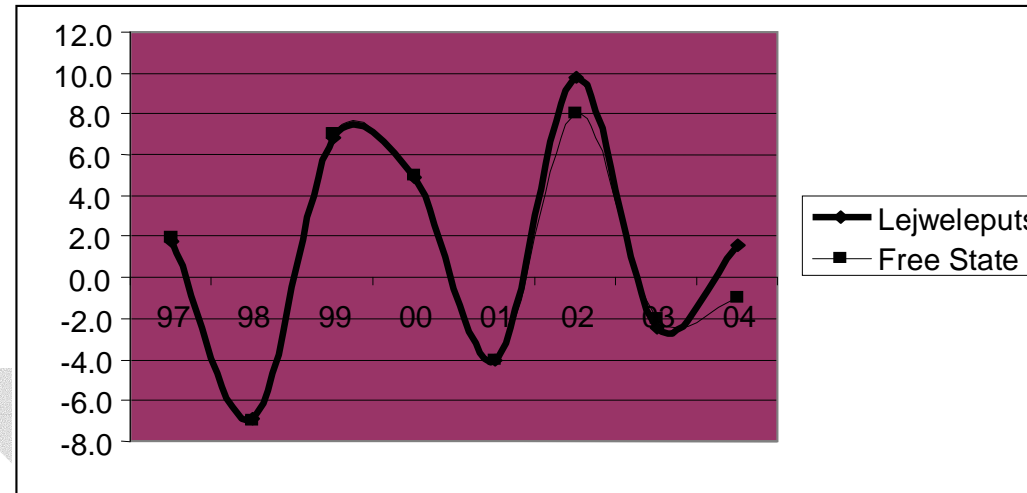
- Opportunities for investment and development in the accommodation, conferencing and tour operating sectors (Bulletin Online: A Newspaper for SMME's).

#### 4.7.5.3 Agriculture

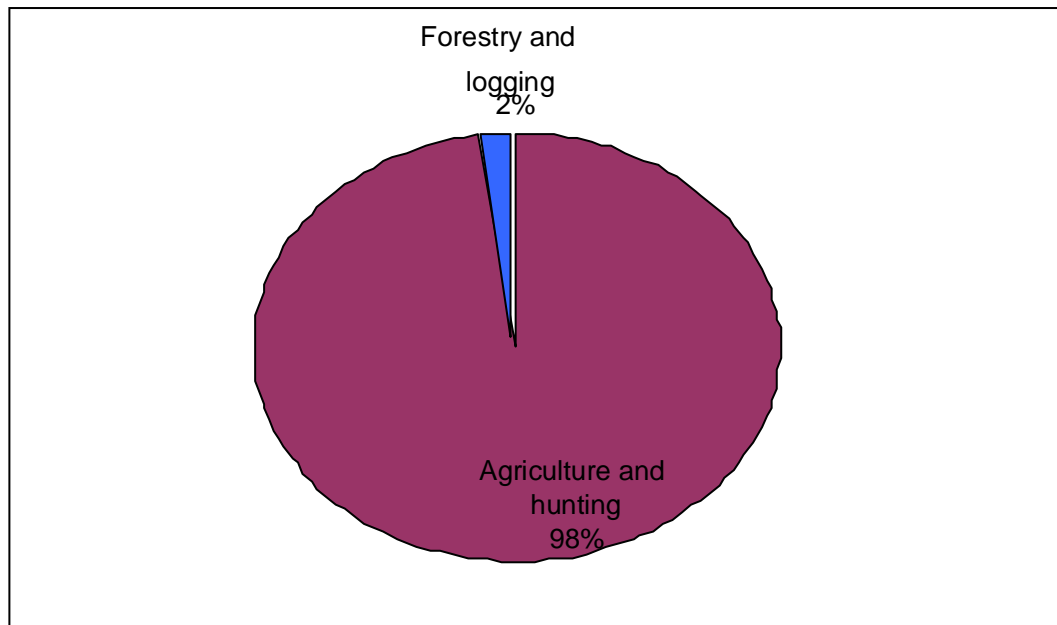
Agriculture is a primary economic activity within the district, ranging from farming, hunting, fishing, and forestry. The agricultural sector plays an important role in job creation and self-employment for the districts residents. It is an important part of sustainable livelihood in the rural areas, and its employment creation potential is under-utilized. This sector can create linkages between the SMME development sectors through the following: promotion of urban agriculture; promotion of small scale farming, intensive farming; organic and hydroponics' product cultivation; promotion of agro-industries; and promotion of agri-tourism.

The growth and structure in the Agricultural sector is reflected in Figures below.





*Figure: Economic growth for the Agricultural sector per annum in Lejweleputswa and the Free State, 1997 - 2004 (Source: Global Insight, 2004)*



**Figure:** *The contributions of the sub-sectors to the agricultural sector in Lejweleputswa, 2004 (Source: Global Insight, 2004)*

Although not expressed in the tables above, the average annual growth rate for agriculture has been 0.8% between 1996 and 2004. The annual growth rate in Lejweleputswa and that in the Free State follow the same trend. The contribution of the sub-sector forestry and logging is 2% while agriculture and hunting contributes 98% to this sector.

An overview of the soil conditions in the Lejweleputswa district is provided below in the Table.

<b>ABLE: Soil Potential in the Free State per district, 2006</b>												
<b>Area</b>	<b>Xhariep</b>		<b>Motheo</b>		<b>Lejweleputswa</b>		<b>Thabo Mafutsanyana</b>		<b>Fezile Dabi</b>		<b>Free State</b>	
	<b>n</b>	<b>%</b>	<b>N</b>	<b>%</b>	<b>n</b>	<b>%</b>	<b>n</b>	<b>%</b>	<b>n</b>	<b>%</b>	<b>n</b>	<b>%</b>
No dominant class	51998.8	1.5	182607.7	13	557593.4	17.5	275685.8	9.8	292928.6	13.8	1360814.2	10.5
Not suitable for agri-culture or commercial forestry; suitable for conservation, recreation, or water catchment	192289.5	5.6	44122.7	3.2	0	0.0	272345.1	9.7	21180.9	1.0	529938.3	4.1
Soils highly suited to arable agriculture where climate permits	40429.7	1.2	0	0.0	752695.8	23.6	50449.7	1.8	327592.3	15.4	1171167.5	9.0
Soils not suitable for arable agriculture or suitable for forestry or grazing where climate permits	1780060.2	52.0	182598.2	13.0	72697.3	2.3	204094.7	7.2	38954.4	1.8	2278404.9	17.6
Soils of intermediate suitability for arable agriculture where climate permits	103951.5	3.0	74700.4	5.3	216174.4	6.8	887504.2	31.5	162474.2	7.6	1444804.8	11.1
Soils of poor suitability for arable agriculture where climate permits	1224527.1	35.8	912732	65.2	1576330.2	49.4	1130815.5	40.1	1261471.8	59.3	6105876.6	47.1
Water bodies/other	28057.1	0.8	2721.8	0.2	15364.3	0.5	473	0	22576.3	1.1	69192.5	0.5

Source: Department of Environmental Affairs, 2000 (CD)

The statistical overview above suggests that:

- Considering the five districts in the Free State, Lejweleputswa District has the highest percentage of soil highly suitable for dry land cultivation (23.6%). This percentage is considerable higher than the average of 9% in the Free State.
- This makes the district the most suited in the Free State for bio-fuel industry based on dry land maize production.

<b>Table: The average agriculture GVA for nine years and average HVA per hectare, 1997 – 2005</b>		
<b>Municipality</b>	<b>GVA for Agriculture (9 year average)</b>	<b>GVA / Ha</b>
Tokologo	45,261,868	48.5
Tswelopele	287,789,199	441.7
Nala	185,171,086	449.1
Matjhabeng	127,996,703	248.2
Masilonyana	75,952,965	111.7
Lejweleputswa	722,171,820	226.3

Source: Global Insight, 2004

The highest yield in terms of GVA per hectare is recorded in Nala (R449/ha per annum). Nala is followed by Tswelopele with R441/ha per annum. The lowest yield is recorded in Tokologo. These differences are associated with the suitability of the soil for agriculture which results in more intensive

farming taking place in Nala and Tswelopele while stock farming is more prominent in Tokologo.

The success of agricultural sector depends on the successful development of an irrigation scheme to support the existing schemes such as the Sanvet Scheme.

The negative growth in the agricultural sector can be attributed to a number of factors including drought, precarious weather conditions, and market conditions. There are other factors causing a large percentage of commercial farmers to experiencing financial problems. Most farmers are also mechanising their operations, which is causing job losses and migration to urban areas. As the economies of the smaller towns are based on business supporting agriculture, the business climate of the smaller towns is showing negative trends.

#### **4.7.5.4 Trade**

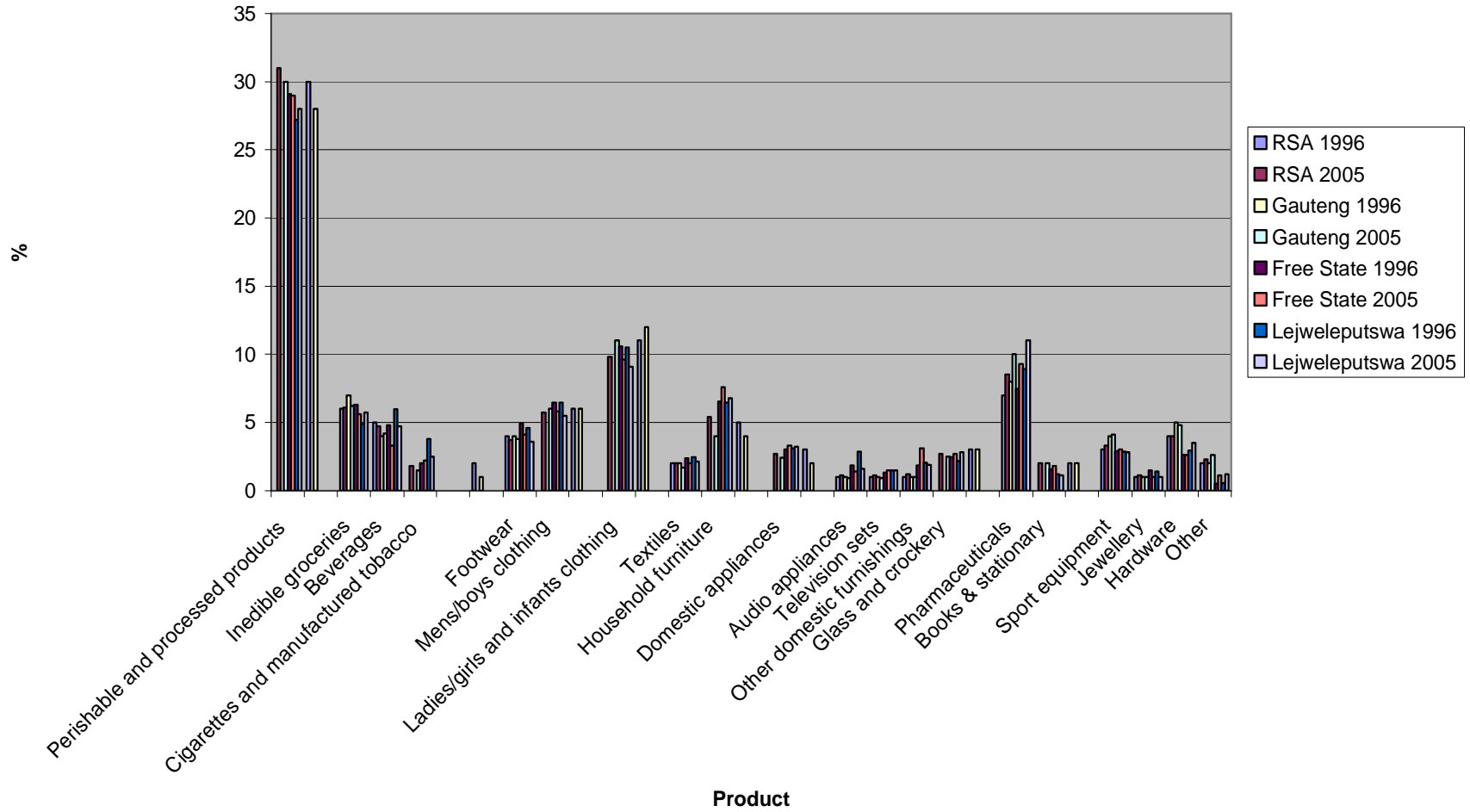
Until the 1990's, the District had a flourishing trade base, with strong linkages to the mining sector, as the leading economic activity. The phenomenon of informal trade is evident throughout the region. This industry need to formalised and regulated. However this is a sensitive issue and any intervention need to plan in collaboration with all stakeholders.

#### **1996 Annual retail trade sales by product type (R1000)**

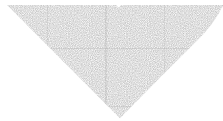
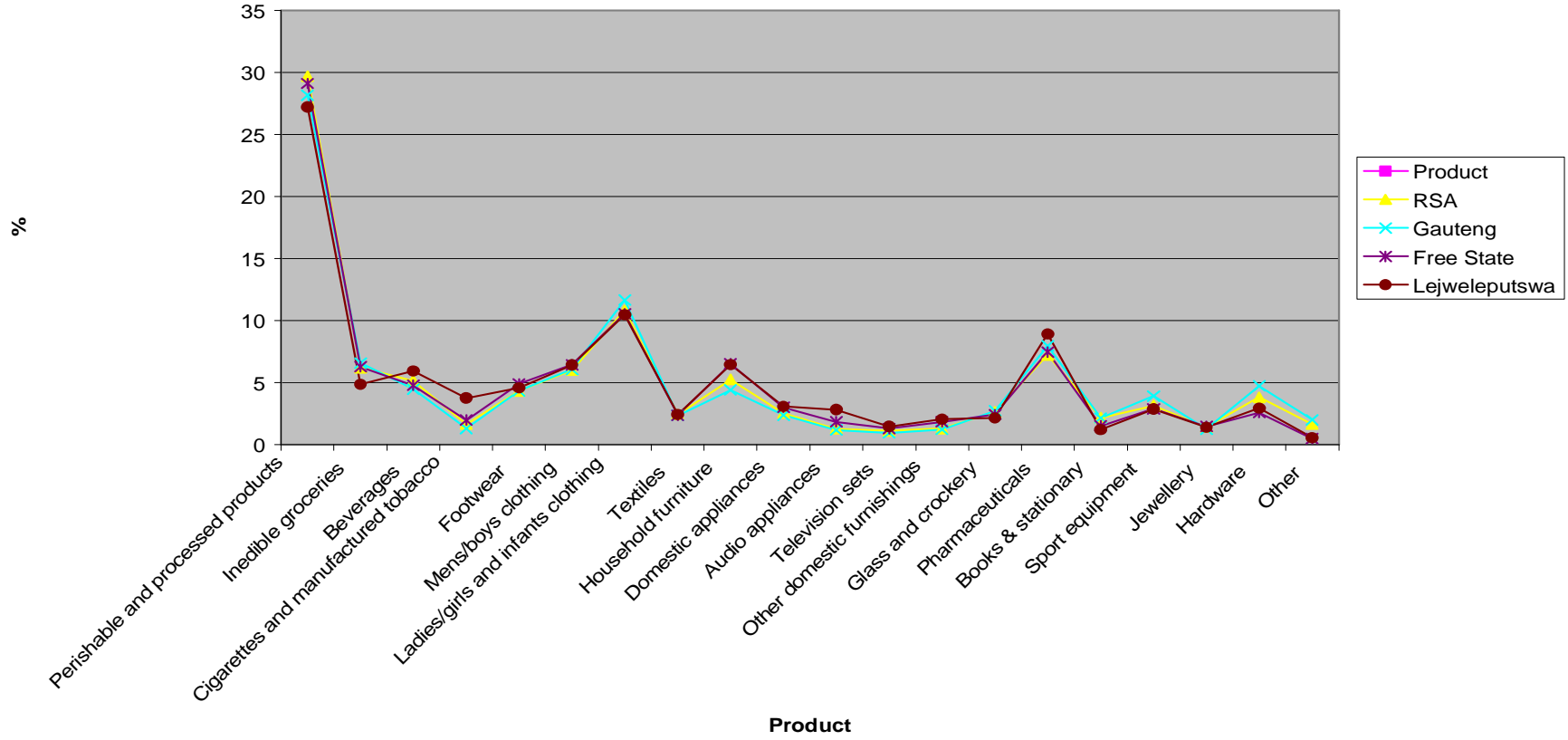


Product	RSA		Gauteng		Free State		Lejweleputswa	
	1996	2005	1996	2005	1996	2005	1996	2005
Perishable and processed products	30	31	28	30	29.1	29	27.2	28
Inedible groceries	6	6.1	7	6.2	6.29	5.6	4.87	5.7
Beverages	5	4.7	4	4.2	4.79	3.3	5.95	4.7
Cigarettes and manufactured tobacco	2	1.8	1	1.5	1.99	2.2	3.77	2.5
Footwear	4	3.7	4	3.8	4.93	4.1	4.59	3.6
Mens/boys clothing	6	5.7	6	6	6.45	5.8	6.45	5.5
Ladies/girls and infants clothing	11	9.8	12	11	10.6	9.6	10.5	9.1
Textiles	2	2	2	1.7	2.39	2	2.45	2.1
Household furniture	5	5.4	4	4	6.53	7.6	6.45	6.8
Domestic appliances	3	2.7	2	2.4	3.02	3.3	3.09	3.2
Audio appliances	1	1.1	1	0.9	1.85	1.4	2.84	1.6
Television sets	1	1.1	1	0.9	1.31	1.5	1.48	1.5
Other domestic furnishings	1	1.2	1	1	1.84	3.1	2.06	1.9
Glass and crockery	3	2.7	3	2.5	2.44	2.7	2.17	2.8
Pharmaceuticals	7	8.5	8	10	7.48	9.3	8.93	11
Books & stationary	2	2	2	2	1.54	1.8	1.2	1.1
Sport equipment	3	3.3	4	4.1	2.9	3	2.87	2.8
Jewellery	1	1.1	1	1	1.48	1	1.4	1
Hardware	4	4	5	4.8	2.59	2.6	2.94	3.5
Other	2	2.3	2	2.6	0.5	1.1	0.55	1.2
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

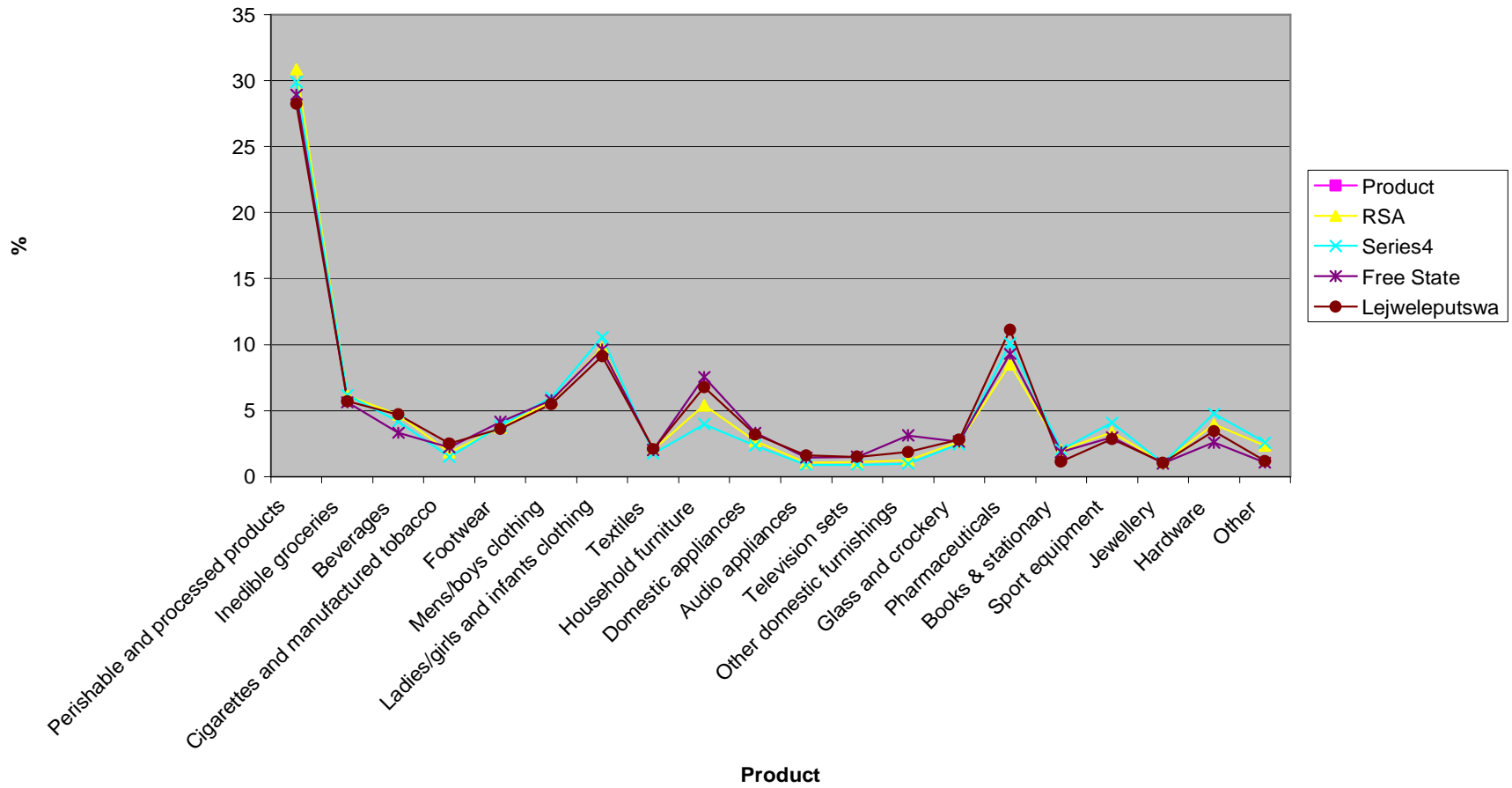
Comparison % Annual retail sales 1996 - 2005



1996 Annual % retail sales



2005 Annual % retail sales



4.7.5.5. Gold Mining's Contribution to Employment

Over the past decade the number of employees on gold mines has more than halved, from 429 649 in 1991 to 197 091 in 2000. Much of the decline can be attributed to natural attrition as the industry has moved from a mass employer of limited, contract, unskilled labour, to an employer of more permanent, mostly semiskilled to skilled labour. This reflects the industry's commitment to the development of human capital and the provision of career paths with adequate training. Whilst the rate of decline in employee numbers slowed after the large fall during the 1997/98 gold price crisis, the decrease is expected to continue.

#### **4.7.5.6 Domestic and international markets**

The export of primary minerals from South Africa has accounted for the largest portion of total foreign exchange earnings for many years. Gold was South Africa's largest export for a number of years, but has now been replaced by platinum. Gold mining, while being a very high net generator of foreign exchange, is also a very low net user of foreign exchange. Much of the materials used in gold mining are sourced from the domestic economy (which also shows that much of the mining technology has been developed locally). Manufacturing, on the other hand, is a very high net user of foreign exchange for the importation of machinery and equipment from overseas. The gold mining industry will therefore continue to play a substantial role in the export earnings of South Africa, impacting on the current account of the balance of payments, on monetary policy and thus impacting on the general level of business activity in the country.

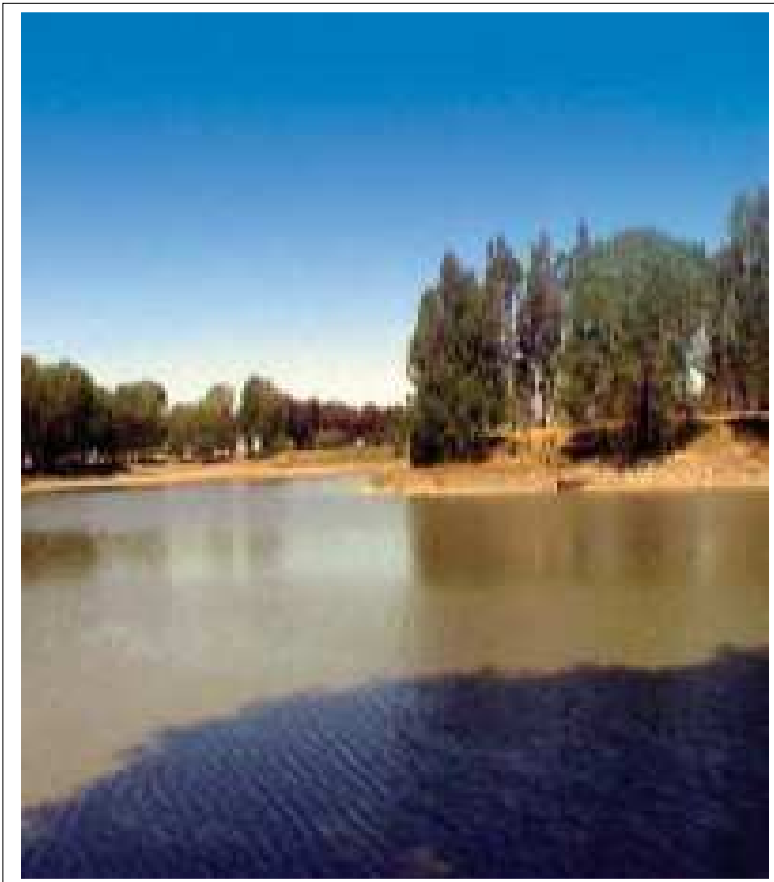
##### **4.7.5.6.1 Gold mining**

The export of primary minerals from South Africa has accounted for the largest portion of total foreign exchange earnings for many years. Gold was South Africa's largest export for a number of years, but has now been replaced by platinum. Gold mining, while being a very high net generator of foreign exchange, is also a very low net user of foreign exchange. Much of the materials used in gold mining are sourced from the domestic economy (which also shows that much of the mining technology has been developed locally). Manufacturing, on the other hand, is a very high net user of foreign exchange for the importation of machinery and equipment from overseas. The gold mining industry will therefore continue to play a substantial role in the export earnings of South Africa, impacting on the current account of the balance of payments, on monetary policy and thus impacting on the general level of business activity in the country.



## CHAPTER 5: KEY GROWTH AND DEVELOPMENT PRIORITIES

These key growth and development strategies are deriving from the Lejweleputswa economic regeneration strategy or better known as the Lejweleputswa District Municipality Economic Development Strategy. However in the light of above, the following priorities have been identified according to the IDP Review (2004/2005):



IDP KEY PRIORITY AREAS	GDS KEY PRIORITIES	GDS PRIORITY AREAS
<b>Economic Development &amp; Tourism</b>	<ul style="list-style-type: none"> <li>• Strengthening of the economy</li> </ul>	<ul style="list-style-type: none"> <li>- Diversification of the economy from mining i.e. industrial and commercial based economy</li> <li>- Increase the multiplier effect of the economy</li> <li>- Develop the gold mining and jewellery business case as it supports the national beneficiation program and the jewellery industry in the district</li> <li>- Increase the focus on the information and financial services sector</li> <li>- Exploring markets for industries that have been wholly dependent on the mining sector</li> <li>- Convert labour force from unskilled workers to skilled workers</li> <li>- Develop strong business activity in the previously disadvantaged areas</li> <li>- Increase accessibility of business to local communities</li> <li>- Expanding the economic concentration throughout the district</li> </ul>
	<ul style="list-style-type: none"> <li>- manufacturing,</li> </ul>	<ul style="list-style-type: none"> <li>-</li> </ul>
	<ul style="list-style-type: none"> <li>- mining</li> </ul>	<ul style="list-style-type: none"> <li>- Re-usage of existing mining infrastructure</li> <li>- Alternative development of mining land</li> <li>- Supporting innovation and by-products from Mining products</li> <li>- Support and Develop post mining economic strategies</li> </ul>
	<ul style="list-style-type: none"> <li>- agricultural,</li> </ul>	<ul style="list-style-type: none"> <li>- Mechanisms to counter precarious weather conditions, and market conditions.</li> <li>- Financial problems experienced by commercial farmers</li> <li>- Job losses due to mechanization of most farmers</li> <li>- Migration of farm workers to urban areas.</li> <li>- Promote business supporting agriculture in smaller towns</li> <li>- Improvement of irrigation scheme</li> <li>- Promotion of bio-fuel industry</li> <li>- Create linkages between the SMME development sectors through the following: promotion of urban agriculture; promotion of small scale farming, intensive farming; organic and hydroponics' product cultivation; promotion of agro-industries; and promotion of agri-tourism.</li> <li>- Promotion of the establishment of cooperatives and producer groupings for the agro-industrial cluster of emerging farmers.</li> <li>- To maintain the importance on aligning all plans set out, the IDP, and the GDS to both the Provincial GDS and ultimately the National Spatial Development Perspective.</li> </ul>

IDP KEY PRIORITY AREAS	GDS KEY PRIORITIES	GDS PRIORITY AREAS
		<ul style="list-style-type: none"> <li>- Localising and practicalizing ASGISA, the NSDP and the objectives of the Pre Summit and the Summit.</li> <li>- To investigate Economic development Links with Gauteng</li> <li>- To targets SMME and SME Sector jobs for growth moving - people from the third economy to the second economic mainstream.</li> <li>- Regarding the Second Economy Interventions it should comprise of all technical, management and financial expertise to compliment the jobs for growth programmes.</li> <li>- Expansion of the mines.</li> <li>- To establish day care centres in Virginia and Theunissen.</li> <li>- To create Arts and Culture centres in Virginia.</li> <li>- To ensure the facilitation of portable skills at Bompodi.</li> <li>- In terms beneficiation to share expertise and knowledge with all Local municipalities on Economic Development and Social Development issues and matters affecting their communities.</li> <li>- To ensure that all the municipalities agree on matters concerning the Matjhabeng multi-purpose stadium and the Cargo Airport.</li> <li>- To ensure that the Pre Summit adopt the draft Implementation Framework as a guideline from the draft Free State Growth and Development Strategy.</li> <li>- To ensure that both Harmony and Goldfields Mining houses be invited to the next Summit in order to give a detailed report on their respective Mining Development, New prospects for Development, Beneficiation and adherence to the Social and Labour Plans (funding of IDP projects in the Municipalities).</li> </ul>
	<ul style="list-style-type: none"> <li>- transport, and</li> <li>- logistics</li> </ul>	<ul style="list-style-type: none"> <li>-</li> <li>-</li> </ul>
	<ul style="list-style-type: none"> <li>- Tourism growth and development,</li> </ul>	<ul style="list-style-type: none"> <li>- Upgrading of tourism infrastructure</li> <li>- To focus on the grading and signage of the tourism sector.</li> </ul>
	1. Ecologic tourism	<ul style="list-style-type: none"> <li>- Develop and conserve nature for tourism</li> <li>- Increasing the employment rate and social and economic development.</li> </ul>
	2. Sport and extreme tourism:	<ul style="list-style-type: none"> <li>- Promote walking tours through the routes of different degrees of difficulty and tourism technique competitions.</li> <li>- Improving the routes.</li> <li>- Developing various types of safety precautions and implementing the new types of equipment.</li> </ul>



IDP KEY PRIORITY AREAS	GDS KEY PRIORITIES	GDS PRIORITY AREAS
		<ul style="list-style-type: none"> <li>- Develop different types of sport tourism packages such as hiking, skiing, water tourism, biking, mountain tourism, horse tourism, auto- and moto-tourism and speleotourism.</li> <li>- Develop sport tourism of the highest difficulty levels such as hang-gliding and para-planing.</li> </ul>
	3. Event and gastronomic tourism:	<ul style="list-style-type: none"> <li>- Develop event tourism large sport competitions such as Tennis Cup, hockey and football matches, cultural events, cinematography festival, ethnic celebrations, weeks of culture and art of different countries and peoples and religious ones.</li> <li>- Develop an event tourism package on anniversaries of different towns which can attract not only locals but foreigners as well.</li> <li>- Develop gastronomic tours aimed at appreciating the peculiarities of a region or country's cuisine.</li> </ul>
	4. Fishing and hunting tourism:	<ul style="list-style-type: none"> <li>- Develop tourism on subsistence hunting and fishing</li> <li>- Develop competition on fishing and hunting</li> </ul>
	5. Excursion tours (cultural and cognitive):	<ul style="list-style-type: none"> <li>- Develop cultural and cognitive or excursion tourism features, visiting heritage sites, travel and trips for the purpose of learning.</li> </ul>
	6. Health recreation tourism:	<ul style="list-style-type: none"> <li>- Develop Health recreation tourism which includes amongst others climate treatment, balneologic treatment, mud treatment etc.</li> </ul>
	7. Children's and youth tourism:	<ul style="list-style-type: none"> <li>- Develop Children's and youth tourism aimed at recreation in the form excursions, health recreational and educational tourism.</li> </ul>
	8. Individual tourism:	<ul style="list-style-type: none"> <li>- Develop individual tourism targeting foreign tourists focusing on fishing and hunting tour.</li> </ul>
	9. Business tourism:	<ul style="list-style-type: none"> <li>- Develop business tourism around conferencing linked to the economic niche of the district such agricultural, mining, as well as scientific conferences etc.</li> <li>- Upgrade hotels and conference centres to 4 star and upwards</li> </ul>
	10. Agri-tourism:	<ul style="list-style-type: none"> <li>- Develop agri-tourism aimed at visiting a working farm or any agricultural, horticultural or agribusiness operation to enjoy, be educated or be involved in activities (farm tours for families and school children, day camps, hands-on chores, self-harvesting of produce, hay or sleigh rides, and overnight stays in a bed and breakfast).</li> </ul>

IDP KEY PRIORITY AREAS	GDS KEY PRIORITIES	GDS PRIORITY AREAS
	11. Mining-orientated tourism	
	Youth employability	<p>The areas that are a priority in the district for youth employability are as follows:</p> <ul style="list-style-type: none"> <li>▪ Property Development;</li> <li>▪ Information;</li> <li>▪ Technology ;</li> <li>▪ Communication;</li> <li>▪ Agribusiness; and</li> <li>▪ Mining Beneficiation.</li> </ul>
	<ul style="list-style-type: none"> <li>• SMME development <ul style="list-style-type: none"> <li>- promoting entrepreneurship through campaigns, leadership training and awards</li> <li>- strengthening the enabling environment through more flexible regulations, better access to finance and markets, improved infrastructure facilities and business support,</li> <li>- enhancing competitiveness and capacity at the enterprise level through skills training, more focused quality-, productivity- and competitiveness support and the facilitation of technology transfer and commercialisation of incubation.</li> <li>- Promotion of sector based SMME's</li> </ul> </li> </ul>	-
	<ul style="list-style-type: none"> <li>• Create an investor-friendly environment for business</li> <li>•</li> </ul>	<ul style="list-style-type: none"> <li>▪ Convert imports into foreign direct investment</li> <li>▪</li> <li>▪</li> </ul>

IDP KEY PRIORITY AREAS	GDS KEY PRIORITIES	GDS PRIORITY AREAS
	<ul style="list-style-type: none"> <li>• Contribute to sustainable job creation and poverty alleviation programmes and</li> <li>• Measures to improve access to finances.</li> <li>• Creating a flexible labour market</li> <li>• Catalyst for economic growth and sustainability</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> <li>▪</li> <li>▪</li> <li>▪</li> </ul>
<b>Infrastructure Development</b>	<ul style="list-style-type: none"> <li>• Infrastructure investment</li> <li>▪ Improving transport and logistics services</li> </ul>	<ul style="list-style-type: none"> <li>▪ Increased investment in infrastructure</li> <li>▪ Integrated planning for development</li> <li>▪ Urban infrastructure and services</li> <li>▪ Infrastructure development (including transportation, roads, basic services, IT &amp; communication) and Housing.</li> <li>▪ Well integrated rural-urban economic development</li> <li>▪ Creating linkages between the road, rail and airport systems.</li> <li>▪ Land reform and commonage development</li> <li>▪ Cargo airport</li> </ul>
<b>Social Development</b>	<ul style="list-style-type: none"> <li>• Education, training and skills development; <ul style="list-style-type: none"> <li>- manufacturing, industrial, agricultural sector</li> <li>- transport, as well as tourism growth and development</li> </ul> </li> <li>Help communities to help themselves</li> <li>▪ Focus on special groups, youth and gender</li> </ul>	<p>Provisioning of technical &amp; agricultural training to promote SMME development. Create a dynamic and appropriately skilled labour force</p> <ul style="list-style-type: none"> <li>▪ Community mobilisation and capacity building;</li> <li>Implementation of special programmes for women, people with disabilities and youth, sport and recreation, children's rights, old age. In addition, the development of mentorship and support programs that link the youth with skills to jobs or entrepreneurial support.</li> </ul>

IDP KEY PRIORITY AREAS	GDS KEY PRIORITIES	GDS PRIORITY AREAS
	<ul style="list-style-type: none"> <li>▪ Social inclusion</li> <li>▪ HIV &amp; AIDS has a high impact on the economy.</li> <li>▪ HIV/AIDS awareness programmes</li> </ul>	<p>Life skills development helps the youth to develop personal behaviours and attitudes that will assist them as employees and entrepreneurs.</p> <ul style="list-style-type: none"> <li>▪ Addressing urgent challenges - Selecting from many possible interventions those which hold the promise of the greatest possible impact in the shortest possible time for accelerated investment, job creation, improved efficiency and productivity, greater social equity, and a fairer distribution of economic opportunities and rewards, while undertaking serious social dialogue on broad policy frameworks.</li> <li>▪ Lending a hand - Securing the commitment and active participation of all constituencies in those areas identified for prioritised action in ways that build on lessons learnt from development programmes.</li> <li>▪ Ongoing social dialogue on the employment challenge and on a range of issues of mutual interest on which a national consensus needs to be developed after the GDS.</li> <li>▪ Conduct a quantitative and qualitative study on the impact of HIV &amp; Aids on the economy</li> <li>High HIV/AIDS infection <ul style="list-style-type: none"> <li>▪ High HIV/AIDS infection rates in particular Matjhabeng</li> <li>▪ Youth unemployment and the emigration of skilled youth out of the district</li> <li>▪ Lack of information regarding technical skills</li> <li>▪ Skills development amongst youth to be promoted in the areas of: Property development; Information Technology and Communication; Agri-business; and Mining beneficiation</li> </ul> </li> <li>▪ Mentoring programmes for youth</li> <li>▪ Life skills development for youth</li> </ul>
<b>Safety and Security</b>	<ul style="list-style-type: none"> <li>• Combating crime and corruption,</li> <li>▪ Integrated criminal justice system and</li> <li>▪ Disaster management and emergency services.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Better and safer working conditions</li> <li>▪</li> </ul>

IDP KEY PRIORITY AREAS	GDS KEY PRIORITIES	GDS PRIORITY AREAS
<b>Institutional Development</b>	<ul style="list-style-type: none"> <li>• Improving integrated planning and service delivery,</li> <li>▪ Human resource development,</li> <li>▪ Improving the capacity of the institution to be a developmental local government,</li> <li>▪ Improving financial management and revenue collection,</li> <li>▪ Developing measurable performance management system and</li> <li>▪ Improving customer satisfaction.</li> <li>▪ High quality services and labour</li> <li>▪ Improving service delivery</li> <li>▪ Good governance and management</li> </ul>	<ul style="list-style-type: none"> <li>▪ Institutional development</li> <li>▪ Improved service delivery</li> <li>▪ Financial soundness</li> </ul>
<b>Poverty Alleviation</b>	<ul style="list-style-type: none"> <li>▪ Strengthen support to community-based services</li> <li>▪ Free basic services to ensure a healthy environment and address inequality</li> <li>▪ Infrastructure and social services</li> <li>▪ Employment and training</li> <li>▪ Social safety nets</li> <li>▪ Informal sector supports poverty alleviation</li> </ul>	<ul style="list-style-type: none"> <li>▪ Job creation</li> <li>▪ Improved standards of living</li> </ul>

## CHAPTER 6: STRATEGIC INTENT

The Lejweleputswa GDS is informed by the Lejweleputswa IDP and visa versa which in itself is a symbiotic relationship. The starting point therefore is the Vision of the municipality as reflected in the IDP and the manner in which the GDS give overall expression to the Vision of the district.

### 6.1 The Strategic Outline

The Lejweleputswa District Municipality's growth and development framework is based on the following:

- Free State Growth and Development Strategy
- Lejweleputswa District Municipality's IDP which is a consolidation of the local municipalities' IDP's
- Lejweleputswa District Municipality's Economic Development Strategy

Proposed strategies to guiding the district to sustainable economic growth includes a local economic development regeneration that is aimed to seize the opportunities, build on strengths of the district, address the weaknesses, and mitigate the effects of the identified threats.



### Comparison of Key Objectives and Levers of AsgiSA, the Free State Provincial GDS and the Lejweleputswa GDS

NATIONAL - NSDP & ASGISA		FREE STATE - GDS			LEJWELEPUTSWA - GDS		
Key Objectives	Categories Intervention	Key Priority Areas	Development Objectives	GDS Targets	Key Priority Areas	Key Strategic Levers	Major Interventions
<ul style="list-style-type: none"> <li>• Enable South Africa to achieve and sustain average economic growth rates of 4.5% between 2005 and 2009, and 6% between 2010 and 2014.</li> </ul>	<ul style="list-style-type: none"> <li>• Macroeconomic issues</li> </ul>	<ul style="list-style-type: none"> <li>▪ Economic growth, Development and Employment.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Stimulate economic development.</li> </ul>	<ul style="list-style-type: none"> <li>▪ To achieve an annual economic growth rate at least equal to the national average economic growth rate.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Strengthening of the manufacturing, industrial, agricultural, transport, and industries, tourism growth and development</li> </ul>	<ul style="list-style-type: none"> <li>A1. Expanding the manufacturing sector in key sub sectors</li> </ul>	<ul style="list-style-type: none"> <li>▪ Creating new firms through access to capital and encouraging entrepreneurship and attracting existing firms from abroad to invest.</li> </ul>
		<ul style="list-style-type: none"> <li>▪</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>	<ul style="list-style-type: none"> <li>A3. Developing tourism</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>
		<ul style="list-style-type: none"> <li>▪</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>	<ul style="list-style-type: none"> <li>A4. Develop and expand transport and distribution industry</li> </ul>	<ul style="list-style-type: none"> <li>▪ Cargo Airport initiative</li> </ul>
	<ul style="list-style-type: none"> <li>• Sector investment strategies (Industrial strategies);</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>	<ul style="list-style-type: none"> <li>B2. Emphasising SMME development</li> </ul>	<ul style="list-style-type: none"> <li>▪ Increase the gold value chain mining, refining, beneficiation and trade)</li> </ul>
	<ul style="list-style-type: none"> <li>• Infrastructure programmes;</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>	<ul style="list-style-type: none"> <li>▪ Develop and enhance the infrastructure for economic growth and social development.</li> </ul>	<ul style="list-style-type: none"> <li>▪ To provide adequate infrastructure for economic growth and development.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Infrastructure investment</li> </ul>	<ul style="list-style-type: none"> <li>B1. Facilitate and ensure enabling and economic infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>▪ MIG funding and spending</li> </ul>
		<ul style="list-style-type: none"> <li>▪</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>	<ul style="list-style-type: none"> <li>▪ Expanded public works programme</li> </ul>

NATIONAL - NSDP & ASGISA		FREE STATE - GDS			LEJWELEPUTSWA - GDS		
Key Objectives	Categories Intervention	Key Areas	Priority Development Objectives	GDS Targets	Key Priority Areas	Key Strategic Levers	Major Interventions
		▪			▪	A2. Focusing on diversification in agricultural development	A biofuels initiative (AsgiSa)
• Reduce poverty and unemployment by 50% by the year 2014; and		▪	▪ Poverty alleviation through human and social development.	▪ To reduce unemployment from 38.9% to 20%.	▪ Poverty alleviation & sustainable job creation		
		▪	▪	▪ To reduce the number of households living in poverty by 5% per annum.	▪		
	• Skills and education initiatives;	▪ Social and Human Development	▪		▪ Human resource development	B3. Promoting human resource development (emphasis on human resource skills required regarding economic growth – Agriculture, Manufacturing, Tourism, and Transport and Distribution services)	
		▪	▪		▪	C3. Improving education and educational services and skills	



NATIONAL - NSDP & ASGISA		FREE STATE - GDS			LEJWELEPUTSWA - GDS		
Key Objectives	Categories Intervention	Key Priority Areas	Development Objectives	GDS Targets	Key Priority Areas	Key Strategic Levers	Major Interventions
		▪	▪		▪	E9. Building District Capacity in critical areas	
	• Public administration issues	▪ Efficient Governance and Administration	▪ Promote effective and efficient governance and administration.		▪	B4. Create conducive environment	▪
		▪		▪	▪ Investment facilitation	B4. Create conducive environment	▪ Investment in appropriate technology
		▪ Justice and Crime Prevention	▪ Ensure a safe and secure environment for all the people of the province.	▪ To reduce the crime rate by at least 7% per annum.	▪	D1. Facilitate an improved and effective integrated criminal justice system	▪
		▪	▪	▪	▪	D2. Ensure effective and efficient police service	▪
		▪	▪	▪	▪	D6. Ensure a safe and secure environment at all institutions	▪
		▪	▪	▪ To stabilise the prevalence rate of HIV and AIDS and reverse their spread.	▪		▪
	• Second economy interventions;	▪	▪	▪	▪	B4. Create conducive environment	▪

NATIONAL - NSDP & ASGISA		FREE STATE - GDS			LEJWELEPUTSWA - GDS		
Key Objectives	Categories Intervention	Key Priority Areas	Development Objectives	GDS Targets	Key Priority Areas	Key Strategic Levers	Major Interventions
	and						
		▪	▪	▪	▪	C5. Improving cultural, sport, and recreational services	▪
		▪	▪	▪	▪	E1. Improving integrated development planning and implementation	▪
		▪	▪	▪	▪	E2. Ensure effective communication with Stakeholders	▪
		▪	▪	▪	▪	E3. Promoting BEE	▪
		▪	▪	▪	▪	E4. Ensuring effective Human Resource Development Management	▪
		▪	▪	▪	▪	E6. Promoting integrity in government	▪
		▪	▪	▪	▪	E10. Ensuring a healthy environment through integrated environmental management	▪

NATIONAL - NSDP & ASGISA		FREE STATE - GDS			LEJWELEPUTSWA - GDS		
Key Objectives	Categories Intervention	Key Priority Areas	Development Objectives	GDS Targets	Key Priority Areas	Key Strategic Levers	Major Interventions
		▪	▪	▪	▪		▪ Support programmes on how to access finance, establish non-financial networks and partnerships.

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## Strategic Alignment Framework (SAF)

Current				Future (Proposed)			
FS GDS		Lejweleputswa IDP		Lejweleputswa Regeneration Strategy		Lejweleputswa (Proposed)	
Objectives	Strategic Levers	Strategic objectives	Strategic Levers	Objectives	Strategic Levers	GDS Objectives	Strategic Levers
<ul style="list-style-type: none"> <li>▪ To achieve an economic growth rate of 6%-7% per annum</li> <li>▪ To reduce unemployment from 38.9% to 20%</li> <li>▪ To reduce the number of households living in poverty by 5% per annum</li> <li>▪ To provide adequate infrastructure for economic growth and development</li> <li>▪ Expanding the manufacturing sector in key sub sectors</li> <li>▪ Focusing on diversification in agricultural development</li> <li>▪ Developing tourism</li> <li>▪ Developing and expanding the transport and distribution industry</li> <li>▪ Emphasising SMME development</li> </ul>	<ul style="list-style-type: none"> <li>▪ Lack of spatial reference and risk of strategies remaining in 'mid air'</li> <li>▪ Narrow focus – unevenness in substantive nature of strategy elements specifically governance, social and human development, and safe and secure environment</li> <li>▪ Lack of detail around infrastructural component and environmental considerations</li> <li>▪ Resultant lack in clarity in relation to implications for key</li> </ul>	<ul style="list-style-type: none"> <li>• To ensure integrated development planning for the district as a whole.</li> <li>• To promote bulk infrastructural development and services for the district as a whole.</li> <li>• To build the capacity of local municipalities in its area to perform their powers and functions.</li> <li>• To promote the equitable distribution of resources among the local municipalities in order to ensure appropriate levels of municipal services.</li> </ul>	<ul style="list-style-type: none"> <li>▪ To increase economic growth and the number of formal jobs; to improve the livelihood of the poor; and to ensure local economic development is promoted together with the creation and expansion of SMMEs.</li> <li>▪ To ensure that tourism activities are promoted and prioritised as a means of stimulating local economies.</li> <li>▪ To reduce the level of poverty in the district</li> <li>▪ To ensure that sufficient finance is available for SMMEs and</li> </ul>	<ul style="list-style-type: none"> <li>• Strategies to promote urban lifestyles;</li> <li>• Strategies to promote competitiveness;</li> <li>• Strategies to promote good governance and management;</li> <li>• Strategies to promote financial sustainability.</li> </ul>	<ul style="list-style-type: none"> <li>• To stimulate economic growth and job creation</li> <li>• To attract investment to the region</li> <li>• To facilitate improvements and fast-tracking the delivery of services using the best practice</li> <li>• To be responsive to the needs of the whole population of Lejweleputswa District Municipality are by improving the quality of life and economic opportunities for all.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Contract for growth and development</li> <li>▪ Turning the economic tide</li> <li>▪ Realising human capital</li> <li>▪ Sustainable livelihoods</li> <li>▪ Governance to improve growth and development</li> <li>▪ Mainstreaming gender and special groupings in growth and development</li> </ul>	

Current				Future (Proposed)			
FS GDS		Lejweleputswa IDP		Lejweleputswa Regeneration Strategy		Lejweleputswa (Proposed)	
Objectives	Strategic Levers	Strategic objectives	Strategic Levers	Objectives	Strategic Levers	GDS Objectives	Strategic Levers
<ul style="list-style-type: none"> <li>▪ Providing economic infrastructure</li> <li>▪ Promoting human resource development</li> <li>▪ Creating an enabling environment</li> </ul>	functions/sectors.		business development in general. <ul style="list-style-type: none"> <li>▪ To ensure that there is diversification of the industrial and commercial sectors in the district; and to ensure that Lejweleputswa District becomes a commercial hub.</li> </ul>				

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STRATEGIC OBJECTIVE 1	STRATEGIC LEVERS	DELIVERABLE
<ul style="list-style-type: none"> <li>▪ Contract for growth and development</li> </ul>	<ul style="list-style-type: none"> <li>▪ To ensure integrated development planning for the district as a whole.</li> <li>▪ To promote bulk infrastructural development and services for the district as a whole.</li> <li>▪ To promote the equitable distribution of resources among the local municipalities in order to ensure appropriate levels of municipal services.</li> <li>▪ Promoting a shared vision of Lejweleputswa's growth and development strategy to frame sector and developmental agreements and lay the basis for partnerships in action.</li> </ul>	<ul style="list-style-type: none"> <li>▪ To clarify the roles of the Private and Public Sectors and encourage PPP (LDM Development Agency)</li> <li>▪ Establish a public private partnership for the gold jewellery industry to ensure that this project is sustainable, as it will brand the municipality</li> <li>▪ Form close partnerships with the remaining mining houses based on economic viability and sustainability of the district</li> <li>▪ Form partnership with Ethanol Africa on the establishment of a Bio Fuel Development in the Nala (Bothaville) and Tswelopele (Bultfontein and Hoopstad) Local Municipalities including their adherence to the Agro BBBEE.</li> <li>▪</li> </ul>

STRATEGIC OBJECTIVE 2	STRATEGIC LEVERS	DELIVERABLE
	<p>To stimulate an increased economic growth and job creation with regard to formal jobs</p>	<ul style="list-style-type: none"> <li>▪ To ensure that there is diversification of the industrial and commercial sectors in the district; and</li> <li>▪ To ensure that Lejweleputswa District becomes a commercial hub.</li> <li>▪</li> </ul>
<ul style="list-style-type: none"> <li>▪ Turning the economic tide</li> </ul>	<ul style="list-style-type: none"> <li>• Creation of a viable and sustainable manufacturing sector <ul style="list-style-type: none"> <li>▪</li> </ul> </li> <li>• To attract investment to the region</li> </ul>	<ul style="list-style-type: none"> <li>▪ Create a sustainable jewellery manufacturing industry</li> <li>▪</li> <li>▪ To develop a vibrant local economic development strategy in conjunction with local municipalities</li> </ul>

STRATEGIC OBJECTIVE 2	STRATEGIC LEVERS	DELIVERABLE
	<ul style="list-style-type: none"> <li>▪ To ensure that tourism activities are promoted and prioritised as a means of stimulating local economies.</li> <li>▪ To ensure that sufficient finance is available for SMMEs and business development in general.</li> <li>▪</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>
	<ul style="list-style-type: none"> <li>▪ Building a “single and integrated economy that benefits all”.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Facilitating the development &amp; integration of the Second Economy into the First Economy</li> <li>▪ Conduct a research into the structure of the 2<sup>nd</sup> economy</li> <li>▪ Develop an Integrated Small Enterprise Development Strategy</li> <li>▪</li> </ul>
	<ul style="list-style-type: none"> <li>▪ Assist and create conditions for emerging entrepreneurs and cooperatives to grow.</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>
	<ul style="list-style-type: none"> <li>▪ Expanding the Manufacturing Sector in key sub - sectors</li> </ul>	Beneficiation of Agricultural Products

STRATEGIC OBJECTIVE 3	STRATEGIC LEVERS	DELIVERABLE
<ul style="list-style-type: none"> <li>▪ Realising human capital</li> </ul>	Developing a human resource development strategy that focuses on (improved skilled and unskilled labour force),	

STRATEGIC OBJECTIVE 4	STRATEGIC LEVERS	DELIVERABLE
<ul style="list-style-type: none"> <li>▪ Sustainable livelihoods</li> </ul>	<ul style="list-style-type: none"> <li>▪ To improve the livelihood of the poor;</li> <li>▪ To reduce the level of poverty in the district</li> <li>▪ To be responsive to the needs of the whole population of Lejweleputswa District Municipality are by improving the quality of life and economic opportunities for all.</li> </ul>	

STRATEGIC OBJECTIVE 5	OBJECTIVE	DELIVERABLE
<ul style="list-style-type: none"> <li>▪ Governance to improve growth and development</li> </ul>	<p>Strategies to promote good governance and management;</p> <ul style="list-style-type: none"> <li>• Strategies to promote financial sustainability.</li> <li>• To build the capacity of local municipalities in its area to perform their powers and functions.</li> </ul> <p>Create conducive environment for economic growth and development            Assist and create conditions for emerging entrepreneurs and cooperatives to grow.</p>	

STRATEGIC OBJECTIVE 6	OBJECTIVE	DELIVERABLE
<ul style="list-style-type: none"> <li>▪ Mainstreaming gender and special groupings in growth and development</li> </ul>	<ul style="list-style-type: none"> <li>▪ Mainstream a special groups, gender-focused agenda and Youth Economic development</li> <li>▪ Mainstreaming Gender and Equality by creating an environment for more equitable sharing of benefits</li> </ul>	<ul style="list-style-type: none"> <li>▪ Develop Women Economic Empowerment Strategy.</li> <li>▪ Establish linkages with national woman's initiatives</li> <li>▪ Fully implement the national Youth Economic Empowerment strategy at the district level, Establish linkages with national</li> <li>▪ Initiatives</li> <li>▪ Establish linkages with national initiatives and support groups</li> <li>▪ Develop a Lejweleputsa GDS HIV/Aids</li> </ul>



STRATEGIC OBJECTIVE 6	OBJECTIVE	DELIVERABLE
		<ul style="list-style-type: none"> <li>programme,</li> <li>▪ Invest in information/education programmes, Launch PPPs on HIV &amp; Aids</li> <li>▪ Ensure mainstreaming of HIV/Aids in planning</li> <li>▪ Develop and implement strategies to mitigate against risk based on HIV &amp; Aids as well as safety and security</li> <li>▪ Conduct a quantitative and qualitative study on the impact of HIV &amp; Aids on the economy</li> </ul>

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## CHAPTER 7: GDS Implementation Framework

### 7.1 Economic Development, Employment and Investment: Strategies and Programme

Strategy	Project	Spatial Focus	Comments
<b>A1.Expanding the Manufacturing Sector in key sub -sectors</b>	Beneficiation of Agricultural Products	Lejweleputswa District Nala Municipality (Bothaville),Tswelopele Municipality (Bultfontein and Hoopstad)	The emphasis should be on creating an enabling environment, partnerships with the Private sector, facilitating funding and information (See also Spatial Referencing for mass produced and high value goods) and BBEE  The Spatial Focus emphasized in Chapter 4 of the PGDS and the IDPs
	- Biodiesel	Lejweleputswa District Agricultural Hub (Bothaville,Bultfontein,Hoopstad)	
	- Maize/Wheat	Matjhabeng Matjhabeng Matjhabeng Matjhabeng Matjhabeng	
	- Potatoes - Melons - Herbs and Species - Essential Oils - Flowers - Vegetables - Tomatoes - Paprika - Pastas	Bultfontein and Hoopstad	
	- Ground Nut	Matjhabeng-Welkom	

Strategy	Project	Spatial Focus	Comments
	Beneficiation of Mining Products		
	- Coal	(Virginia),Theunissen,Ventersburg)	
	- Titanium Mining	(Bothaville)	
	- Salt Pans	(Boshof,Deleasville)	
	- Diamond	(Masilonyana (Theunissen)	
	- Methane Gas	(Matjhabeng)	
	- Brick Making	(Matjabeng and Masilonyana )	
	- Rehabilitation of Mine Facilities	Matjhabeng, Masilonyana	
	- Recycling of Mining Products	Matjhabeng, Masilonyana Dams,Hostels.Shafts	
	High value products as well as innovation and experimentation	Matjhabeng –Welkom and Virginia	The spatial has been concluded from Chapter 4-those areas with high or above average potential for high value products Spatial focus has been concluded from chapter 4-those areas with high or above –average potential for high-value products
	- Leather Tanning	(Bothaville and Wesselsbron)	
	- Game Farming Bi Products	(Tokologo Boshof)	
	- Chip Manufacturing	(Nala) Bothaville	
	- Pasta Project	(Nala) Bothaville	
	- Textile Manufacturing	(Bothaville and Wesselsbron and Tokologo (Boshof) ),Bultfontein	
	- Youth Agricultural Project	(Bothaville)	
	Mass produced goods	Matjhabeng (Welkom, Virginia,Odendaalsrus) Nala (Bothaville,Wesselsbron) Masilonyana (Theunissen)	
<b>A2.Focusing on diversification in agricultural development</b>	Diversify agricultural products	Masilonyana (Theunissen) Nala (Bothaville and Wesselsbron),Matjhabeng (Welkom)	GVA per Areas have been determined by considering the five municipalities with the highest agricultural area (the emphasis should be on enabling the agricultural sector in this regard
	- Meat Processing	(Welkom,Odendaalsrus, Virginia)	
	Introduce high value crops	Matjhabeng (Welkom) Nala (Bothaville and Wesselsbron) and Tswelopele (Bultfontein and Hoopstad) Masilonyana (Theunissen)	
<b>A3.Developing Tourism</b>	Improve Tourism, Development, Marketing and business support	Lejweleputswa District Municipality in all five Local Municipalities (Brochures/CD, Sigange, Exhibitions	

Strategy	Project	Spatial Focus	Comments
		tourism routes and tourism strategy	
	Develop tourism support structure	Tourism Business Council, Tourism Beraux	These areas are linked to their potential in respect of Events business
	Develop and increase tourism products - Events tourism	(Phakisa, Tikwe Jazz Brew, Nampo, Rehabilitation of Welkom Show ground (exhibitions and Flea Market),	
	- Mine Facilities Tourism	(Underground Tours)	
	- Leisure Tourism  - <b>Heritage Tourism</b>	Tikwe Lodge Waterfront, Mimososa Recreation Facility, Casino Expansion  <b>Winnie Mandela Museum Lodge, Florisbad, Goldfieds,</b> Welkom Shellhole Museum (Oldest building in Welkom 1942	
	- <b>Nature Tourism</b>	<b>Flamingo Pans</b> (Bird Watching) Township Tours, Game and Nature Reserves),	
	- <b>Arts and Crafts</b>	Willem Pretorius Game Reserve, Aldam Estate	
	- <b>Business tourism</b>	Welkom (Conference Center and Five Star Hotel)	
	- Sports and Events tourism	Welkom Airport Flipping, Restaurant and Aerial Photography Safaris	
<b>A.4 Develop and expand transport distribution industry</b>	Develop transport distribution hubs - <b>Alternative link route Bloemfontein</b>	R30/34 into Matjhabeng	This hub is directly linked to the N1 route
	- <b>International Cargo Airport/Distribution Hub</b>	Welkom Airport	

Strategy	Project	Spatial Focus	Comments
	- <b>Rehabilitation and upgrading of Welkom Airport (Charter, Commercial Flights and Freight Service Welkom Airport Flying School</b>	Welkom Airport	
<b>B.1 Facilitate and ensure enabling and economic infrastructure</b>	Expand online learner technology	Lejweleputswa District Municipality in all five Local Municipalities	
	Expand of ICAM	Lejweleputswa District Municipality in all five Local municipalities	
	Facilitate ICT	Lejweleputswa district Municipality, Mathabeng (Welkom)	Spatial reference made from Chapter 4 (innovation and experimentation as well as tourism areas
	Upgrade and maintain road infrastructure	Roads in Lejweleputswa district municipality, all local municipalities	Emphasis on areas of mass production and tourism potential
	Supply of bulk water and electricity infrastructure	Lejweleputswa district Municipality, in all five Local municipalities	Emphasis on areas with potential for high value goods
<b>B.2 Emphasizing SMME Development</b>	Facilitate and improve access to funding - Sunrise Center Project	Lejweleputswa district Municipality, all Local Municipalities (Theunissen)	
	Provide formal and informal training for SMMEs	Lejweleputswa District Municipality, all Local municipalities	This spatial focus is in line with the spatial imperatives in the NSDP
	Establish local business support infrastructure	Lejweleputswa district municipality in all five local municipalities	Emphasis should be on the economic drivers
	Develop institutional capacity for SMME development	Lejweleputswa district municipality in all five local Municipalities	
	Maintain central business support infrastructure (including a business database	Lejweleputswa District Municipality	
	Support farmers in comprehensive Agriculture support Programme		
	Repositioning of the FET to support economic drivers		
<b>B.3 Promoting human resource development (emphasis on human resource skills required regarding economic growth-</b>	Implement Learnerships		Emphasis should be on economic drivers

Strategy	Project	Spatial Focus	Comments
<b>Agriculture, Mining, Tourism, Manufacturing, Transport and distribution services</b>			
	Implement internships		
	Formal and informal training in agriculture, mining, tourism, manufacturing, and transport distribution and small scale farmers and mining		
	Support to beneficiaries of land redistribution and restitution programmes		
	Support farmers in comprehensive agricultural support programme		
	Non-formal training for farmers in agriculture management		
	Repositioning of the FET to support economic drivers		The emphasis should be on providing technical skills to support economic drivers
<b>B.4 Create conducive environment</b>	Develop enabling strategies (e.g. LED, Tourism, SMME, strategies, investment promotion strategies)	Lejweleputswa District Municipality	
	Establish and develop zones and corridors as well as urban development nodes	Mathabeng, Nala, Masilonyana tokologo as Cross border areas for middle income groups	Linked to those areas/municipalities with high development potential
	Facilitate completion of the land restitution programme	Lejweleputswa district municipality	
	Buy land for the establishment of PDI farmers	All five local municipalities	
	Transform government property ownership (BBBEE)	Lejweleputswa District Municipality	
	Secure land tenure rights in the district	All Local municipalities	
	Ensure designated funding and maintenance of government property	All five local municipalities	Linked to SMME development outsourcing
	Upgrade and maintain all government buildings	All Five Local municipalities	Linked to SMME development outsourcing

**7.2 HUMAN AND SOCIAL DEVELOPMENT: STRATEGIES AND PROJECTS**

<b>Strategy</b>	<b>Project</b>	<b>Spatial Focus</b>	<b>Comments</b>
<b>C.1 Improving housing and basic services</b>	Provide housing	All five local municipalities	See chapter 3.the five municipalities with highest prioritized need (60% of informal housing is allocated)
	Residential Development (Middle Income)	Matjhabeng (attracting Middle Income from Bloemfontein) Masilonyana (attracting Middle Income from Bloemfontein ) Tokologo (Attracting Middle Income from Kimberly) Nala (attracting Middle Income from Orkney,Potchefstroom)	
	Provide sanitation	All five local municipalities	Priority on areas with high buckets sanitation
	Eradicate bucket system	All five local municipalities	Areas with the highest need
	Provide water	Matjhabeng,tokologo	Areas with need for water
	Provide electricity	Matjhabeng	Area with the highest need
	Provide cemeteries	All five local municipalities	
	Provide solid –waste disposal sites	All five local municipalities	
	Provide storm water drainage	All five local municipalities	
<b>C.2 Improving health services</b>	Provide health infrastructure	Rural areas in the district	
	Upgrade health infrastructure	All five local municipalities	
	Implement and monitor comprehensive plan on care	Lejweleputswa District Municipality	
	Treatment and management of HIV-Aids	Lejweleputswa district Municipality	
	Implement the National TB Strategy	Lejweleputswa district municipality	
	Improve the immunization coverage of children	Lejweleputswa district Municipality	
	Implement the HIV Aids prevention and support programme	Lejweleputswa district Municipality	
	Provide an integrated service to people affected and infected by HIV-Aids	Lejweleputswa district Municipality	
	Implement integrated management of childhood illness strategy	Lejweleputswa District Municipality	
	Expand free health services	Lejweleputswa District municipality	
	Implement and monitor continuous quality improvement programme	Lejweleputswa District Municipality	
	Improve access to health care for rural people	Lejweleputswa district Municipality	
<b>C.3 Improving education and educational services and skills</b>	Implement adult literacy and numeracy programmes	Lejweleputswa district Municipality	

Strategy	Project	Spatial Focus	Comments
	Provide ABET in accordance with the ABET ACT	Lejweleputswa District Municipality	
	Implement skills development programme	Lejweleputswa District Municipality	Municipalities identified as areas with high need
	Capacity building of clients in cooperated in service delivery	Lejweleputswa district Municipality	
	Implement learnerships	Lejweleputswa District Municipality	Also see economic development cluster

	Address critical gaps in identified areas (emphasis on mathematics, science and technology on reskilling Ex Mining Employees)	Lejweleputswa district Municipality	Include infrastructure and staffing (discuss whether to go into detail)
	Implement GETC	Lejweleputswa district Municipality	
	Implement FET Certificate	Lejweleputswa District Municipality	
	Implement ECD Programme	Matjhabeng municipality	Municipalities with high need
	Provide Education Infrastructure	Lejweleputswa District	See chapter three stress on available educational infrastructure
	Upgrade, rehabilitate, and renovate education infrastructure and facilities	Lejweleputswa	See chapter three on educational infrastructure
	Eliminate backlog in basic services in schools	Lejweleputswa	
	Provide transport for farm schools	Lejweleputswa	
	Provide accommodation for learners from no-viable schools	Lejweleputswa	
	Implement school nutrition programme	Lejweleputswa (Matjhabeng)	Municipalities identified as areas with high need
<b>C.4 Improving social development services</b>	Expand social assistance programme	Lejweleputswa	See chapter four for areas with high need
	Provide emergency food security to needy families	Lejweleputswa	
	Provide adequate pay points facilities	Lejweleputswa	
	Increase access to commonages	All Local municipalities	
	Implement community development projects	Municipalities with high need or above average	See Chapter Four
	Implement training programme to support care and protection of the vulnerable	Lejweleputswa	See Chapter Four
	Provide early childhood development services	Municipalities with high need and above average	



	Implement programmes targeting the unemployed and out –of –school youth	Municipalities with high need and above average	
	Promote social integration and empowerment of people with disabilities	Municipalities with high need and above average need	See chapter four
	Promote special programmes for the vulnerable in government	Lejweleputswa	
	Implement the moral regeneration programme for the community	Lejweleputswa	
	Implement the moral regeneration within government	Lejweleputswa	
	Implement income generating projects for youth, women and persons with disabilities	Municipalities with high need or above average	
<b>C.5 Improving cultural, sports</b>	Provide Arts and Culture Centers	Lejweleputswa	
	Provide other government accommodation /buildings	Lejweleputswa	
	Provide library services	Lejweleputswa	
	Provide Sports facilities	Lejweleputswa	
	Provide multi-purpose centers	Lejweleputswa	
	Provide library and information services	Lejweleputswa	
	Provide special services	Lejweleputswa	
	Promote major cultural events	Lejweleputswa	
	Provide Museum and heritage services	Lejweleputswa	
	Build capacity in visual and performing arts	Lejweleputswa	
	Facilitate mass participation in sports and recreational activities	Lejweleputswa	
	Render sports science, exercise rehabilitation and sports development services	Lejweleputswa	

### 7.3 JUSTICE, CRIME PREVENTION AND SECURITY

Strategy	Project	Spatial Focus	Comments
<b>D.1 Facilitate an improved and effective integrated criminal justice system</b>	Coordinate an Integrated Criminal Justice System		
	Victim Empowerment	Matjhabeng	
	Service programmes for children in conflict	Matjhabeng	
	Reduce time to finalize cases in court	Matjhabeng	
	Increase in cases referred to courts	Matjhabeng	
	Develop and implement integrated crime-prevention programmes	Check crime prevention programmes	
<b>D.2 Ensure effective and efficient police service</b>	Effective visible police service	The main tourism areas as well as Matjhabeng reported to be high crime areas	Nearly 50% of all criminal cases are reported in this areas
	Encourage community participation	Areas with highest crime rate	
	Promote accessibility to police services	The main tourism areas as well as Matjhabeng as reported	Nearly 50% of criminal cases are reported in this Municipality
	Enhance service service delivery and transformation	Lejweleputswa tourism areas	According to client satisfaction to address low client satisfaction
	Combat corruption in the SAPS	Lejweleputswa	
<b>D.3 Establish an effective disaster management and prevention, response capacity for disaster throughout the District</b>	Coordinate and Manage an integrated disaster Management System	Lejweleputswa District municipality	District with the Potential disaster
	Minimize the impact of disasters	Veld Fires,N1 (road accident)	
	Implement integrated disaster management strategy	Lejweleputswa	
<b>D.4 Improve traffic policing and road incident management in the District</b>	Provide effective emergency communication	N1 and the whole of Lejweleputswa	
	Improve road traffic regulations	Lejweleputswa	
	Implement effective emergency services	Lejweleputswa	
<b>D.5 Implement a District EMS Plan</b>	Provide Medical Rescue.pre –and interhospital EMSs	Lejweleputswa	
<b>D.6 Ensure a safe and secure environment at all institutions</b>	Lejweleputswa	According to district priority	

#### 7.4 EFFECTIVE GOVERNANCE AND ADMINISTRATION

Strategy	Project	Spatial Focus	Comments
<b>E.1 Improving integrated development planning and implementation</b>	Align and coordinate the IDP to District GDS, and finally to the FSGDS		
	Improve a cluster system across the Local and District Municipality and the Province		
	Ensure effective implementation of intergovernmental relations		
	Coordinate strategic programmes (EPWP, ISRDP, LED, SMME, Tourism and Sectoral Plans		
	Coordinate and facilitate PPPs		
	Implement the National and Provincial Programme of Action		
	Implement Community based Ward Planning through Ward committees		
<b>E.2 Ensure effective communication with Stakeholders</b>	Improve interaction between government and the people		
	Implement a district government one-stop services		
	Facilitate and implement e-governance		
<b>E.3 Promoting BEE</b>	Create BBBEE opportunities for HDIs		
	Review procurement system		
<b>E.4 Ensuring effective Human resource Development Management</b>	Implement integrated human resource development strategy		
	Fast track the implementation of the employment equity plan		

Strategy	Project	Spatial Focus	Comments
	Implement the retention strategy		
	Implement the employee assistance programme		
	Facilitate, coordinate and implement the bursary and learner support programme		
<b>E.5 Ensuring improvement in financial management</b>	Improve and coordinate revenue measures and mechanisms	Those Municipalities who are under Project consolidate	
	Strengthen financial Management Capacity in the district	Those Municipalities under project consolidate	
	Implement and strengthen credit control systems	Those Municipalities under project consolidate	
<b>E.6 Promoting integrity in government</b>	Implement anti-corruption and fraud strategy		
	Promote ethical behavior (Code of Conduct) in government		
<b>E.7 Establishing proper management information and records</b>	Improve record management services in the district		
	Securing information within department		
<b>E.8 Improve asset management system</b>	Improve control over assets and resources		
<b>E.9 Building District Capacity in critical areas</b>	Improve financial management capacity	Municipalities under project consolidate	
	Improving strategy planning on evaluation capacity		
	Develop information technology skills		
	Enhance Batho Pele Principles		
	Provide Capacity building programme for all staff		
<b>E.10 Ensuring a healthy environment through integrated environmental management</b>	Implement integrated environmental management	Matjhabeng,Nala	
<b>E.11 Monitoring, evaluation and reviewing the Distrt GDS in line with the FSGDs</b>	Implement LDM GDS Monitoring and Evaluation	Lejweleputswa	

## CHAPTER 8: GDS/IDP INTERFACE

The IDP remains the key strategic plan that is comprehensive and guides the municipality on the socio-economic needs of the municipality for years to come. However the IDP is broken down into five year cycles as deliverables and has to be annually reviewed. The IDP therefore informs the GDS, though acknowledgement is given that the GDS might from time to time initiate specific research which could enhance the GDS, but that such research should be integrated into the IDP to improve the symbiotic relationship with the GDS. The GDS's brief goal is to eradicate poverty and to create job and therefore can be summed up as follow:

- Interventionist (80/20 rule)
- Time bound (long term trajectory)
- Sets measurable goals (specific milestones)
- Partnership with all developmental role players (business, communities, government and labour)

### 8.1 Local Economic Development as an economic lever

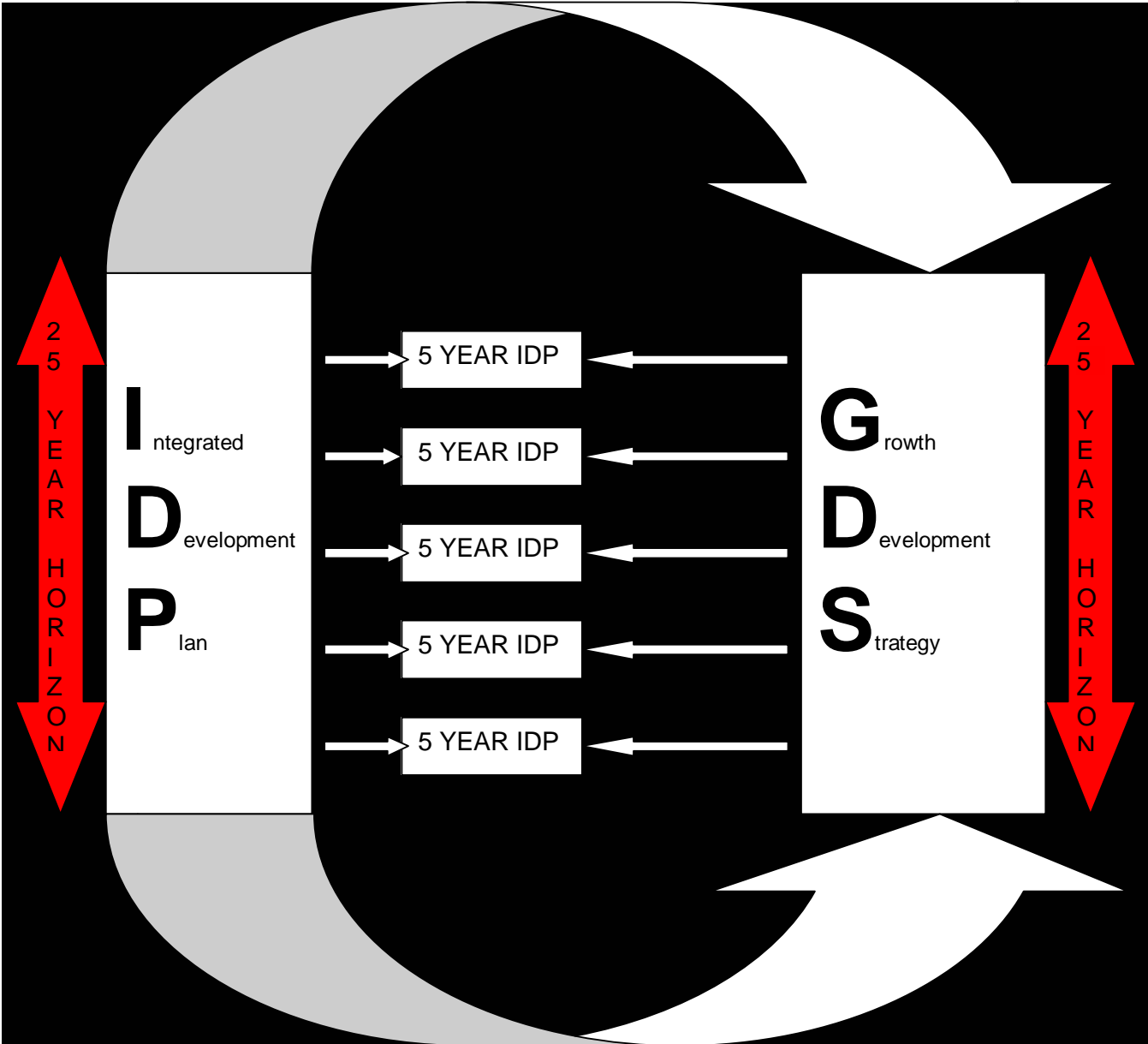
Local Economic Development (LED) remains a very important element of the IDP. However LED should be aligned with the goals and objectives of the GDS.

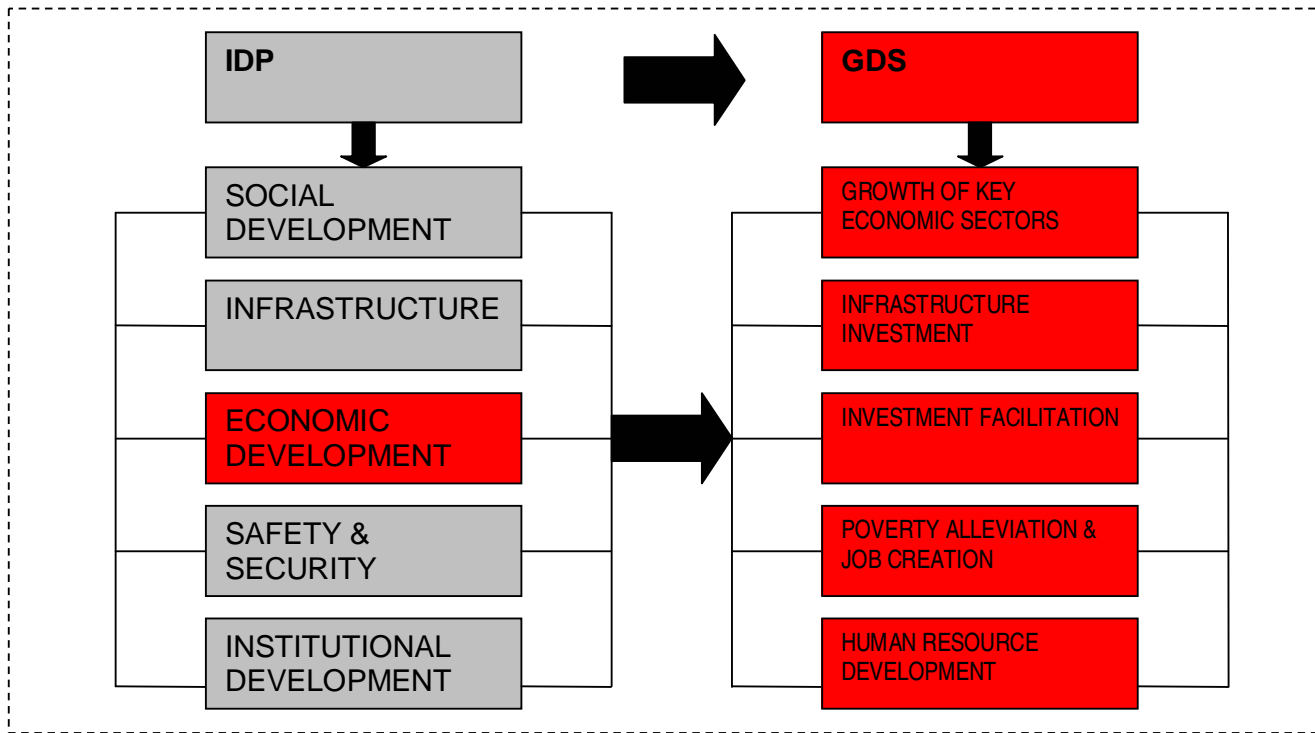
In the local municipalities, there are small tourism projects, if aligned, could create an eco and agro tourism package for the district. It is note worthy that at Tswelopele Municipality there is the Winnie Mandela House and other houses with a significant history of the area. The Koortje Jordaan Park has the following facilities: exhibition centre, soccerfield, conference facility, and it

has been utilised to exhibit agricultural events. This Park can also be utilised for major arts and cultural music festivals as well as SMME's exhibitions.



The Figures below illustrates the interface between the IDP and the GDS.





## CHAPTER 8: FLAGSHIP PROJECTS

While it is true that the growth and development strategy is aimed at improving the lives of people, the growth and development of the economy therefore becomes the key lever towards achieving this goal and all other developmental goals. Hence the growth and development strategy has to become prominent as it is more of an interventionist approach rather than the broader socio-economic approach that the IDP is aimed at. Therefore the projects that the GDS should focus on are projects of high impact and that can show case the district beyond its boundaries including globally. These projects will therefore become what are termed flagship or catalyst projects and some of the criteria that these projects adhered to include the comparative and competitive advantages, the uniqueness of the projects.

The implementation of the Lejweleputswa GDS will depend squarely on the ability of the municipality to rally behind the projects identified and therefore requires a commitment from all stakeholders and a partnership in the form of collaboration.

### **Mining Sector Value Adding Production Facility:**

Mining remain the single biggest employment agency in the district and therefore remain still the main economic lever irrespective of the downscaling of mining activities in the district. This provides for an opportunity of pursuing a mining industry that is not solely reliant on gold, but start to focus on the diversification of the mining industry. The latent mining skills will hence be productively utilised.

Establishing of a broad based mining sector focusing on primary mining activities as well as downstream mining activities such as:

- Mentoring and Capacitating HDI to tap into Small Scale Mining on Diamond, Gold, Coal in the region.
- Mining Beneficiation Jewellery,
- Coal prospecting for SMME opportunities
- Facilitation of BBBEE and Joint Ventures in the mining Sector to benefit SMMEs
- Rehabilitation and Development of mining Facilities for both business and residential purposes
- Exploration on Mining Dolomite, Clay, Granite Mining and Beneficiation
- Production of Marble, Cement, Sandstone in areas with high potential
- Salt Beneficiation in Boshof and Dealesville areas –Salt Development Corridor

### **The Phakisa Multi Modal Project:**

This is a multimodal project that is aimed at creating a vibrant urban centre which includes the Phakisa race track as the focal point around which development is concentrated with the following characteristics:

- Phakisa Race Track
- Entertainment & Recreation hub
- Cargo Airport linked freight and logistics
- Waterfront development:

A highly notable feature lately added to the Goldfields scene, is the ultra-modern multi-million Phakisa Racetrack for motorcycles and racing cars



situated between Welkom and Odendaalsrus, venue for many an international event and drawing considerable global media coverage (Lejweleputswa, 2004).

The Phakisa racetrack that is currently un-utilised, as the annual international race is no longer guaranteed is also another potential tourist draw-card.

#### **Phakisa Race Track:**

The Phakisa racetrack has the potential to become South Africa's premier motorsport venue. As an international qualifying race circuit and drag strip it will attract top world motorsport events which will make Matjhabeng the 'Home of South African Motorsport'. As a venue for conferences, corporate functions, driver training, race experience and a specialist motor industry business centre, Phakisa race track will bring a Total Driving Experience to South Africa.

#### **Entertainment & Recreation hub:**

Development and upgrading of the **Phakisa Freeway into a World Class Multi purpose Sport, Recreation and Entertainment** Development and Refurbishment of the Welkom Show Grounds into a Nation Sports, Exhibition and Entertainment Center.

#### **Waterfront development:**

Along the Koppie Aleen Road as one enters Welkom lies vacant land, which has been earmarked for a big Shopping Mall, new housing development for high-income earners. This development will complement the Phakisa race Track and Mimosa Waterfront projects.

There are eco-tourism projects under-utilised within the district, which requires investment and marketing by LDM. These include potential development of the Flamingo Pan, including a golf course, waterfront development, and Witpan development as the land is available.

#### **Cargo Airport linked freight and logistics:**

The Welkom airport is an under-utilised asset, and it has limited passenger facilities for national and regional use. It has untapped potential, as it is centrally located to all major South Africa, en Route to Northern Cape, Western Cape, Eastern Cape North West and Gauteng. The Welkom Airport is situated south, north and an open space accessible from east, west. It has great potential development. Plans are to develop it into a cargo airport with the freight services linking air, rail and road. Development of light industrial mechanical plants, packaging and petroleum, leisure and good schools middle to high income housing in the surrounding area is essential to support this development. This can be a turnaround point for trucks and all freight vehicles between Cape Town, Eastern Cape, Platinum Corridor and Johannesburg. This airport, proposed two years ago, is for up for an upgrade to be an international cargo airport. This would entail upgrading the airport infrastructure to be a national, regional and international cargo handling facility. This project has major spin offs in terms of job and income creation for the district. The service industries from packaging, security and transportation demanded to support this airport would create both jobs and wealth.

The **Development and upgrading of the Welkom Airport into an International Cargo Airport Facility** with (Storage, Ware Houses, Mechanical Service Centers)

## **Agro-food and fibre complex industry:**

The agro food and fibre complex includes primary production, processing, and manufacturing of agricultural food and fibre products.

Lejweputswa district is a very important food production hub of South Africa with the maize production the most important agricultural crop produced in the district. The district because of its concentration on maize production does not allow for diversification in agricultural products at the same of scale of maize. The stiff international competition is affecting the agricultural production more and more.

### **Agro-Processing**

- **Agro Processing of Agricultural Products**
- **Maize into Bio Fuel, Porridge and Pop Corn, Sunflower into Oil, Grapes into Wine, Potato into Chips, Peanuts into Butter**
- **Mageu**
- **Sorghum –Traditional Beer**
- **Ostrich-Leather, Belts, Hats Feathers,**
- **Meat Processing and By Products**

### **Food Processing**

- **Agro By Products Manufacturing of Leather, Bags, Wool, Shoes, Feather Dusters**
- **Food Processing**
- **Chicken Polony, Pop Corns, Dairy Products, Peanut Butter,**
- **Fish Canning**

- **Leather Tanning in areas with high potential for Game and Animals like Boshof**

## **National Agricultural Hub (Biofuels innovation and NAMPO (expo center)**

Nampo:

Bothaville serves one of the richest agricultural communities in the country and is regarded as the centre of the Free State Maize Route. The world renowned NAMPO Harvest farm and Festival attracts more than 20 000 visitors each year and is the second largest private agricultural show centre in the world. Bothaville is also the host of the annual Food and Witblits Festival drawing visitors from all over South Africa (Lejweleputswa, 2004).

One of the largest privately organised and owned exhibitions in the world and the largest show of agricultural machinery and livestock in the southern hemisphere take place annually outside Bothaville in the Free State, Republic of South Africa.

Organised by Grain South Africa (GSA), it provides a unique opportunity to all manufacturers and distributors of agricultural machinery, products and services to exhibit as well as demonstrate their vast range of products to their targeted customers - the farmers of South Africa.

Controlled practical demonstrations of machinery and implements are a unique feature of the Show which allows farmers to view demonstrations of

an exhaustive range of machinery and implements, establish their performance and effectiveness and use this knowledge for product purchases in future.

Name	Nampo Harvest Day
Venue	Nampo Park, Bothaville
Dates	Annually the middle week of May.
Next Exhibition	15 - 18 May 2007

The first NAMPO Agricultural Show dates back to 1967. The main object of the show was for farmers to be able to compare farming products of different manufacturers on one site. The first show took place on the farm Donkerhoek outside Bloemfontein and was attended by 200 farmers. From there it moved to various farms until its size and growth demanded a permanent home. This was established in 1974 on a venue outside Bothaville, on what is known today as NAMPO Park.

The 1974 Harvest Day attracted 32 exhibitors on an area of 8 hectares, whilst practical demonstrations took place on a 30 hectare area.

#### **Bio-fuels Incubator:**

Lejweleputswa District Municipality is in a fortunate situation since it has in its area of jurisdiction Ethanol Africa which is working towards the establishment of medium-sized bioethanol plants located close to the source of the maize and would provide job opportunities to people in rural areas.

According to a study conducted in the United States to determine the impact of the establishment of a bioethanol plant on the local economy of the community in which it is established. The scale of the plant used for the

study was a 158 million litres per annum ethanol plant, equivalent to one currently being built by Ethanol Africa in Bothaville. The plant will cost approximately R650 million to build and equip. This cost represents expenditures for goods and services, most of which are made in the local economy.

Construction of a production facility typically takes 12 to 18 months and the spending it pumps into the economy will generate a onetime boost of R990 million in final demand as each Rand of spending circulates throughout the local economy.

The most significant value of building a new ethanol plant comes from the impact of spending for operations. A 158 million litre ethanol plant will spend more than R400 million annually on goods and services ranging from maize or other grains to labour and utilities such as water, electricity, and coal. Virtually all of these purchases will be made from local suppliers and every Rand spent on annual operations will circulate several times throughout the entire local economy.

Annually, a 158 million litre ethanol plant will generate the following economic benefits to the community in which it is located:

- Expand the economic base of the local economy by R770 million
- Generate an additional R140 million of household income
- Support the creation of up to 694 permanent new jobs throughout the entire economy
- Generate additional revenue for local maize farmers by increasing demand, and the average local price of maize

### **Impact of a Rural Bioethanol Initiative on the Local Community:**

A bioethanol facility producing 158 million litres of bioethanol per annum, established in a rural area close to the source of maize, is expected to have the following positive impacts on the local community.

#### **Employment:**

Approximately 55 new jobs will be generated at the plant itself. Approximately 4,700 jobs will be generated or safeguarded in the growing of maize (1 person per 19Ha land area).

#### **Household income:**

Household income of R52 million per annum will be generated by the plant in the hands of its employees and the workers in the growing of maize.

This evaluation excludes the impact of spending by the plant on goods and services, which may spread beyond the local community.

If this evaluation is expanded to include all 8 plants, the total number of jobs created or secured is 38,000, and the annual household income generated in the local communities through the hands of the plant and farm employees is R416 million (ethanol Africa, 2007).

#### **Approach**

Sustainable supply of biofuels requires low cost, high yield and surplus agricultural production, production, most of which will not be food crops. Bio-fuels as an alternative energy source are aimed at countering the escalating fuel price. Furthermore interest in biofuels has been driven by support for and increasing acceptance of renewable energy sources, growing concerns for the environment including climate change.

### **Comparative advantages**

The conditions in Lejweleputswa are favourable for bio-fuel production. Bio-fuels products are being accommodated increasingly internationally by the oil industry in their fuel pools. Considering the five districts in the Free State, Lejweleputswa District has the highest percentage of soil highly suitable for dry land cultivation (23.6%). This percentage is considerable higher than the average of 9% in the Free State. This makes the district the most suited in the Free State for bio-fuel industry based on dry land maize production. These comparative advantages position Lejweleputswa as a preferred location for the establishing a national bio-fuel incubator which could include:

- Research and development centre in the form of a science laboratory
- A technical training institute that provide skills nationally for the bio-fuel industry
- A sustainable development agricultural product development industry targeting the export market

#### **Possible benefits**

The biofuels industry which is agri-based, low technology and job intensive and suits in particular the 2<sup>nd</sup> economy but can be provided to the 1<sup>st</sup> economy which is a major user of transport fuels and therefore links the 2<sup>nd</sup> economy with the 1<sup>st</sup> economy. Reduce fuel supply from coal and gas synfuels and local crude oil production.

The Upgrading of the Nampo Agricultural Center into a National Agricultural hub, biofuels and expo centre **(Bio Fuel Training, Tourism Center along the North West Province).**

## Challenges

The application of bio-fuels would be offset by increased supply of agricultural co-products, and agricultural efficiency gains, that are possible for energy crops, and for better-supported, dedicated farming.

## Free State's Tourism Jewel

The diversity of the Lejweleputswa district offers tourists tranquility

- The revival of the St Helena Wine Underground Cellar into a fully fledged Tourist Center
- Development of the Packaged Tourist Route stretching from Bothaville in Nala Municipality to Brandfort in Masilonyana Municipality.
- The Development of the Ventersburg Truck Stop into a N1 Tourism Information Center.
- Development of Sports, Cultural, and Business Tourism Products
- Promotion of Community based tourism projects (Arts and Crafts, Curios etc)
- Identify and Promote Key District Tourism Flagship Projects like (Phakisa Freeway, Winnie Mandela Museum Lodge, Virginia Jewellery School, Florisbad Archeological Site, Salt Pans, Battle field Sites (Brandfort)
- Development of the District Tourism Routes (Gold Route, Township, Arts and Cultural, Battlefield from Bothaville to Brandfort in cooperating and packaging Attractions and Amenities
- Development and Printing of tourism Brochures,CDs,Pull Up Screens
- Grading and signage of Tourism (Guest Houses,B\$B,Hotels,Restaurants
- Development of Phakisa Freeway into a World class Sport, Recreation and Entertainment area.
- Establishment of both Local and District Tourism Business Councils
- Development of the District Tourism Development and Promotion Strategy
- Training of Specialist Tourist Guide Mine Underground Tours



## CHAPTER 9: LEJWELEPUTSWA GDS WAY FORWARD

Much more needs to be done in relation to more background research, conceptualization and feasibility studies on in particular the catalyst projects identified, guided by the following critical focus areas:

### 1. CONTRACT FOR GROWTH AND DEVELOPMENT

#### 1.1 Form strategic partnerships

- Mining Houses
- Agro Businesses
- Organised Business (Chambers of Commerce)
- Organised Labour
- Community (NGO's, Religious Sectors)
- Government institutions
- Education and training institutions

#### 1.2 Define the form of partnerships

- Measures to comply with 6% economic growth targets
- Identify measures to achieve job creation targets
- Implementing diversification strategies

### 2. TURNING THE ECONOMIC TIDE

#### 2.1 Agro food and fibre complex

- Diversify the agricultural sector
- Measures to increase competitiveness
- Improved supply chain management
- Cost reduction
- Agro business development strategy

#### 2.2 Mining Sector Value Adding Production Facility

- 2.3 Diversify industrial and commercial sectors
- 2.4 Vibrant Local economic Development (LED) strategies
- 2.5 Tourism and leisure
- 2.6 Residential property development
- 2.7 Integration of second economy into first economy
- 2.8 Integrated enterprise development

### 3. REALISING HUMAN CAPITAL

- 3.1 Building social capital
- 3.2 Promotion of BBBEE
- 3.3 Repatriation of skills and expertise

### 4. SUSTAINABLE LIVELIHOODS

- 4.1 Improve livelihood of the poor
- 4.2 Improve quality of life of and economic opportunities for all
- 4.3 Precincts and nodes

### 5. GOVERNANCE TO IMPROVE GROWTH AND DEVELOPMENT

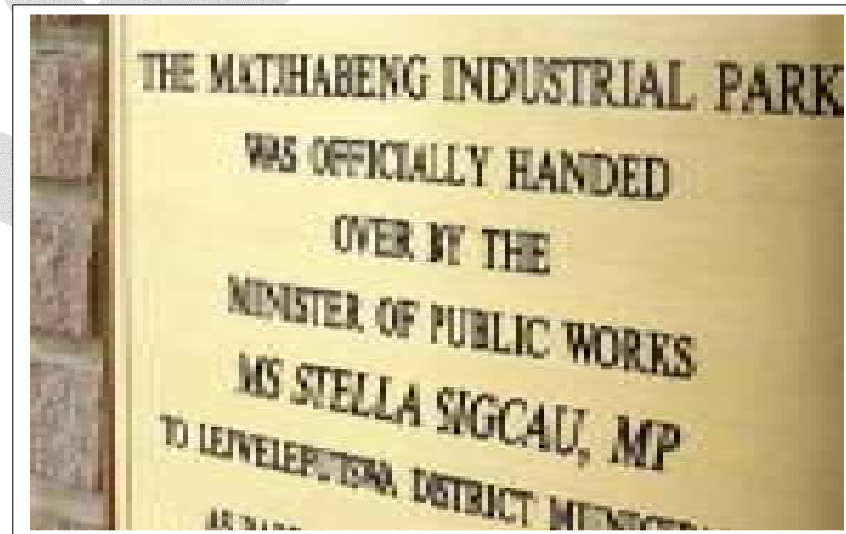
- 5.1 Adopt a caring government style
- 5.2 Good governance and management practices
- 5.3 Cooperative governance
- 5.4 Intergovernmental relations
- 5.5 E - governance

### 6. MAINSTREAMING GENDER AND SPECIAL GROUPINGS IN GROWTH AND DEVELOPMENT

- 6.1 Mainstream women, youth and special groups programmes
- 6.2 Empowerment programmes
- 6.3 Mitigate risk of HIV & AIDS on the economy

7. GREATER CONNECTIVITY

- 7.1 Roads and rail corridors
- 7.2 Logistical support to economic sectors
- 7.3 Integrated residential property
- 7.4 Access to government services



1. CONTRACT FOR GROWTH AND DEVELOPMENT

Area	Anticipated outcomes	Proposed outputs	Way forward (within the next 8 months)
1.1 Form strategic partnerships	Form strong alliances with key stakeholders amongst others: <ul style="list-style-type: none"> <li>o Mining Houses</li> </ul>	A Well integrated mining industry with upstream and downstream opportunities	Establish structures of engagements, which could be facilitated by the DME and would include organised labour and mining houses
		Establishing sustainable mining rights for small scale salt producers.	Facilitate the matter of sustainable mining permits for small scale salt producers involve government, small scale salt producers
	<ul style="list-style-type: none"> <li>o Agro Businesses (Achieve a competitive and sustainable agro food and fibre complex)</li> </ul>	Understanding the conditions that shape the environment in which firms compete and promote the creation of competitive advantage. These are: <ul style="list-style-type: none"> <li>• Factor conditions</li> <li>• Demand conditions</li> <li>• Related and supporting industries</li> <li>• Firm strategy, structure, and rivalry</li> <li>• Government attitude and policy</li> </ul>	Form a partnership with Agricultural Business Chamber (ABC), the South African Grain Information Services (SAGIS) and the Department of Agriculture both at national and provincial levels
	<ul style="list-style-type: none"> <li>o</li> </ul>	Innovative Biofuels project which is aimed at addressing <ul style="list-style-type: none"> <li>• unemployment,</li> <li>• offering alternative renewable sustainable energy sources and</li> <li>• broad based black economic empowerment</li> </ul>	Partnering with Ethanol Africa on biofuel enterprise development  <b>Responsibility:</b> Lejweleputswa District Municipality
1.2 Define the form of partnerships	Concentrate on the comparative and competitive advantages of the district to collaborate on the following: <ul style="list-style-type: none"> <li>o Measures to comply with 6% economic growth targets</li> <li>o Identify measures to achieve job creation targets</li> <li>o Implementing diversification strategies</li> </ul>	Conduct impact assessment of projects and programmes undertaken by various stakeholders and role players	All developmental role players such as business, mining houses, government , SMME's and private developers



## 2. TURNING THE ECONOMIC TIDE

2.1 Agro food and fibre complex	Diversify the agricultural sector	Agro business development strategy	
	Improved supply chain management as part of an agro business development strategy	Conduct an investigation into presence or absence of supplier industries and related industries that are internationally competitive.	
2.2 Mining Sector Value Adding Production		Development of the Salt Pans in Soutpan and Dealesville (Tokologo Municipality) into a Salt Development Corridor (Mining, Refinery and Packaging Center)	

## 4. SUSTAINABLE LIVELIHOODS

Area	Anticipated outcomes	Proposed outputs	Way forward (within the next 8 months)
4.2 Improve quality of life of and economic opportunities for all	Waste incineration for economic opportunities	Exploration of Methane Gas from landfill sites	
	Exploiting opportunities of land availability and cheaper prices on Residential Development along neighbouring Bothaville for N W high Income Earners, Brandfort for Bloemfontein market and Boshof for the Kimberly high income earners	Create upmarket housing settlements attracting affluent communities	
		The Development and Rehabilitation of mining Facilities that include Slime Dams Refuse Dams, Hostels, Shafts into Business and Residential Sites.	

## MAYORAL COMMITTEE MEMBERS



**cllr Elisa Lande**  
**LED & Planning**



**cllr Khotso Menyatso**  
**I.D.T.S**



**cllr Sello Tshabangu**  
**Community Services**



**cllr Senki Mabitle**  
**Social Development**



**cllr Archie Mbana**  
**Finance**



**cllr Dora Kotzee**  
**Special Programmes**



**cllr Mzwandile Hleko**  
**Corporate Services**

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