

The findings were presented to relevant stakeholders at ward level as part of the verification process. Physical assessment of roads, public transport and water was also done to ensure that identified strategic objectives are aligned with the current status quo.

3 KEY DEMOGRAPHICS AND ECONOMIC OVERVIEW

3.1 Key Demographics

Effective resource allocation requires that interventions on local economic development and service delivery issues such as energy, water, sanitation and health facilities be done in tandem of the growth patterns of the key demographics. Undoubtedly a growth in the population and households' base has implications on the job opportunities that will need to be created beforehand, access to bulk infrastructure, and other basic services.

Table 1: Population estimates (Number of people) in Mogale City and its surrounding areas

Area	2001	2007	2010	2001-2007 Change		2007-2010 Change	
				Total Increase	Per Year	Total Increase	Per Year
Mogale City	295,000	328,656	343,664	33,656	1.9%	15,008	1.5%
The DMA	5,781	2,917	N/A	(2,864)	-8.3%	N/A	N/A
Westonaria	113,306	111,273	118,874	(2,033)	-0.3%	7,601	2.3%
Merafong City	189,291	199,044	204,919	9,753	0.9%	5,875	1.0%
Randfontein	130,407	130,486	130,816	79	0.0%	330	0.1%
West Rand	733,785	772,376	798,273	38,591	0.9%	25,897	1.1%
Gauteng	9,440,446	10,612,976	11,192,029	1,172,530	2.1%	579,053	1.8%

Notes: The 2001 estimates are from Statistics South Africa
The 2007 and 2010 estimates are from Quantec (South Africa)
The estimates for West Rand are inclusive of Merafong City and the DMA
N/A is for details not available

Sources: Statistics South Africa, Quantec Research and NRM Consulting

The population of Mogale City was estimated at 343,664 in 2010. It is currently the most populated of all the municipalities in West Rand District. Between 2007 and 2010, MCLM has recorded above average growth of its population base.

Table 2: Number of households in Mogale City and its surrounding areas

Area	2001	2007	2010	2001-2007 Change		2007-2010 Change	
				Total Increase	Per Year	Total Increase	Per Year
Mogale City	89,475	93,183	92,965	3,708	0.7%	(218)	-0.1%
The DMA	2,015	1,430	N/A	(585)	-4.8%	N/A	N/A
Westonaria	33,018	30,215	27,911	(2,803)	-1.4%	(2,304)	-2.5%
Merafong City	52,624	59,082	59,799	6,458	2.0%	717	0.4%
Randfontein	40,080	40,518	39,966	438	0.2%	(552)	-0.5%
West Rand	217,212	224,428	220,641	7,216	0.6%	(3,787)	-0.6%
Gauteng	2,899,463	3,260,923	3,378,314	361,460	2.1%	117,391	1.2%

Notes: The 2001 estimates are from Statistics South Africa
The 2007 and 2010 estimates are from Quantec (South Africa)
The estimates for West Rand are inclusive of Merafong City and the DMA

Sources: Statistics South Africa, Quantec and NRM Consulting

The number of households in Mogale City dropped from 93,183 in 2007 to 92,965 in 2010, amounting to a total loss of 218 households. Close to 70% of the Mogale City's population as of end of 2007 were less than 40 years old.

Those above the 40 year-age group accounted to close to about 30% of the population base in 2007. Such level of analysis is vital in assessing how much of the limited financial resources to allocate towards programs / projects (For example primary and high schools, clinics, recreational facilities, social grants, old people's homes) benefiting the youth and the old. Despite the population for Mogale City experiencing growth averaging 10.3% between 2001 and 2007 (From 283,834 to 319,633), the 20 to 39 years age group (The critical labour force) is declining.

Average Household Incomes

When it comes to household income, the average annual real income of an individual working in Mogale City grew from R51,834 to R55,195 between 2001 and 2007, amounting to a 6.5% overall growth over the same period.

Table 3: Average annual real income for Mogale City and its surroundings, 2001-2007

Area	2001	2007	Change	Percent	Change / Year
Mogale City	51,834	55,195	3,361	6.5%	1.1%
Merafong City	36,149	45,336	9,187	25.4%	4.2%
Randfontein	41,895	50,994	9,099	21.7%	3.6%
Westonaria	32,951	38,674	5,723	17.4%	2.9%
The DMA	35,509	34,051	(1,458)	-4.1%	-0.7%
West Rand DM	42,195	50,800	8,604	20.4%	3.4%
Sedibeng	46,896	41,010	(5,886)	-12.6%	-2.1%
Ekurhuleni	82,527	96,011	13,484	16.3%	2.7%
Gauteng	93,999	104,339	10,340	11.0%	1.8%

Notes: The real incomes are at 2008 constant prices The 2007 Statistics is a Community Survey

Sources: Statistics South Africa and NRM Consulting

Despite recording the highest average annual incomes for both 2001 (R51,834) and 2007 (R55,195), in terms of the rate of growth of the average real incomes, Mogale City (1.1% per annum) is lagging behind other municipalities in West Rand (3.4%) and the Gauteng Province at large (1.8%). One might state that real incomes are almost static constant as there is not much consumption that can take place with an increase of 1%.

While Mogale City on average had the highest annual average real incomes in 2001, the analysis of the real incomes for the largely rural wards revealed the following. With the exception of Ward 30, all other rural wards in Mogale City lagged behind (As shown by the shortfall) the average real incomes for the area for 2001. The figure below shows that it is one thing for Mogale City to be doing well in overall and the other thing for the same wealth finding its way to the rural population.

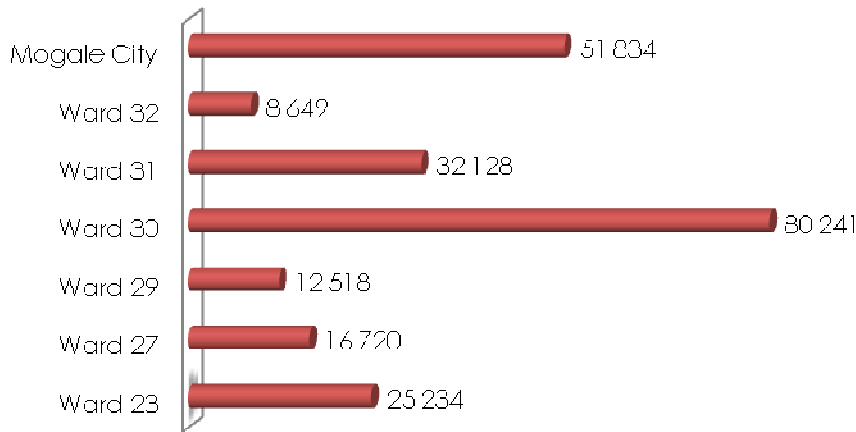


Figure 2: Average Real Incomes for Rural Wards in Mogale City

3.2 Economic overview

The economic overview for Gauteng, West Rand and Mogale City both in terms wealth creation and resident employment as at close of 2010 can be summarized as below. The key contributors towards Mogale City's total Gross Value Additions are Manufacturing (20.0%), General Government (18.7%), Trade (13.7%), Business Services (11.2%), Finance, and Insurance & Real Estate (10.5%).

ECONOMIC OVERVIEW, MOGALE CITY AND ITS SURROUNDINGS, 2010			
Criteria	Gauteng	West Rand	Mogale City
By Gross Value Addition (GVA)-† is GDP excluding subsidies and taxes	<ul style="list-style-type: none"> ○ Manufacturing (19.3%) ○ General Gvt (17.7%) ○ Finance, Insurance & Real Estate (14.2%) ○ Trade (13.0%) ○ Bus. Services (12.5%) 	<ul style="list-style-type: none"> ○ Manuf. (18.5%) ○ Gen. Gvt (18.1%) ○ Trade (12.1%) ○ Mining (11.1%) 	<ul style="list-style-type: none"> ○ Manuf. (20.0%) ○ General Gvt (18.7%) ○ Trade (13.7%) ○ Bus Services (11.2%)
By Resident Employment-Number of jobs in that sector	<ul style="list-style-type: none"> • Trade (19.9%) • Bus. Services (19.4%) • Manufacturing (13.6%) • General Gvt (13.6%) • Com. Services (13.6%) 	<ul style="list-style-type: none"> • Trade (18.5%) • Bus Services (15.9%) • Com. Services (14.1%) • General Gvt (12.9%) • Manuf. (12.7%) 	<ul style="list-style-type: none"> • Trade (19.9%) • Bus Services (19.1%) • Comm Services (14.0%) • Manuf. (13.4%) • General Gvt (13.1%)

Source: Quantec Research and NRM Consulting

Key Observations:

- ❖ Manufacturing and Trade are key drivers of Gauteng, West Rand & Mogale economies both in terms of GVA and resident employment. There is a need for manufacturing to also lead in creating jobs in Mogale City as shown by the GVA
- ❖ The weakest link is in Mining and Agriculture.
- ❖ Government driving employment and this is not sustainable in the long run and not ideal for economic growth

These five sectors account for nearly three quarters (74.1%) of Mogale City's total Gross Value Additions base Mining (2.3%) and agriculture (0.6%) have been one of the worse contributors and keep on dropping points.

In terms of resident employment, trade (19.9%), business services (19.1%), community services (14.0%), and general government (13.1%) are the key anchors of Mogale City's employment base.

Table 4: Resident Employment (formal and informal jobs), Mogale City, 2001-2010

INDUSTRY	2001	Share	2007	Share	2010	Share	2007-2010 Change	
							Total jobs	Jobs / Year
Agrifore	5,936	6.5%	3,853	3.4%	2,414	2.2%	(1,439)	(480)
Mining	2,254	2.5%	2,186	1.9%	1,253	1.1%	(933)	(311)
Manufacturing	14,506	15.8%	16,720	14.8%	15,050	13.4%	(1,670)	(557)
Utilities	321	0.4%	765	0.7%	955	0.9%	190	63
Construction	5,762	6.3%	7,880	7.0%	6,480	5.8%	(1,400)	(467)
Trade	15,691	17.1%	21,867	19.3%	22,284	19.9%	417	139
Catering & Accomodation	3,289	3.6%	3,359	3.0%	3,114	2.8%	(245)	(82)
Transport	2,709	3.0%	3,313	2.9%	3,689	3.3%	376	125
Communication	1,280	1.4%	1,433	1.3%	1,766	1.6%	333	111
FIRE	2,799	3.0%	3,301	2.9%	3,235	2.9%	(67)	(22)
Business Services	13,719	14.9%	19,722	17.4%	21,352	19.1%	1,630	543
Community Services	13,656	14.9%	16,259	14.3%	15,659	14.0%	(600)	(200)
General Government	9,920	10.8%	12,668	11.2%	14,680	13.1%	2,012	671
TOTALS	91,841	100.0%	113,328	100.0%	111,931	100.0%	(1,397)	(466)

Notes:

The statistics excludes private households

Agrifore is for Agriculture, hunting, forestry and fishing

Utilities is for electricity, gas and water supply

Retail is for wholesale and retail trade

FIRE & Services is for Financial, insurance, Real Estate

Transportation is for transport, storage and communication

Sources:

Statistics South Africa, Quantec Research and NRM Consulting

A total of 1,397 jobs were lost in Mogale City between 2007 and 2010. Job losses were severe in manufacturing (1,670), agriculture (1439), construction (1400) and mining (933).

4 ASSESSMENT OF KEY SERVICE DELIVERY ISSUES IN MOGALE CITY

The assessment of the status of service delivery and availability of necessary infrastructure is based on physical technical assessment on the ground, community views and data from Stats SA (2007 Community Survey).

4.1 Housing

Population explosion in Mogale City, compared to other areas within the West Rand District might be the cause for lagging behind in this service delivery area. Based on the rate of growth of the population and number of households in Mogale City between 2001 and 2007, the issue housing needs to be prioritized.

According to the community survey conducted by NRM in Mogale City Rural wards, the following was observed: